adjusted-service certificates; to the Committee on Ways and Means.

7140. Also, petition of American Legion Post No. 19, Somerville, Mass., submitted by William H. Prestley, adjutant of said post, urging immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7141. Also, petition of American Legion Post No. 110, Nashville, Ill., submitted by Wallace C. Maier, commander, and other officers of said post, indorsing immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7142. Also, petition of American Legion Post No. 4, Hillsboro, Tex., submitted by C. L. McDonald, service officer of said post, indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7143. Also, petition of American Legion Post No. 4, Iberia, La., submitted by Henry W. Gould, commander, and Eugene F. Mestrayer, adjutant, of said post, indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7144. Also, petition of American Legion Post No. 70, Covington, Ky., submitted by Charles B. Tabeling, commander of said post, indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7145. Also, petition of American Legion Post, No. 47, New Haven, Conn., submitted by Joseph S. Carusi, commander of said post, indorsing immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

7146. Also, petition of American Legion Post, No. 57, Chaska, Minn., indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7147. Also, petition of American Legion Post, No. 244, of California, submitted by A. Louis Belotti, commander of said post, urging immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

7148. Also, petition of Veterans of Foreign Wars, Post No. 1920, Graham, N. C., submitted by Vance S. Garrett, commander of said post, indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7149. Also, petition of American Legion Post, No. 72, submitted by Ben Perris, commander of said post, indorsing immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

7150. Also, petition of American Legion Post No. 202, Columbia, Mo., submitted by W. A. Sapp, adjutant of said post, indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7151. Also, petition of American Legion Post No. 136, Boston, Mass, submitted by F. J. MacQuaide, commander of said post, indorsing immediate payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7152. Also, petition of American Legion Post No. 190, Chester, Pa., submitted by Dixie D. Dryden, commander of said post, indorsing immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

7153. Also, petition of 17,042 citizens and veterans of Los Angeles, Calif., in cooperation with Veterans of Foreign Wars, Disabled American Veterans, individual posts of the American Legion, and Veterans' Bulletin Service Club of Los Angeles, urging immediate payment of balance due on adjusted-service certificates as provided in House bill 1, submitted by Arthur G. McQuary, field marshal commanding bonus army of the United States; to the Committee on Ways and Means.

7154. By Mr. ROBINSON: Petition signed by Orville S. Dean and other Veterans of Foreign Wars, Bechter-Boise Post, No. 2440, Independence, Iowa, protesting against the proposed reduction in the benefits of veterans; to the Committee on Ways and Means.

7155. By Mr. RUDD: Petition of employees of the Army Transport Service, opposing the abolishment of the Army Transport Service; to the Committee on Economy.

7156. Also, petition of Edward S. Matthias, chairman national committee on legislation, United Spanish War Veterans, opposing the needs clause and reductions in pensions of veterans while in hospitals; to the Committee on Economy.

7157. Also, petition of the Saranac Lake Chapter of Disabled American Veterans, protesting against reduction of appropriation for disabled veterans; to the Committee on Economy.

7158. Also, petition of Smyth Donegan Co., Brooklyn, N. Y., opposing any reduction of the Federal employees salaries; to the Committee on Economy.

7159. Also, petition of Cook Chemical Co., Brooklyn, N. Y., opposing any salary reduction of Federal employees; to the Committee on Economy.

7160. Also, petition of Madison Square Cooperative Store, New York City, opposing reduction of postal employees' salaries; to the Committee on Economy.

7161. By Mr. TAYLOR of Colorado: Petition signed by 215 citizens of Grand Junction, Colo., urging legislation for the relief of the silver situation; to the Committee on Coinage, Weights, and Measures.

7162. By Mr. THOMASON: Petition of citizens of El Paso, Tex., protesting against further appropriations at this time for able-bodied ex-service men; to the Committee on Ways and Means.

7163. By Mr. WEST: Petition of 245 residents of Licking County, protesting against the passage of House bills 8092 and 8759, or any other compulsory Sunday observance bill; to the Committee on the District of Columbia.

SENATE

THURSDAY, APRIL 28, 1932

(Legislative day of Monday, April 25, 1932)

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

THE JOURNAL

Mr. FESS. Mr. President, I ask unanimous consent for the approval of the Journal for the calendar days of Monday, April 25, Tuesday, April 26, and Wednesday, April 27.

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

CALL OF THE ROLL

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

The VICE PRESIDENT. Ninety-two Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the Speaker had

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affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 3095. An act for the relief of J. J. Bradshaw and Addie C. Bradshaw;

H. R. 231. An act to grant certain lands to the State of Colorado for the benefit of the Colorado School of Mines;

H. R. 1231. An act for the relief of Grina Bros.;

H. R. 1768. An act for the relief of Alvina Hollis;

H. R. 1770. An act for the relief of Senelma Wirkkula, also known as Selma Wirkkula; Alice Marie Wirkkula; and Bernice Elaine Wirkkula;

H. R. 3580. An act for the relief of Clara E. Wight;

H. R. 4724. An act to confer to certain persons who served in the Quartermaster Corps or under the jurisdiction of the Quartermaster General during the war with Spain, the Philippine insurrection, or the China relief expedition, the benefits of hospitalization and the privileges of the soldiers' homes;

H. R. 4752. An act for establishment of the Waterton-Glacier International Peace Park;

H. R. 5484. An act extending the provisions of the act entitled "An act to provide for the sale of desert lands in certain States and Territories," approved March 3, 1877 (19 Stat. 377), and acts amendatory thereof, to ceded lands of the Fort Hall Indian Reservation;

H. R. 5603. An act to authorize the conveyance by the United States to the State of Minnesota of lot 4, section 18, township 131 north, range 29 west, in the county of Morrison, Minn.;

H. R. 8084. An act for the protection of the northern Pacific halibut fishery;

H. R. 8914. An act to accept the grant by the State of Montana of concurrent police jurisdiction over the rights of way of the Blackfeet Highway and over the rights of Way of its connections with the Glacier National Park road system on the Blackfeet Indian Reservation, in the State of Montana;

H. R. 9598. An act to authorize expenditures for the enforcement of the contract-labor provisions of the immigration law;

H. R. 10495. An act amending an act of Congress approved February 28, 1919 (40 Stat. L. 1206), granting the city of San Diego certain lands in the Cleveland National Forest and the Capitan Grande Indian Reservation for dam and reservoir purposes for the conservation of water, and for other purposes, so as to include additional lands; and

H. J. Res. 375. Joint resolution to provide additional appropriations for contingent expenses of the House of Representatives for the fiscal year ending June 30, 1932.

PETITIONS AND MEMORIALS

Mr. NEELY presented a telegram in the nature of a petition from Blake Brothers Post, No. 46, American Legion, of Benwood, W. Va., signed by Joseph H. Schmid, adjutant, praying for the payment of adjusted-compensation certificates (bonus) of World War veterans, and the cancellation of interest on previous loans, which was referred to the Committee on Finance.

Mr. ASHURST presented a telegram signed by D. B. Wiley, of Phoenix, Ariz., stating "Farm Bureau directors request that you oppose any reduction of appropriation for rural mail service or any consolidation of rural routes that would impair the efficiency of rural mail deliveries," which was referred to the Committee on Appropriations.

He also presented a telegram in the nature of a memorial from Laura E. Curwell, social worker, etc., of Outwood, Ky., remonstrating against reductions in the compensation of Federal employees, and felicitating the senior Senator from Arizona [Mr. ASHURST] on his stand in opposition to pay cuts, which was referred to the Committee on Appropriations.

Mr. WALCOTT presented a telegram in the nature of a petition from officers of the Hartford Young Women's Christian Association, of Hartford, Conn., signed by Primrose Woolverton, general secretary, praying for the passage of the so-called Wagner bill, being 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 ordered to lie on the table.

He also presented a resolution adopted by the New England Division of the Master Photo Finishers of America, at Boston, Mass., favoring the early passage of the so-called Capper-Kelly fair trade bill, which was ordered to lie on the table.

He also presented a letter in the nature of a petition from Tomalonis-Hall Unit, No. 84, American Legion Auxiliary, of Simsbury, Conn., signed by Clementine R. Bourgeois, chairman of its legislation committee, praying for the passage of the bill (S. 51) authorizing the building up of the United States Navy to the strength permitted by the Washington and London naval treaties, which was ordered to lie on the table.

He also presented a telegram from Michael J. Comcowich Post, No. 597, Veterans of Foreign Wars, of Ansonia, Conn., favoring the establishment of a veterans' committee of the Senate and remonstrating against cuts in hospitalization funds for veterans and the alleged procedure in not hearing veterans' representatives, which was ordered to lie on the table.

He also presented a letter in the nature of a petition from Milardo Wilcox Post, No. 75, American Legion, of Middletown, Conn., praying for the passage of the bill (S. 51) to authorize the building up of the United States Navy to the strength permitted by the Washington and London naval treaties, and also for the making of adequate appropriations for the War Department, which was ordered to lie on the table.

He also presented resolutions adopted at a regular meeting of the Structural Building Trades Alliance of Stamford, Conn., favoring the passage of home loan bank legislation, which were referred to the Committee on Banking and Currency.

He also presented a resolution adopted by the Polish American Citizens' Club of Norwich, Conn., favoring the passage of legislation providing for proclaiming October 11 in each year General Pulaski's memorial day, which was referred to the Committee on the Judiciary.

He also presented papers in the nature of petitions from members of Wadsworth Chapter, of Middletown, and Anne Wood Elderkin Chapter, of Willimantic, both of the Daughters of the American Revolution, in the State of Connecticut, praying for the passage of the so-called Jeffers bill, being the bill (H. R. 8549) to make it a crime to advocate or promote the overthrow or destruction of the Government of the United States by force or violence, and also certain restrictive immigration measures, which were referred to the Committee on Immigration.

He also presented a memorial of the Exchange Club of Hartford, Conn., remonstrating against the payment of adjusted-compensation certificates (bonus) of World War veterans at the present time, and favoring the passage of legislation providing benefits for widows and orphans of veterans, which was referred to the Committee on Finance.

He also presented letters and telegrams in the nature of memorials from the Hartford, Waterbury, and Hardware City Chapters, Disabled American Veterans of the World War, in the State of Connecticut, remonstrating against the passage of legislation curtailing benefits allowed to disabled veterans, which were referred to the Committee on Finance.

He also presented memorials, and letters and telegrams in the nature of memorials from Branch No. 227, of Meriden, and Branch No. 394, of New London, both of the National Association of Letter Carriers; Branch No. 2530, United National Association of Post Office Clerks, of Milford; Postal Carriers Association, of Danielson, by Frank E. Young, secretary; Rural Letter Carriers' Association of Connecticut, of Waterbury, by A. W. Backhaus, president, and Charles E. Hodges, secretary; members of the National Association of Post Office Clerks, of Putnam, Herbert A. Johnson, president; National Federation of Post Office Clerks, of East Hartford, by Harry A. Norton, legislative chairman; postal

carriers and clerks of the Thompsonville post office; employees of the Danbury post office, members of the Post Office Clerks' Association, of Danbury, by Leo M. Newton, secretary; Danielson postal clerks, by Harold E. Greene, secretary; Branch No. 3, National Association of Postal Supervisors of New Haven, Pierce Maher, president; Lodge No. 30, International Association of Machinists, of Bridgeport, by J. P. Flint, recording secretary; Local Union No. 2039, United Brotherhood of Carpenters and Joiners, of Noank, by W. H. Wolverton, recording secretary; Division No. 281, Amalgamated Association of Street and Electric Railway Employees of America, of New Haven, by S. F. Curry, recording secretary, and of sundry citizens of Danbury; all in the State of Connecticut, remonstrating against reductions in the compensation of Federal employees, especially those in the Postal Service, which were referred to the Committee on Appropriations.

Mr. SHORTRIDGE presented an editorial from the San Francisco (Calif.) Chronicle of March 26, 1932, entitled "Splitting and Resplitting Hairs Only to Delay World Court Vote," which was referred to the Committee on Foreign Relations.

He also presented resolutions adopted by Jack Fisher Chapter, No. 23, Disabled American Veterans of the World War, at Santa Ana, and Sacramento Post, No. 61, American Legion, of Sacramento, in the State of California, favoring the maintenance of the national defense, and the increasing rather than decreasing of the obligation of citizens in the defense of the Nation, which were referred to the Committee on Appropriations.

He also presented numerous letters, in the nature of memorials, from sundry citizens and organizations in the State of California, remonstrating against the reduction of compensation of postal employees, which were referred to the Committee on Appropriations.

He also presented letters in the nature of memorials from Frank Corso, of Oakland, and several citizens of Venice, in the State of California, remonstrating against the adoption of provisions affecting the retirement status of disabled emergency officers of the World War contained in the bill (H. R. 11597) to effect economies in the National Government, which were referred to the Committee on Appropriations.

He also presented letters in the nature of memorials from the San Jose State Teachers' College, division of industrial education, by J. Aspinwall; Arthur W. Savage, of San Diego; the San Francisco public schools, by J. C. McGlade, deputy superintendent; the Humboldt Evening High School, by A. E. Roberts, supervisor of technical and vocational classes; the Santa Maria Union High School and Junior College, by A. A. Bowhay, jr., principal; the Salinas Union High School, by Melrowe Martin, district superintendent; the Millwork Institute of California, by H. E. Weyler, director; California Farm Bureau Federation, by Alex. Johnson, secretary; Julian A. McPhee, chief, bureau of agricultural education, department of education, of Sacramento; Santa Barbara Lodge, No. 613, Benevolent and Protective Order of Elks, by S. J. MacKinnon, secretary; Santa Barbara Local Union, No. 1062, by W. A. Callis, recording secretary; Sonoma County Building Trades Council, by G. W. Gwaltney, secretary, of Santa Rosa; Santa Rosa Builders' Exchange, by W. J. Lindsay, president; Benjamin E. Mallary, supervisor of trade and industrial teacher training classes, division of vocational education, University of California, of Berkeley; and sundry citizens, all in the State of California, remonstrating against the curtailment or elimination of the appropriation providing Federal aid to the States in vocational education, which were referred to the Committee on Appropriations.

He also presented a letter in the nature of a memorial from Venice of America Post, No. 177, American Legion, of Venice, Calif., remonstrating against the passage of legislation limiting the retirement privilege of disabled American officers to grounds of combat disabilities contracted before the armistice, which was referred to the Committee on Finance.

He also presented memorial and letters in the nature of memorials of sundry citizens and organizations, all in the State of California, remonstrating against the enactment of legislation providing for the cash payment of World War veterans' adjusted-compensation certificates (bonus), and favoring retrenchment in Federal expenditures, and also the imposition of a general sales tax, which were referred to the Committee on Finance.

He also presented petitions and letters in the nature of petitions, numerously signed, of sundry citizens and organizations, all in the State of California, praying for the passage of legislation providing for the prompt payment of adjusted-compensation certificates (bonus) of World War veterans, which were referred to the Committee on Finance.

He also presented resolutions adopted by the American Veterans' Association, of Los Angeles, Calif., favoring the immediate payment in cash at full face value of adjusted-compensation certificates (bonus) of World War veterans, which were referred to the Committee on Finance.

He also presented a resolution adopted by the City Council of Los Angeles, Calif., protesting against the proposed lowering of compensation and reduction of benefits to disabled World War veterans, which was referred to the Committee on Finance.

AMERICAN AUTOMOBILE ASSOCIATION AND THE SAFETY MOVEMENT

Mr. ODDIE. Mr. President, the observance of the two hundredth anniversary of the birth of George Washington has included many noteworthy features. Patriotic ceremonies and parades have been staged in every section of the country. But there is no phase of the whole program that deserves our sympathetic support more than that in which our boys and girls participate. Particularly is this true when safety on the streets and highways—the preservation of life and limb—is emphasized.

In the year 1931 there were 34,400 persons killed and 997,600 injured in 860,000 automobile accidents. Nearly half of the fatalities—42.2 per cent to be exact—were caused by automobiles striking pedestrians, while 53.1 per cent of the injuries were due to collisions between automobiles. Certainly this is an appalling waste of human life.

There is, however, one most encouraging factor. I refer to the steady decline in the number of fatalities and injuries involving children as compared to those in which adults figure. An analysis of motor deaths by age groups for 1931 discloses that of the total of 34,400, children between the ages of 5 and 14 accounted for 14.5 per cent, while the age group between 15 and 54 figured in 60.8 per cent of the fatalities. A study of the automobile injury list presents the same picture.

In seven years, while adult fatalities were more than doubling, those of children increased by less than 25 per cent. In 1922 children made up more than 29 per cent of all traffic casualties; in 1928 less than 20 per cent. Furthermore, statistics for 1929, 1930, and 1931 indicate a still more marked decrease.

This improvement is in large measure attributed to safety education in the schools and the effective and efficient operation of schoolboy patrols in safeguarding children on their way to and from school. The patrolmen are not traffic officers. They are instructed to keep their schoolmates on the sidewalks until traffic is clear and to urge that traffic signals be obeycd.

The American Automobile Association, through its 1,000 affiliated motor clubs, has played a leading rôle in this crusade for safety on the streets and highways. Under its active direction some 200,000 boys in 1,800 cities and towns have been equipped with the familiar white Sam Browne belts and glistening badges, and in some instances with yellow rain ponchos and caps. This safety activity has received the whole-hearted support and indorsement of the United States Bureau of Education and local school authorities. There is no doubt that it has resulted in the saving of countless lives and prevented thousands of children from being maimed for the rest of their days.

Next Saturday morning at 10 o'clock the 2,500 members of the American Automobile Association schoolboy patrols

in the District of Columbia will stage a safety parade. It has been officially approved by the District Bicentennial Commission, school, and traffic authorities.

With reference to this parade, the Washington Post says editorially:

Of the many parades that have moved down historic Pennsylvania Avenue, this will be unusual in many respects. It will be composed of boys in their early teens. The place usually reserved for heroes in all parades will go to 35 members who have been decorated for saving the life or limb of a schoolmate.

In calling this Bicentennial feature to the attention of the Senate, I do so for two reasons. First, that we may have a greater appreciation of what this safety patrol movement means to the boys and girls who daily attend school, and second, that by recognizing what has already been accomplished we may lend our encouragement to the further extension of this safety movement.

CANADIAN TRADE CONDITIONS

Mr. McKELLAR presented the following letter, which was ordered to be printed in the RECORD:

MONTREAL, *April 8, 1932.*

JAS. E. STARK & CO.,
Memphis, Tenn., United States of America.

DEAR SIR: The new Canadian tariff on United States imports, as well as the creation of the new British tariff, compel the American industries, facing competition, either to establish a branch here or give up importing in Canada and Great Britain.

Over 1,500 branches of American industries are already in operation here and many more are expected to follow the same course in the very near future.

Should you contemplate making a real study of Canada as a field of activity for your products or as a medium to export to the Whole British Empire or Europe, we are thoroughly capable of furnishing you with statistics such as the number of plants, if any, in Canada, engaged in the manufacturing of your products—the quantity produced and quantity imported—location suitable for your industry, plants facilities, railroad and power rates, supply of material, employment situation, so-called tax exemptions, etc.

In Canada, and especially in the Province of Quebec, the labor situation is splendid, with low wages and practically "no strikes" on account of rules of a special nature governing labor organizations.

We have a number of committees ready and willing to furnish plant facilities without rental for a long period of time, and to subscribe to the extent of $100,000 or more for shares of a reliable company desiring to establish in that community.

Some Canadian companies, for purposes of diversification, are anxious to manufacture American products under a license privilege, others would purchase the trade name, patent privileges, if any, and machinery of an American company intending to wind up its affairs, and transfer same to Canada, together with the management and necessary personnel.

We are thoroughly familiar with all these subjects and shall be glad to discuss same with you at our offices preferably, or elsewhere at your convenience, and this without any obligation whatsoever to us on your part.

A short trip to Montreal and a conference with us will certainly do no harm and, on the contrary, may perhaps result much to your benefit.

We would appreciate very much receiving one of your catalogues.

Anticipating an early reply and the pleasure of your personal acquaintance, I am,

Very truly yours,

A. M. SURPRENANT.

REVENUE AND TAXATION

Mr. LEWIS presented a letter from Ralph M. Shaw, of Chicago, Ill., in relation to the new revenue bill, which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

CHICAGO, *April 2, 1932.*

Re: The new revenue bill.

DEAR SENATOR: Whatever may be said by way of explanation or otherwise touching the motives which prompted, or the influences which obtained the passage of the revenue bill by the House of Representatives last week in the form in which it was passed, there is not the slightest doubt that all thinking men who understand the fundamental principles of political economy and the incidence of taxes are agreed that the passage of the bill has destroyed all remnants of a faintly awakened feeling of business confidence.

All thinking men with whom I have talked (and they are many) are united in thinking that if finally enacted, as it comes to the Senate, into law, it will increase poverty and unemployment, exploit capital, and postpone indefinitely any possibility of recurrent prosperity. In other words, its inexorable effect will be not to help, but to destroy.

Undesirable as the tax bill originally reported to the House by the Ways and Means Committee was, it was infinitely better than the bill which the House finally passed. Thinking men can not understand what happened, unless it be that those who inaugurated the movement are anxious to see things get worse rather than see them get better. Many are hoping, and I am one of them, that the Senate will substitute for the bill which it has received from the House the bill which was originally reported to the House by the Ways and Means Committee, adopt it, and then have the matter go to conference. There seems to be a far-reaching reaction, even upon the part of those who originally opposed the very limited sales tax and were successful in so opposing it, that the country would be far better off under the original bill reported by the House Ways and Means Committee than it will be under the mongrel bill which finally passed the House. After all, the sales tax is the fairest tax there is. Those that buy the most pay the most taxes, and those that buy the least pay the least taxes. The more limited the sales tax the poorer the tax bill is.

In this connection I beg to submit to you that in my judgment there is only one real efficient method of decreasing unemployment, and therefore accelerating business recovery, and that is by decreasing taxes instead of increasing them, and, of course, this can only be done (for the Budget must be balanced) by the deflation of the cost of government.

Rents have been and are being deflated. Commodity prices have been and are being deflated. Real estate has been and is being deflated. Securities have been and are being deflated. Wages have been and are being deflated, and will be deflated much more in the absence of some business recovery.

The only thing that has not been deflated is the cost of government, and this is steadily mounting.

The explanation which is given out as being the reason why department heads in Washington do not deflate the cost of their department is this: It is said that if a department head attempts to make a cut in department expense, he is afraid to do so, because he fears that any man who is doing any unnecessary work in an unnecessary department, if threatened with the loss of his job, will telephone to the Congressman or Senator through whose influence he became a barnacle on society, and that thereupon such Senator or Congressman will exercise his political influence to prevent the economy, and possibly cause trouble for the department head.

If this is true it is a great reflection upon the courage of the department head and upon the patriotism and integrity of Senators and Congressmen. But whether this be so or not, the fact still is that the tax bill, if passed in its present form, will exploit what little there is left of wealth in this country and will not improve in the slightest degree the unemployment situation and business depression.

I am calling these matters to your attention because it seems to me that the time has come when every citizen who thinks and every Senator who is inspired with any patriotic love of his country should unite in deflating the cost of government and, therefore, in diminishing the taxes with which an outraged public are already overburdened.

Generalizing will accomplish nothing. Deflation can only be accomplished by Senators, Congressmen, and department heads specializing and particularizing what bureaus can be wholly eliminated and what departments of bureaus can be wholly eliminated so that the public may know and appreciate just what should be done and just who is responsible for not doing it.

That there must be such elimination all sane men agree, because all sane men know:

(a) That the Budget must be balanced;

(b) That it can not be balanced without deflation of government; and

(c) That such procedure is essential to save the Nation.

Very truly yours,

RALPH M. SHAW.

Hon. JAMES HAMILTON LEWIS,
Senate Chamber, Washington, D. C.

TAX ON MUNICIPAL SECURITIES

Mr. LEWIS also presented a telegram from Hon. A. J. Cermak, mayor of Chicago, Ill., relative to the proposed tax on municipal securities, which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

CHICAGO, ILL., *April 19, 1932.*

Hon. JAMES HAMILTON LEWIS,
Senator from Illinois, Washington:

Federal tax on municipal securities will add to yearly burden of Chicago taxpayers the sum of five and one-half to six millions because of greatly increased interest rates required on securities to be issued mostly for operating purposes, and will also cause a loss to investors holding securities of various Chicago governmental bodies amounting to about $45,000,000 because of large reduction in market value of these securities below present very low market value. Such tax will practically make it impossible in future for municipalities of country to finance except at exorbitant rates. Principal reason for market for municipal securities under normal conditions in comparison with industrial or other forms of securities rests on tax-exempt feature. Why not follow Chicago example and reduce cost of Federal Government?

A. J. CERMAK, *Mayor.*

BANKING LEGISLATION

Mr. LEWIS also presented a telegram from M. A. Graettinger, executive vice president of the Illinois Bankers' Association, Chicago, Ill., relative to the Glass banking bill, which

was ordered to lie on the table and to be printed in the RECORD, as follows:

CHICAGO, ILL., *April 15, 1932.*

Hon. JAMES HAMILTON LEWIS,
Member United States Senate:

Illinois bankers protest strenuously against proposal reported to be recommended for inclusion in Glass banking bill, S. 4115, permitting national banks to have branches in States regardless of State prohibiting same privilege to State banks. This is a most unfair proposal and is contrary to oft-repeated policy of Illinois Bankers' Association and American Bankers' Association. We respectfully urge that no branch-banking privileges be extended to national banks except in such States which permit like privileges to their State banks. We solicit your support to this principle. State autonomy should not be violated.

M. A. GRAETTINGER,
Executive Vice President Illinois Bankers' Association.

REPORTS OF COMMITTEES

Mr. LA FOLLETTE, from the Committee on Indian Affairs, to which were referred the following bill and joint resolution, reported them each without amendment and submitted reports thereon:

H. R. 8637. An act to authorize the sale, on competitive bids, of unallotted lands on the Lac du Flambeau Indian Reservation, in Wisconsin, not needed for allotment, tribal, or administrative purposes (Rept. No. 606); and

S. J. Res. 125. Joint resolution authorizing the attorney general of Wisconsin to examine Government records in relation to claims of Wisconsin Indians (Rept. No. 607).

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 615. An act for the relief of C. B. Bellows (Rept. No. 608);

H. R. 1554. An act for the relief of G. Carroll Ross (Rept. No. 609);

H. R. 2704. An act for the relief of Charles Lamkin (Rept. No. 610); and

H. R. 3691. An act for the relief of J. P. Moynihan (Rept. No. 611).

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (H. R. 4270) for the relief of Carroll K. Moran, reported it without amendment and submitted a report (No. 612) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (H. R. 4453) for the relief of Pasquale Mirabelli, reported it without amendment and submitted a report (No. 613) thereon.

Mr. HOWELL, from the Committee on Claims, to which was referred the bill (S. 1673) for the relief of Charles C. Bennett, reported it with amendments and submitted a report (No. 616) thereon.

Mr. JOHNSON, from the Committee on Commerce, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 4443. An act for emergency relief of Palo Verde Valley, Calif. (Rept. No. 614); and

S. 4491. An act amending the shipping act, 1916, as amended, for the purpose of further regulating common carriers by water in interstate commerce of the United States engaged in transportation by way of the Panama Canal (Rept. No. 615).

Mr. CAREY, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 4495) amending section 1 of the act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916 (ch. 9, par. 1, 39 Stat. 862), and as amended February 28, 1931 (ch. 328, 46 Stat. 1454), reported it without amendment and submitted a report (No. 617) thereon.

MISSOURI RIVER BRIDGE

Mr. VANDENBERG. From the Committee on Commerce I report back favorably without amendment the bill (S. 2967) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Mo., and I submit a report (No. 618) thereon. This is a bridge bill, and it ought to have immediate consideration because the time limit is close at hand and there is necessity for the extension. I ask for the present consideration of the bill.

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of the bridge across the Missouri River at or near Randolph, Mo., authorized to be built by the Kansas City Southern Railway Co., its successors and assigns, by the act of Congress approved May 24, 1928, heretofore extended by acts of Congress approved March 1, 1929, May 14, 1930, and February 6, 1931, are hereby further extended one and three years, respectively, from May 24, 1932.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

EXECUTIVE REPORTS OF THE POST OFFICE COMMITTEE

As in executive session,

Mr. ODDIE, from the Committee on Post Offices and Post Roads, reported favorably sundry nominations of postmasters, which were placed on the Executive Calendar.

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. McNARY:

A bill (S. 4512) authorizing a preliminary examination and survey of the McKenzie River, in the State of Oregon, with a view to the controlling of floods; to the Committee on Commerce.

By Mr. MORRISON:

A bill (S. 4513) for the relief of Walter Thomas Foreman; to the Committee on Claims.

By Mr. GOLDSBOROUGH:

A bill (S. 4514) for the relief of Alice E. Broas;

A bill (S. 4515) for the relief of Virginia Houghton; and

A bill (S. 4516) for the relief of Mary V. Spear; to the Committee on Claims.

By Mr. SHORTRIDGE:

A bill (S. 4517) for the relief of Henry William Doerges; and

A bill (S. 4518) for the relief of Henry W. Nicoson; to the Committee on Military Affairs.

By Mr. BULKLEY:

A bill (S. 4519) granting an increase of pension to Alice V. Keeler (with accompanying papers); and

A bill (S. 4520) granting an increase of pension to Amelia Shultz; to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 4521) for the relief of Perry Randolph; to the Committee on Military Affairs.

By Mr. McKELLAR:

A bill (S. 4522) to authorize the conveyance to the State of Tennessee of certain land deeded to the United States for the Great Smoky Mountains National Park and not needed therefor (with an accompanying paper); to the Committee on Public Lands and Surveys.

By Mr. GLASS:

A bill (S. 4523) to provide for the construction of a suitable approach to the Arlington Memorial Bridge connecting Lee Boulevard (Route No. 711 of Virginia) with the memorial bridge; to the Committee on Public Buildings and Grounds.

By Mr. HOWELL:

A bill (S. 4524) to regulate the sale of wheat owned or controlled through the Grain Stabilization Corporation by the Federal Farm Board, and for other purposes; to the Committee on Agriculture and Forestry.

A bill (S. 4525) providing for the transfer of the duties authorized and authority conferred by law upon the Board of Road Commissioners in the Territory of Alaska to the Department of the Interior, and for other purposes; to the Committee on Commerce.

By Mr. GLENN:

A bill (S. 4526) granting jurisdiction to the Court of Claims to hear the case of David A. Wright; to the Committee on Claims.

By Mr. CONNALLY:

A bill (S. 4527) to extend the time for the construction of a bridge across the Rio Grande at or near Rio Grande City, Tex.; to the Committee on Commerce.

By Mr. FESS:

A joint resolution (S. J. Res. 150) providing for a joint congressional committee to study and review the administration of the Perry's Victory Memorial at Put in Bay, South Bass Island, Lake Erie, Ohio; to the Committee on the Library.

COMMITTEE SERVICE

On request of Mr. ROBINSON of Arkansas and by unanimous consent, it was

Ordered, That the junior Senator from Louisiana [Mr. LONG] be assigned to service upon the Committee on Commerce; that the senior Senator from Arkansas [Mr. ROBINSON] be excused from further service upon the Committee on Naval Affairs, and that he be assigned to service upon the Committee on Territories and Insular Affairs; and that the junior Senator from Georgia [Mr. COHEN] be assigned to service on the following committees: Appropriations, Immigration, and Naval Affairs.

PRESIDENT HOOVER'S ADDRESS AT GOVERNORS' CONFERENCE

Mr. DICKINSON. Mr. President, I ask unanimous consent to insert in the RECORD the text of the President's address at the governors' conference in Richmond, Va., yesterday.

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

The address is as follows:

I am glad to accept your invitation to meet with the chief executives of the States. We are alike facing great emergency problems of government. We are confronted with maintaining the financial integrity of the Government—State, Federal, county, and municipal. We, all of us, are struggling to reduce the cost of government. We are struggling to avoid National, State, and municipal borrowings. Our tax revenues have all greatly diminished. We must find new tax revenues to supplant those sources which have been dried up by the depression, so far as our deficits can not be made up by drastic reductions in expenditures. We must resolutely balance our budgets.

The economic safety of the Republic depends upon the joint financial stability of all our governments. That stability of the Nation is to be attained not alone by the financial stability of the Federal Government. It lies equally in the financial integrity of every State, county, and municipal government. As executives we are charged under our constitutions with the duty to recommend methods and measures to our legislatures to these ends. I know of no more difficult task. Yet the foundations of recovery of business, of employment, and of agriculture depend upon the success of our efforts and the efforts of our legislators.

You are meeting here to consider many phases of these questions. It is to urge the national aspect of our continued State and local financial problems as well as our Federal issues and to discuss some measures of cooperation that I have accepted your invitation to address you to-day.

A few figures will assist us in considering the cost of Government and the extent to which it has increased in the last 20 years, although all such figures are but approximations and have many different bases of calculation. For purposes of illustration I have taken the year 1913 as the last year to reflect pre-war conditions, the year 1924 as far enough removed from the actual war years to fairly indicate the trend, and 1930 as the last year for which figures are available.

Expenditures, including debt retirement from surplus, were approximately as follows:

	1913	1924	1930
Federal	$700,000,000	$4,100,000,000	$4,200,000,000
State	400,000,000	1,400,000,000	2,300,000,000
Local	1,800,000,000	5,400,000,000	7,500,000,000
Total	2,900,000,000	10,900,000,000	13,200,000,000

Our outstanding debt was approximately:

	1913	1924	1930
Federal	$1,000,000,000	$21,300,000,000	$16,200,000,000
State	300,000,000	1,100,000,000	1,800,000,000
Local	3,500,000,000	8,000,000,000	12,600,000,000
Total	4,800,000,000	30,400,000,000	30,600,000,000

The causes which have led to this extraordinary increase in expenditures and debts are familiar. They include the burden on the Federal Government imposed by the war. This accounts for nearly $2,000,000,000 of annual expenditures and for most of the increase in the debt. You will observe that outside of the war influence our greatest increase in costs of government lie in local and municipal agencies.

In all our Governments, however—Federal, State, and local—enlargement of expenditure and of debts has been caused in part by the increase in population; the rise in commodity prices and wages; by the improvement and new building of roads, streets, waterways, and airways, imposed on us through the development of the internal-combustion engine; and by the growing sense of social obligation to improve education and to enlarge activities in behalf of welfare and relief. In addition, I regret to say, increase of Government expenditure and of debt has been caused by sectional and group demands and by a large expansion of national, State, and local ventures into business—most of which we perform in a most costly manner. Just as the methods and practices in private business and living have had to be overhauled in this emergency, so also must we overhaul the methods and practices of government.

To-day we are clearly absorbing too great a portion of the national income for the conduct of our various branches of government. Using the most reliable figures available, it appears that before the war the total cost of our National, State, and local governments represented only about 8 per cent of our national income. In boom times, when we might hope that the national income would increase more rapidly than the cost of government, nevertheless the cost of government actually increased to such an extent that it represented approximately 15 per cent of the national income, of which less than 3 per cent was directly due to the war. To-day, with the falling off of business, the aggregate expenditures of National, State, and local governments probably represent more than 20 per cent of the national income.

Before the war theoretically every man worked 25 days a year for the National, State, and local governments combined. In 1924 he worked 46 days a year. To-day he works for the support of all forms of government 61 days out of a year. Continued progress on this road is the way to national impoverishment.

Some of the expenditures in government can be reduced by postponement of less-urgent matters; some by permanent elimination or curtailment of functions and activities which have been created over the last 50 years in response to the desire for expanded service by the community. These expanded services are somewhat obsolete but many of them meritorious. But every executive is confronted by the fact that they are established by law and can only be reduced by authority of new legislation.

There has been also the growth of useless duplication and waste. Many of you have already pointed out and are to-day struggling to reduce the multiplicity of local governments. Many of these administrative units have been rendered obsolete by improved communications and transportation. In the Federal Government we have likewise a large number of functions which should be grouped and consolidated.

In an emergency these weaknesses become more apparent, and public attention to government and taxes offers opportunity for their revision. We can not restore economic stability in the Nation by continuing to siphon so large a part of private effort into the coffers of the Government; its abstraction from the people stifles the productivity, the consumption, and the recovery of employment. Nor can we hide our heads in the sand by borrowing to cover current Government expenses, for thus we drain the capital of the country into public securities and draft it away from industry and commerce. Thus a dominant national necessity is to reduce the expenditures of all our governments. This is not only the need, it is the universal demand.

I know that every dollar of decrease in expense, every plan of consolidation in governmental activities, touches some sensitive spot where it causes pain and resentment. While the people as a whole demand and applaud these endeavors toward economy, in the large the complaints and threats of sections and groups greatly impede the concrete efforts of all executives and legislators. As a result, one of the difficulties that all executives face is the tendency to secure reduction of expenditures at the cost of those services necessary to protection of life, property, defense, and other vital functions rather than to reduce those items which excite the political interest of special groups.

Another of our difficulties is to arrange our reductions of expenditure so as not to work undue hardship upon a vast group of public employees; and to be careful that while we strive on one hand to assist the unemployed by public works, we do not add to the pool of unemployed through dismissal of large numbers of equally deserving public servants.

I am in hopes that in the Federal Government we can compass the need of reduced expenditure and at the same time, by introduction of shorter working time for each employee, can give all of them a living, can maintain to them the assurance of recovery of the standards of American life, and can avoid the inhumanity of thrusting them upon the local communities for support against destitution.

The other side of our problem is taxation. It confronts all of us in four phases. First, the need for ultimate reduction in the tax burden. Second, the need, in the existing emergency, for new forms of taxation to replace those sources of revenue which have failed us under present conditions in so far as we can not possibly offset the whole loss of public income by reduced expenditures. Third, the great problem of duplication in the tax field between Federal, State, and local governments. Fourth, reorganization of the tax basis so as to secure a more just distribution of the tax burden as between the various groups of taxpayers.

Our problem in tax reduction would be a simple equivalent of our savings in expenditures if it were not for the drastic decline in tax receipts—Federal, State, and municipal. This decrease has been of serious dimensions because tax sources, particularly for the Federal Government, and to a lesser extent State and municipal governments, are dependent upon business activity, upon profits and income. The revenues of the Federal Government have diminished over 50 per cent, and this mainly in one group—the income taxes. And in result the contract obligations alone of the Federal Government exceed our tax income.

As a result of the decreased income of all our Governments—National, State, and municipal—are frantically searching for new sources of taxation. In this process we are too often duplicating taxes upon the same sources. No matter how we disguise it with names such as "excise," "luxury," or "sales," the result is the same, the National, State, and municipal governments are competing with each other for revenue from business activities. We are all seeking further revenue from business activities.

While the National Government imposes no direct taxes on real property, the State and local governments are all pressing upon each other in taxing it. This same real estate indirectly bears in part the taxation which the Federal Government lays on profit and income. It all reflects in the rent.

All these cross purposes contribute to economic duress. The many provisions of multiple taxation may vary so much that a taxpayer coming under several jurisdictions may find himself paying an unreasonable amount for the support of government. The tax levies of the various taxing authorities all constitute a burden on the national income, and, in times of depression, when the relative weight of that burden is increased, lack of coordination in the system becomes a matter of prime importance.

One of the taxes which is responsible for a disproportionate part of the hardship of our present tax system is the general property tax. While the National Government imposes no such tax, the State and local governments rely heavily on it for revenue. The taxes upon real property are the easiest to enforce, and are the least flexible of all taxes. The tendency under pressure of need to continue these taxes unchanged in times of depression, despite the decrease in the owner's income, places undue drag upon that segment of the community in which real estate is the chief property item. Decreasing prices and decreasing income result in an increasing burden upon property owners both in rural and urban communities, which is now becoming almost unbearable. The tax burden upon real estate is wholly out of proportion to that upon other forms of property and income. There is no farm relief more needed to-day than tax relief, for I believe it can be demonstrated that the tax burden upon the farmer to-day exceeds the burden upon other groups.

With view to making a suggestion that may be timely to this subject—that is, the conflict between methods of taxation in different segments of government and consideration of the whole question of distribution of the burden of taxation—it seems to me urgent that we should, all of us, through our financial officers give renewed examination to this subject in the light of conditions to-day and by exchanges between them reconsider the possibilities of the whole problem of better coordination, greater simplicity, and, above all, better adjustment of the burdens among our people.

Gentlemen, the purpose of my address is to express a desire for greater cooperation and coordination of our mutual problems. Just as you are meeting here to-day to develop helpful action out of common experience, I take the liberty of suggesting to you that similar conferences and examination of problems by the executives of your local governments in each State would be productive of useful results. It would help toward a realization that local expenditures and taxes are a part of a great national problem in stability as well as one of local concern. It would contribute to their resolution to bring about constructive economy and cooperation.

We, as executives, all agree upon the absolute necessity in the interest of the Nation as a whole of reduced expenditures, of better distributed taxation, of balanced budgets. Our town councils, our county commissions, our State legislatures, and the Congress agree upon these fundamentals. That is the sure highway toward national recovery. But to accomplish these things we must have the intelligent support of the people themselves, that selfish vested interest and vested habit do not, by their organized sectional and group oppositions or individual action, defeat these high purposes.

Especially do I take this occasion to pay tribute to the courage shown by our public officials, both executive and legislative, in these problems. Their task is no light responsibility. This duty offers no rosy path to popularity. Rather, it is one to invite the anger of established interests. With the utmost care that can be exercised by the executive officers and the legislators throughout the Nation, and with the utmost good will, it is bound to cause individual hardship and to grieve the friends of many worthy causes.

Nevertheless, the duty is inexorable, and its discharge rests inescapably upon all public officers. The final results will redound to the general public benefit.

Therefore, I say to the public: Be patient, be helpful, recognize the complexity and the difficulty of the problem before these servants of your combined public interest. Support them in their task, for upon its successful conclusion depends a most momentous contribution to our united security, our hope of an early return to stability, and the common welfare of every man, woman, and child in our Nation.

GOVERNMENT REORGANIZATION—SPEECH OF SENATOR VANDENBERG

Mr. DICKINSON. Mr. President, I ask permission to have inserted in the RECORD a speech delivered by the junior Senator from Michigan [Mr. VANDENBERG] in the National Radio Forum on the subject of "Government Reorganization," April 11, 1932.

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

The address is as follows:

The costs of Federal, State, and local Government must come down. There is no alternative. Public and private solvency require it. Boom income ended some time ago. Boom outgo must submit to comparable deflation. The taxpayer is at the end of both his patience and his purse. Not even perplexing prohibition excites as much universal conversation to-day as does governmental economy. A mere shifting of taxes from one target to another is not enough, although equity demands some shifts. But the need of the hour is to lay the ax at the root of the tree of public expenditures. To prune the foliage is not enough. The American people demand major operations. They have a right to this relief. Government itself will otherwise go bankrupt. The challenge can not be ignored.

All government in the United States, meaning Federal, State, and local, cost $14,000,000,000 in 1930, or $45,000,000 every week day of the year. To pay this bill took the equivalent cash value of the entire annual production of all our motor factories, all our iron and steel furnaces, all our rolling mills, all our slaughterhouse and meat packing, all our men's and women's clothing industry. The drain is devastating. It can not go on. We must retrench and convalesce.

The Federal contribution to this burden is, roughly, 30 per cent of it—perhaps $13,000,000 or $14,000,000 every week day that rolls by. But the Federal income is now less than half this amount. What shall we do about it? Elementary common sense thunders at us with its monitory answer: Cut your garment to your cloth! Live within your means! Get down to earth! Economize!

Of course, the Federal Budget must be balanced in order to save the public credit. This is our sheet anchor in the storm. Only a crazy man would cut the chain. Unfortunately, so much of the Budget is in fixed charges, like approximately a billion on debt account and another billion in veterans' allowances, that the economy range is sharply circumscribed. As a result, no matter how brave the assault upon the balance of Federal expenditures may be, temporary additional Federal levies are unavoidable. Nobody wants to pay them. But the American people will pay them with typical loyalty and sportsmanship if they know, first, that the last possible economy has been invoked to reduce these temporary tax necessities to the utmost limit and to hasten their subsequent elimination. It is the unescapable responsibility of the Federal Government to put maximum effort into these economies. The people are not of a temper to compromise with failure, however well excused upon this score.

How, then, may it be done? That immediately becomes the practical question.

There are many different contributing answers.

Of course, the first answer is to draw a dead line against all new appropriations for new purposes. This means rigid resistance to the well-meaning demands of well-meaning groups of citizens all over the land. It is a strange paradox that even at this very moment, when the economy cry is in full throat, there still are innumerable petitioners for new and heavy drains upon the Federal Treasury. I personally have been besought to support a total of more than $11,000,000,000 in new appropriations of one kind and another during the last 90 days. An organized minority, responsive to an aggressive manager, can make an exceedingly loud and impressive noise in connection with one of these putative Treasury tappings. Most of these swollen public expenditures originated in the campaignings of just such organized minorities. We probably are the most overorganized land on earth. This is one of the reasons, ultimately, for the high cost of government. The people must change their attitude in this regard. They must exercise as much continence as they demand of Congress. They can not keep their cake and eat it. Economy requires cooperation. Constituents must do their part.

I have said that the first answer to our question is to draw an arbitrary dead line against new appropriations. The second obvious answer is to extend the dead line against any increases in old appropriations and to cut them back to the last livable limit. The President's Budget last December, according to his own figures, wrought a reduction of $369,000,000 over the previous year. In passing upon the first three appropriation bills the House in turn cut a total of $115,000,000 under the Budget, although a substantial portion of this sum is calculated to return after election as a deficiency item. Then the Senate, after helplessly trying to particularize in additional economies, shut its eyes and ordered a final 10 per cent reduction in these totals—an operation in which I participated and which I heartily applaud. If the country thinks that serious efforts are not being made—and successfully—in these directions, the country is mistaken. The executive departments in Washington have good reason to know otherwise.

But there is still a third answer to our question—the most practical and important answer of all—namely, the complete elimination of useless or outworn public services, the reorganization of other services to eliminate duplication, overlapping, and waste, and the economical concentration of all related public services in one management and one overhead. It is upon this particular phase of the problem that I have been asked to speak. I do so with great earnestness, because it is a phase which I have been particularly urging upon the Senate during the past month. What is infinitely more important, it is a phase to which the President has been addressing repeated and insistent messages.

The structure of the Federal Government includes 10 executive departments, 40 independent establishments, 200 bureaus, boards, and commissions, and 550,000 employees. They have grown up "like Topsy." No one in particular is to blame. It is the haphazard product of a haphazard era in American life. Once upon a time the late Senator Aldrich said in another and less-expensive day that even then he could save $300,000,000 a year through "business management" of the Federal Government. Since then we have had our recent decade of opulence when money was no object, when our fat fortunes were matched by an equivalent generosity in the expansion of infinite social and public service, when we trended in the direction of vast grants of aid and interest for industry and agriculture, when we drifted into the emphasized habit of Federal bounties to the States, when, in a word, Uncle Sam became a sublimated Santa Claus with a pouch full of currency for anybody who might write him a letter.

Each new Federal activity required some kind of a new bureau to administer it. Then each new bureau immediately aspired to justify its own expansion by conjuring some new Federal activity. The endless chain. The vicious circle. Bureaucracy on the loose! Frankenstein! The motives were superb. But the net result is administrative and economic chaos.

Just a few out of innumerable examples. Public-works construction is handled by 14 bureaus or agencies in 9 different departments! Conservation of natural resources is handled in eight bureaus or agencies in five different departments! Direct aids to education are handled in six different bureaus or agencies in three different departments! Public health is handled in four different bureaus or agencies in two different departments! The purchase of $250,000,000 of supplies annually is handled independently by all bureaus and all agencies in all departments, and the same commodity is bought at widely differing prices by these uncoordinated purchasers in behalf of the same government! Probably the most classic example of this magnificent confusion is the plight of the perplexed mariner in his dealings with his Government.

He borrows from the Treasury through the Shipping Board to build his vessel. He gets a subvention from the Post Office to help run it. He gets his domestic charts from the Department of Commerce, his foreign charts from the Navy Department, and his Nautical Almanac from the Naval Observatory. He will in some instances get sailing directions from the Army. In a fog he will get radio signals from both the Navy Department and the Commerce Department. He will listen to foghorns and look for lights and buoys provided by Commerce. If he sinks, his life is saved by the Treasury Department. He will anchor at the direction of the Army, who rely upon the Treasury to enforce their will. His boilers and lifeboats are inspected by one bureau in Commerce. His crew is certified by another. This crew is signed on by Commerce, inspected at sailing by the Treasury, inspected on arrival by the Department of Labor. Of such is the kingdom of Federal bureaucracy!

This is not an isolated exhibit. It is simply the lengthened shadow of paternalism. Democracy and paternalism are at war with each other in the United States to-day. The winner remains to be identified, because—I beg of you to remember—there are powerful and earnest groups of citizens continuing to clamor for more rather than less bureaucracy and cash transfusion.

But the need of the moment, dictated by sense and necessity, is bone-deep retrenchment and impartial, unpartisan, courageous reorganization. There are three possible methods of procedure. The chief hazard at the moment is a discursive and diverting row over the choice of a method as between these three—a quarrel which, unfortunately, can not be kept wholly free of 1932 political-campaign agilities. But I hasten to add that all parties and all departments persistently demonstrate a common and devoted anxiety to do this job in respect to shortened expenditures.

One of these three methods of retrenchment through reorganization is the legislative method, dependent upon legislative initiative and impulse. This is the most doubtful method, because in the midst of a confusion of clashing bureaucratic interests which know exactly what they want it is dubious business to wait for a meeting of 531 legislative minds in House and Senate. We have one shining example of this futility. In 1924, after four years' earnest labor, a joint congressional committee submitted a comprehensive reorganization plan, far more searching in scope than any duplicated effort could hope to be to-day, and it died aborning. We approach the eighth anniversary of its obsequies. On the other hand, Congress proved that the miracle is not impossible, when, for example, it ordered the concentration of all veterans' affairs in one department two years ago, whereupon this concentrated department, although simultaneously loaded down with 50,000 new types of Spanish War claims, 715,000 new types of World War disability claims, and 2,268,000 new bonus loans, proceeded actually to reduce its joint cost of operation by nearly $12,000,000 per annum. In other words, the thing can be done by congressional initiative, as a House Economy Committee has been struggling to do it for several weeks, but it is the least reliable and the most ponderous formula.

The second method of procedure is by Executive order of the President. This is the "direct action" method. It is the method recommended by the analogy of private business where the executive ordinarily "hires" and "fires" and pursues efficiency and economy by summary mandate. The President repeatedly has asked Congress to give him this authority, subject only to consequent congressional veto. At present he has in the main only the power to recommend. But Congress has declined to untie his hands. The question of the delegation of legislative powers arises. Then, too, there is a constant demand for a bill of particulars as a condition precedent. Then there is the familiar and typically illogical political anathema which condemns the President for not acting on his own while also declining to grant him the power to act on his own. Three times in the Senate, between March 11 and March 17, I sought to provide this power through amendments to appropriation bills. The first amendment was defeated, 32 to 34; the second, 26 to 37; the third, 28 to 35. But a resolution submitted by Senator GEORGE and approved by the Finance Committee to accomplish this result is now on the Senate Calendar, and the so-called steering committee promises it an early right of way.

The third method of procedure is a combination of the other two. The President recommended it in a special message on April 4, namely, corrective action initiated by a mixed group representative of Senate, House, and Executive. This method lacks some of the infirmities of the first method and all of the expedition of the second method. If it could have plenary power, it would be superior to both. But any method which gets results is welcome. The extra-legal liaison established last Saturday between the President and the House Economy Committee points to possibilities of success in this latter direction. It remains to be seen, however, what the full body of the House and Senate would do with a general reorganization law submitted for its approval. The President did not overstate the hazard in his press statement of April 5 when he pointed out that such a program concerns a multiplicity of committees in Congress, as well as a multiplicity of executive instrumentalities. He said, "If we take the 11 principal spending branches of the Government, each of them working independently with some part of over 30 different congressional committees which are concerned in these ideas and proposals, then, even if we have the very best will in the world, without an atom of partisanship, the mere diffusion of effort seemingly makes effective progress impossible." It remains to be seen whether a mixed liaison committee, implementing this third plan, could rise above this complex. Bureaucracy is tenacious. So are its related committees in the Congress. Personally I continue to believe the second method preferable—direct action by Executive order. But any method is preferable to no method—and the time for cohesive decision is at hand. The end will justify the means. Democracy is eating itself up to-day. It must curb its own governmental appetites.

This is more than a skirmish; it is a war. Saving a few millions is not enough. Saving three-quarters of a billion is nearer the need and not impossible. The best politics at the moment is no politics. The best rule is courageous, consistent common sense. There is no way that Uncle Sam can get a single dollar of real money without taking it sooner or later from the pockets of his people. Any pretense to the contrary is mere moonshine. Let us put first things first. There is no way to stop this exaction except by stopping expenditures. Unfortunately this hurts those who are thus penalized or deprived. Hence the resistance. But our responsibility is to the greatest good of the greatest number. The American people have a right to reduced budgets in every field of Government. They should encourage this disposition upon the part of their public servants by declining to join in demanding new drafts or in opposing rational curtailments. With common and incorrigible zeals we shall win our way back to solvent happiness.

ADDRESS BY SENATOR PITTMAN AT MONTICELLO

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the RECORD an able address which the eminent senior Senator from Nevada [Mr. PITTMAN] delivered at Monticello on April 25 instant.

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

Governor Pollard, Mr. Gibboney, assembled governors, and distinguished guests, throughout the ages, in the darkest hours when chaos reigned and man seemed sinking into mental and moral degeneracy, God in His infinite mercy has vouchsafed to us some great soul to lead us back to the perfect and immortal laws given us through His divine Son.

Our country has been peculiarly blessed. Since the beginning of our strife for an independent government, where men could live free and equal, statesmen, soldiers, and philosophers have arisen whenever our Government has been threatened or our people have cried out in distress.

To-day we are honored in being permitted to assemble at the shrine of one of these great souls to tender our humble tribute.

Again darkness is enveloping us, and no ray of light meets our weak vision. It is well that at this time the governors of our great States, whom Jefferson so loved and trusted, should meet to take counsel. Eight million men and women in our country are

pinched by poverty, the humiliated subjects of charity, because they can find no work for their willing brains and hands. The farmer, the stock raiser, and the miner can not sell their products for sufficient to pay the expenses of production. Many of our great manufacturing plants are idle, while the rest have reduced their operations to a small percentage of their capacity. It is not by reason of the lack of money. They have more money invested than is necessary for their operation or upon which they can earn a profit. It is because the farmer, the stock raiser, the miner, and the idle manufacturing laborer can not buy. Those who have money can find no profitable investment or safe place to lend it. They have lost confidence in everything, so they are hoarding their gold.

What is wrong? We have more money in our banks than in the most prosperous times; our land is just as rich; our manufacturing plants are just as efficient; our people are just as capable and industrious; our demands are just as great.

One school of thought says, "Restore confidence and all will be well." Congress has not faltered. It has passed the legislation which was declared would restore confidence. We have passed the Reconstruction Finance Corporation act and the Glass-Steagall Banking Act. The Reconstruction Finance Corporation act has reduced the number of bank failures and prevented possible receiverships of big corporations. The Glass-Steagall Banking Act has not been utilized by the banks of the country to the extent required. They are afraid to borrow currency from the Federal reserve banks to lend under present conditions. This legislation has accomplished good results, but it has failed to restore trade. Commodity prices have not increased and unemployment has not decreased.

This school of thought now tells us to cut off Government works, decrease employment, and reduce wages. Such program, it is true, will tend to stem the tide of rising taxes undoubtedly, but I can not comprehend how it will materially increase the purchasing power of our people, which is essential to prosperity. Are these disastrous means necessary to the balancing of our Budget?

It is true that expense of government has risen to the danger point. It must be reduced. The question is, Is this the time to do it in the manner suggested? Are not the premier problems the elimination of unemployment and raising of commodity prices above the cost of production? Can anyone except our Government afford to employ when there is no profit in industry? We can place industry upon a profitable basis; but it will take time, and is there time to trifle with unemployment?

We produce a surplus in this country, and until we reestablish our foreign markets for such surplus we can have no profitable domestic market. The stagnation of international commerce and trade is the major cause for world depression. Great differences in the exchange value of the money of countries, and the tariff walls are the chief obstructions to such commerce and trade. Over half of the people of the world have and use silver money alone. We have negligently permitted their money to be so beaten down in value as compared with our gold-standard money that they can not longer afford to purchase our products.

The inexcusable, unnecessary, and almost criminal causes for this silver-money depression can be easily eliminated through the action of an intergovernmental conference. Trade barriers can be removed through reciprocal agreements and commerce restored. These acts will be accomplished. Then our purchasing power will return, industry will prosper, unemployment will cease, confidence will be reestablished, and Government aid will no longer be necessary.

I hope the governors will take counsel with regard to these matters and advise us of the Congress, because we welcome able, unselfish, and fearless advice, and support.

ALABAMA SENATORIAL CONTEST

The Senate resumed the consideration of the resolution (S. Res. 199) reported by Mr. GEORGE and Mr. BRATTON from the Committee on Privileges and Elections, as follows:

Resolved, That JOHN H. BANKHEAD is hereby declared to be a duly elected Senator of the United States from the State of Alabama for the term of six years, commencing on the 4th day of March, 1931, and is entitled to a seat as such.

Mr. HASTINGS. Mr. President, I shall take as little time as possible in presenting some answers to arguments which have been made upon this question, but I shall at the same time take enough time to present the matter to the Senate as best I can. I want to promise the Senate, in the first place, that before I shall finish I shall undertake to show a very great difference between this case and the Vare case in many particulars. I shall undertake to show to those on this side of the Chamber who voted as I voted in that matter that they have nothing to be ashamed of and that there is nothing inconsistent with my vote against the unseating of Mr. Bankhead.

I want to point out, in the first place, that I do not agree with the suggestion made by the chairman of the Committee on Privileges and Elections that under the facts and circumstances of this case Mr. Heflin can under any circumstances be seated by the Senate. I do insist, however, that regardless of what Senators here may feel with respect to the primary, there is sufficient fraud in the election to make it necessary for the Senate to declare that there was no election in that State in the year 1930.

I have heretofore based my argument largely upon the fact that irregularities themselves under the decisions of all the courts and under the precedents in both Houses of Congress fully justify us in taking that action. In view, however, of what has been said on the other side, I shall not be content with that but I shall point out specific instances, and then I shall seriously ask the Senate whether under any circumstances it wants to put its stamp of approval upon such conduct.

I shall ask you to bear with me a moment until we visit Alabama with John Doe, who was spoken of yesterday by the Senator from Georgia [Mr. GEORGE]. The Senator from Georgia called attention to the fact that John Doe was a respectable man, that he was a member of the church, that he did those things that any respectable man might do in the State of Alabama. He called attention to the fact that the Senator from Delaware would throw out John Doe's vote because they did not have a polling booth at the place where he voted; would throw out his vote because it did not bear the official initials of officers in charge; would throw out his vote because it was not marked in accordance with the law of Alabama; would throw out his vote because the officers did not roll and seal the ballots and put them in a box. Then he called attention to the fact that these are the few facts to which the Senator from Delaware has called attention and upon which the Senator from Delaware desires the Senate to throw a man out of the Senate and declare there was no election.

Just at this point I want to invite attention to some of the things which to my mind are more important than the mere flyspecks which the Senator from Alabama [Mr. BLACK] said I discovered with a microscope. I read:

In Barbour County a few of the ballot boxes were "returning cases." No slot.

In Blount County several of the ballot boxes were "returning cases." No slot.

In Bullock County several of the ballot boxes were "returning cases." No slot.

In Butler County several of the ballot boxes were "returning cases." No slot.

In Calhoun County 26 ballot boxes had no slot for the insertion of ballots.

In Conecuh County none of the 33 boxes had slots for the insertion of ballots.

In Crenshaw County none of the 30 boxes had slots for the insertion of ballots. They were their "returning cases."

In Etowah County 10 of the ballot boxes had no slot for the insertion of ballots.

In Hale County 13 of the ballot boxes had no slot for the insertion of ballots.

In Cherokee County 11 of the ballot boxes used had no slot for the insertion of ballots. They were "returning boxes."

In Pickens County all of the 24 boxes had no slot for the insertion of ballots.

In Wilcox County there were five standard R. F. D. mail boxes used as ballot boxes. There were no slots in them.

In Jefferson County about 75 of the green ballot boxes had no slot for the insertion of ballots. About 75 of the green boxes had a very small slot which was too small for the insertion of a folded ballot. About 50 of the black boxes had a slot which was large enough to admit a folded ballot.

Morgan County had 17 ballot boxes with no slot in them for the insertion of ballots.

That, Mr. President, I suppose, is what one of my colleagues on the subcommittee calls a flyspeck.

Mr. GEORGE. Mr. President——

The VICE PRESIDENT. Does the Senator from Delaware yield to the Senator from Georgia?

Mr. HASTINGS. I yield.

Mr. GEORGE. Let me ask the Senator if he is not now talking about the returning boxes which are provided for under the Alabama law?

Mr. HASTINGS. I am talking about the boxes collected by the committee.

Mr. GEORGE. Very well. They were collected by the committee's agents, but it was following the election, and therefore the ballots were in returning boxes. In some

instances the Alabama law provides for a separate returning box.

Mr. HASTINGS. In some instances! Does it not do it in every instance?

Mr. GEORGE. It does; but in all the counties they do not observe it, though some of them do observe it.

Mr. HASTINGS. That is exactly what I am going to talk about.

Mr. GEORGE. The Senator is leaving the Senate under the impression that those were ballot boxes.

Mr. HASTINGS. I am not leaving the subject by any means, and before I get through I will thoroughly explain it.

Mr. GEORGE. Very well.

Mr. HASTINGS. I say that if a condition like that were discovered in Pennsylvania it would be immediately declared to be a scandalous condition; but what happened in Alabama is as pure as some edition of the Holy Writ; nothing at all is said about it; it is called nothing in Alabama.

Let me go north of the Mason and Dixon line, and, instead of John Doe, let me take Richard Roe, and let me place him in the southern part of Philadelphia, and, instead of a respectable white man of Alabama, let me assume that he is a respectable colored man in south Philadelphia, attending church just as regularly as the white man attended church in Alabama.

Mr. GEORGE. Now, Mr. President——

The VICE PRESIDENT. Does the Senator from Delaware yield to the Senator from Georgia?

Mr. HASTINGS. I yield.

Mr. GEORGE. I did not expect to speak again, but I am not going to have the Senator misrepresent me in this body. I never used the word "white" or the word "colored," either directly or by insinuation.

Mr. HASTINGS. I have not intimated such a thing.

Mr. GEORGE. I think the Senator means to intimate it; I think it is his purpose now to do so.

Mr. HASTINGS. Oh, do not charge me with that——

Mr. GEORGE. Very well.

Mr. HASTINGS. Because I did not intimate any such thing. The Senator from Georgia, however, picked out his man, John Doe, and I am assuming that he is a white man voting in Alabama. The Senator did not say so, but I am assuming it; and I am taking my own man; I am naming him Richard Roe; I am putting him in South Philadelphia, and I am going to find out what happens to him when he goes to vote, as the Senator from Georgia finds out what happened to John Doe when he went to vote. This is what happens: Richard Roe goes to the polling place, and, lo and behold, there is no polling booth; there is no secret place for him to go in order to vote. What is the inference to be drawn when Richard Roe comes here and complains that his vote cast in Philadelphia was not counted because there was no secret place where he could go and mark his ballot? The inference to be drawn—and the charge would be made—is that it was the Vare henchman who prevented the law from being carried out in Philadelphia. For what reason? Because they wanted to be in a position where they could watch that voter, Richard Roe, in South Philadelphia, mark his ballot. In Alabama watchers were there, and the voter had no secret place to go. Then the question is asked of the Senate, Is that the proper way to conduct an election?

Then if it is found that the Vare election officers, these horrible men, deliver him a ballot that was not properly initialed, what inference is to be drawn from that? What is the purpose of initialing the ballot? The purpose of initialing the ballot in Alabama is to prevent a man from getting a ballot and having it marked outside. So when he goes into the polling place he takes the official ballot that is initialed and votes that official ballot. If the initials are not required to be placed on the ballot, then he is permitted to take a ballot from the outside that somebody has marked for him, to take it in the booth, and vote that ballot, instead of the official one that he should get in that particular place.

The Senator from Georgia complains that I want a vote thrown out because it was not numbered; and in 28 places in the speech delivered by the Senator from Alabama [Mr. BLACK] he charged me with wanting to throw out the votes because pencils were used instead of ink. I call his attention to the fact that 58,817 of the ballots were not marked at all. In a colloquy with the Senator from Nebraska the Senator from Alabama said, "Why you could discover fraud, because the vote was marked and, having been marked, you could identify the vote, and in that way could discover the fraud easily enough in one day." He complained of me that I wanted to throw Bankhead out because there was a failure to number the ballots; but the minute the question is put to him and it is shown that fraud could be committed, but the great difficulty is pointed out of catching a man committing the fraud, the Senator from Alabama says, "In Alabama we number the ballots, and in that way it is easy to discover any fraud." Yet 58,817 ballots were not numbered at all, to say nothing about the three counties from which the ballots were not brought here because they had been burned before we could get our hands upon them.

Let us follow Richard Roe a little bit farther. His ballot is not numbered, and the Senator from Georgia says, "Your ballot can not be counted because the election officers failed to number your ballot." Well, that is too bad. But, in addition to that, the Senator from Georgia says to him, "They did not roll your ballot and seal it, so it is difficult for us to locate your ballot and to know that it is in the ballot box as you put it there." The Senator says nothing to him about there being no slots there through which the ballots were put. But, in addition, he says to Richard Roe, "We find that when the Senate comes to collect the ballot boxes the boxes themselves are broken into; we find the ballots not sealed; we find the ballots not numbered; we find they are not initialed; we find that there was no booth furnished to you in which to vote; and, under all the circumstances, poor Richard Roe, we can not possibly count your vote." But Richard says to him, "No; you are talking about Alabama; we do not do things like that in Pennsylvania." No such condition existed in South Philadelphia in 1926 when the Senator from New Mexico was investigating that election; not at all.

The booth was there, oh, yes; the ballots were properly initialed by the official, that is all right; they were properly numbered by the official, that is all right; the ballots were properly rolled, that is all right; the boxes were properly sealed, that is all right. "We found all those conditions, Richard, it is true, but we found a condition in Philadelphia which we say must of necessity indicate fraud. We found, Richard, that in your district 100 per cent of the registered voters voted, and, based upon that, we must of necessity assume that there was fraud committed there. We find, more than that, in some districts that 100 per cent of them voted for Vare. That being true, we can not assume that there existed in Philadelphia a condition consistent at all with an honest election. But that is not all; we found a memorandum in the prothonotary's office showing that your box containing 400 votes was delivered there an hour and a half after the election closed, and we assume from that, because we have tested it in the committee, that one can not possibly say that that was a valid box, and we are bound to throw it all out because it is a physical impossibility for anybody to have counted those ballots in that time. In addition to that, in your particular box on a recount we find that Vare loses a dozen votes and Wilson gains a dozen votes."

Senators, that is the parallel between the two cases. The Senator from New Mexico, in the Vare case, threw them all out; he threw out every one where there was a particle of suspicion of fraud. He then found that 19,000 more votes were cast for Vare than for Wilson, and, for that reason, he could not support Wilson; but he said in his speech in the Senate and in the report submitted by him, and signed also by the Senator from Georgia, that the election was so tainted with fraud that he could not think of standing by and letting Vare take his seat.

But the Senator says with respect to the primary, "Oh, that is a different thing." In the report which he has sub-

mitted here it is said that the Senate has nothing to do with the primary, and he gives as a reason for a distinction between this case and the Vare case that Vare himself was covered with fraud; Vare himself was tainted with leprosy. What was there in the resolution to prove it? What were the facts in the Vare case? The Senator from Nebraska [Mr. NORRIS] was absolutely correct; the resolution itself shows it.

The resolution says that there was some fraud committed in the primary, but that there was a great amount of money used by Vare and his friends, too great an amount for the Senate to feel justified in permitting him to take his seat. There was the distinction. On this side some of the Members said that was not a sufficient reason, that taking into consideration the 10,000,000 people in Pennsylvania, it was not too much to spend $875,000, and there was not sufficient evidence shown of fraud to make it an illegal primary. That is all there was to it. There was not a word in the resolution to condemn Vare himself—there was nothing in the resolution that condemned the personal character of Vare; nothing that made it necessary for the Senate to throw him out because his personal character was not such as to make him fit for us to associate with. The action taken in that case was based upon one theory; it was based upon the theory that because of the use of money and some fraud shown, the primary itself was a nullity.

I say if that be true with respect to a primary, what shall be true if it appears on the face of the resolution itself that it is wholly null and void. I say that much more can be said in this case against the primary than could possibly be said against the primary in the Vare case. In that case there was a difference of opinion with respect to what the actual facts showed and whether they were important enough to cause the Senate to conclude that that primary itself was null and void; but here under the Alabama law—and I challenge any unbiased lawyer who examines it to say that that is not the fact—in this case it is just as clear as it is possible to make anything that the whole proceeding was unlawful. The fact that in Alabama similar action was taken once before, I submit, is no reasonable excuse. As a matter of fact, it never was done before. What was done before was to require an affidavit that the person did not support the Republican ticket nor vote the Republican ticket. That was what was in the resolutions prior to 1930. In 1930, for fear Heflin could comply with the requirement, for fear he could say he did not vote for Hoover, they put him in a position where he could not possibly under any circumstances make the affidavit that was required.

It is perfectly absurd to compare the Lett case with this case. In the Lett case it was merely held that the requirement was reasonable and did not prevent a man from getting on the ballot; that all he had to do is to give to the public certain information; while in this case it was made impossible for certain people to run as candidates in that particular election.

Mr. BRATTON. Mr. President——

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

Mr. HASTINGS. I yield.

Mr. BRATTON. Suppose Lett had voted the Democratic ticket in 1928, would the resolution have barred him from going on the Republican ticket in 1930?

Mr. HASTINGS. Not at all.

Mr. BRATTON. Then it would have required him to make a false affidavit, would it not?

Mr. HASTINGS. It would not have required him to make an affidavit of any kind except as to how he voted; that is all it required.

Mr. BRATTON. In 1928?

Mr. HASTINGS. In 1928.

Mr. BRATTON. Well, let us say that in fact Lett voted the Democratic ticket in 1928. Would the resolution have excluded him from going on the ticket in 1930?

Mr. HASTINGS. Not by any means.

Mr. BRATTON. The only way he could have gone on the ticket would have been to make a false affidavit.

Mr. HASTINGS. No; not at all. The Senator, I submit, has not carefully read the opinion if he has that impression. The resolution simply said that you should state how you voted in 1928. It did not say what effect it should have. Indeed, the intent was that it should have no effect except that the public should be given the information.

Mr. BRATTON. Is that the view of the Senator as to the Lett case?

Mr. HASTINGS. It is the absolute view of the Senator, and nobody can read it without reaching that conclusion.

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

The VICE PRESIDENT. Does the Senator from Delaware yield to the Senator from Georgia?

Mr. HASTINGS. I yield.

Mr. GEORGE. In the Lett case, that was the rule adopted by the Republican Party officials of Chilton County. It fixed no qualification for voters, did it, except just the general qualification that they should be qualified electors? It did, however, require an additional qualification of Lett; that is, it required him to make and file a certain affidavit. I think the Senator will concede that; will he not?

Mr. HASTINGS. That is correct.

Mr. GEORGE. Therefore, it was laying down a qualification for Lett different from and additional to that required of the voters in the primary. The Senator concedes that, does he not?

Mr. HASTINGS. That is correct.

Mr. GEORGE. Very well. Lett refused to make the affidavit, and the Republican Party committee of Chilton County thereupon refused to put his name upon the ballot.

Mr. HASTINGS. Yes.

Mr. GEORGE. His case went to the supreme court, and the supreme court said that the regulation was reasonable, and that they had a right to keep him off the ballot as a candidate. The Senator does not controvert those facts, of course.

Mr. HASTINGS. That is correct. Now let me undertake to show the difference——

Mr. ROBINSON of Indiana. In other words, Mr. President, if the Senator will permit an interruption, under the Lett case the decision suggested that it be left to the people themselves to determine whether or not Lett was a good party man.

Mr. HASTINGS. That is correct.

Mr. ROBINSON of Indiana. Not that it be left to 50 or 60 party bosses to decide whether or not he was entitled to go on the ticket, but that the people themselves should decide the question.

Mr. HASTINGS. That is correct.

Mr. President, there is this distinction between the two sections that have been talked about so much, sections 612 and 672: Section 612 provides political or other qualifications for the candidate, which shall be the same as the political qualifications for the elector. "Political or other qualifications" is the language; and the heading of that is "Qualifications for voters." Senators on the other side insist that the heading amounts to nothing; but the heading on that—made, I assume, by a lawyer of Alabama preparing the code—is "Qualifications for voters." In the second instance it makes provision for the assessment of candidates, and gives to the executive committee the right to assess candidates or provide other qualifications.

In providing for assessments, why was it necessary to say "other qualifications"? In the first instance they had provided political or other qualifications. In the second they had provided assessments or other qualifications. It was intended that the political qualifications for the candidate should be the same as for the voter. Other qualifications were necessary to be put in there because you will observe that every primary resolution passed in Alabama distinctly provides for white electors and for white candidates. In order to be able to put that there, it was necessary for them to say "or other qualifications."

As I read these resolutions that have been passed, calling for primaries in Alabama, I have no doubt that that was the sole purpose. The Republicans, however, when they called

their convention, added something else; namely, that before the candidate's name should be put on the ballot he should state how he voted—that is all—and the court held that that was reasonable. I want to inquire whether anybody could hold that it was reasonable to put in there such a qualification that it was positively known and distinctly provided in the resolution itself that certain persons could not qualify if that qualification was there?

Mr. President, a great deal has been said here about the primary. It has been discussed; but to my mind it is nothing like so important as the other part of these provisions.

I want to call your attention to what the law provides with respect to the poll tax. I had it written into the RECORD the other day when the Senator from Alabama [Mr. BLACK] was addressing the Senate. I desire to call the attention of the Senate to it again, because, to my mind, it is very important.

Here is what the law provides with respect to poll tax:

SEC. 3464. Poll tax paid by another; penalty: Any person who shall pay the poll tax of another, or advance him money for that purpose in order to influence his vote, shall be guilty of bribery, and, upon conviction, shall be imprisoned in the penitentiary for not less than one nor more than five years.

A very severe penalty; a very important provision, I assume, of the Alabama law, if we are to judge from the penalty imposed.

What does the Senator from Alabama [Mr. BLACK] say with respect to that? Here is his language:

The Senator wants to condemn the group paying the poll tax by voluntary contributions, long before the election occurs, simply because they happen to assist in paying the poll tax of some who might otherwise be deprived of the right of casting their votes at the ballot box.

Then, again, I asked him this question:

Just a minute. Does the Senator say that it must be for the purpose of influencing his vote?

There is some colloquy between there. Then this occurs:

Mr. BLACK. The Senator may think that the court would so hold—

I contended that it was unlawful under the Alabama law for one person to pay the poll tax for another; that is one thing; that it was unlawful for the person to advance money to another for that purpose in order to influence his vote. The Senator from Alabama [Mr. BLACK] says:

The Senator may think that the court would so hold; but, somehow, I do not believe that in a question where the right of suffrage is involved the court is going to strain at a gnat and swallow a camel in order to send somebody to the penitentiary.

That is the idea the Senator from Alabama has with respect to the importance of that important provision of his law. Let us see what they think about it in Alabama.

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

Mr. HASTINGS. I yield.

Mr. BLACK. The Senator did not read the statement that I made where I insisted that the poll tax must be paid for the purpose of influencing the vote. I suggest that the Senator read that before he proceeds any farther.

Mr. HASTINGS. The Senate has heard what the Senator has said. This is the colloquy. I want to be perfectly fair with him. I say:

If the Senator will permit me, I should like to read into the RECORD, just at this point, the section that has been referred to.

Mr. BLACK. I shall be glad to have it read.

Mr. HASTINGS (reading):

"SEC. 3464. Poll tax paid by another; penalty: Any person who shall pay the poll tax of another, or advance him money for that purpose in order to influence his vote, shall be guilty of bribery, and, upon conviction, shall be imprisoned in the penitentiary for not less than one nor more than five years."

Mr. BLACK. That is exactly what I said the law was—in order to influence his vote.

Mr. HASTINGS. Just a minute. Does the Senator say that it must be for the purpose of influencing his vote?

Mr. BLACK. Unquestionably it must be to influence his vote.

Then I follow it up, and I ask the Senator this question:

May I make this inquiry: Can it be said that a political party pays the poll tax of a person except for the purpose of influencing his vote?

Mr. BLACK. I do not know. They might think they would get his vote; but I imagine they would not always get it. Of course, the practice was most common up in De Kalb County, where the probate judge is a Republican.

Mr. President, here is a law that prohibits the payment by one person of the poll tax of another; and in this record it is shown beyond doubt that it was not only permitted but it was the practice of both political parties in Alabama to pay the poll tax of other people. I think that is a serious thing.

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

The PRESIDING OFFICER (Mr. CAREY in the chair). Does the Senator from Delaware yield to the Senator from Alabama?

Mr. HASTINGS. I yield.

Mr. BLACK. The Senator, of course, does not mean to say that it is the practice all over Alabama.

Mr. HASTINGS. No. I am going to come to the excuse made by the contestee in this case.

Mr. BLACK. All I want to say to the Senator is that he is leaving the impression that whether the practice was good or bad, it was common over Alabama. The record shows that it was not common over Alabama; that it was done only in two counties in the State.

Mr. HASTINGS. The record does not necessarily show that; but if the Senator will be patient, I will go a little farther with it, as I intended to do.

It was shown by witnesses called that the poll taxes were paid in two counties by the political party. More than that, a witness who was called said that as early as January, 1930, there was collected for campaign purposes from J. H. Bankhead a check of $25, and he showed that that was for campaign purposes in January, 1930, and that a part of the purpose of collecting campaign money at that time was to pay the poll tax.

Who can possibly say that the Democratic Party or the Republican Party when it pays the poll tax for another does not do it to influence the vote of that particular person? There can not be any possible question about it; and the man who contributes and the man who pays it are guilty. I submit, under that law, which involves a punishment of as much as five years in the penitentiary.

In reply, this is said: It is not said by Mr. Bankhead that that practice prevails in only two counties of Alabama. He calls attention to the fact that we have not shown that it applied to more than two counties in Alabama. In other words, under my direction, with which the subcommittee agreed, we stopped the taking of testimony. I do not know whether additional testimony would have shown that it was the practice in every county or that it was not; but I do know that it was shown with respect to two counties, and it is not even contended by Mr. Bankhead that it was limited to those two counties.

What is the United States Senate going to do with the laws of a State when it is admitted here that it is the practice in those counties to do what? To commit bribery. Shall it be said, because we have not shown that thousands of dollars were involved in the transaction, that it is any the less illegal? When we show that it is the practice to bribe people in order to get their votes, is that a flyspeck upon the committee's report filed by me? I say it is an important thing. I say it affects the voters of those two counties; and I say more than that: If it be shown that that was the practice all over the State of Alabama, then you can not say what votes were valid and what were invalid, because it is not a practical thing to follow up and try to find out what particular ballots were purchased in that way and what ballots were not.

I say that if a thing of that kind had been charged against Vare in Pennsylvania, the Senator from Georgia [Mr. GEORGE] would be calling your attention to it here in language as strong as I am undertaking to use at this moment.

What next happened? What is the next procedure in conducting an election in Alabama? They provide booths in towns of 3,000 inhabitants, and they are so careful in their

provision and so careful as to how it shall be done that it is distinctly provided that they shall be so constructed that a person occupying one booth can not see what is going on in the booth next to him. That is how important Alabama thinks it is to guard the secrecy of the ballot. That is how careful they are.

What happens? What excuse do they give? What do Mr. Bankhead and his counsel say? His counsel says, "I have lived in Alabama all my life, and I never saw or heard of an election booth in Alabama during all that time." The Senator from Georgia complains and says that I want to throw Bankhead out because they did not use booths.

I say that this is the thing undertaken to be avoided by the State of Alabama when they passed that law; they wanted to prevent the presence of people in the voting place watching over somebody who had been brought there for fear he would vote a way the machine did not want him to vote. If they did not require booths, and he were compelled to put his vote upon a windowpane, or compelled to put it upon a meat block, or any old place, there would always be somebody there to tell the fellow on the outside just exactly how he voted. Is that a good reason? That would be a splendid reason in Pennsylvania; it would be a splendid reason for insisting upon this one provision of the law being carried out. That is only one, and I must hurry along:

Any person allowed to vote who was a qualified elector whether he was on the list and without taking the required oath.

The law of Alabama provides that there shall be a registration list; that on the 15th day of April it shall be published by the probate judge, and that between April 15 and the 1st day of May any person who finds himself qualified and wants to get on the list can do so by making application to the probate judge, and on the 1st day of May the doors are sealed, and the list then made up is the list furnished for the primary and the list furnished for the election.

Is that important? There is just one way by which a voter who has failed to get on that list is taken care of. He must come before the election officer and swear that he is a qualified voter. He must bring two neighbors with him who know all about it, and those two neighbors must swear that he is a qualified voter.

Did they do that? This record is full of evidence that they did nothing of the kind, but they would say, "Let everybody who wants to vote, who claims to be a qualified voter, vote. Never mind about the oath and never mind about the list. That amounts to nothing in Alabama, but let us agree among ourselves, Democrats and Republicans, that anybody who comes here and claims to be a qualified voter may vote in Alabama." That is the reason why we find some 28,000 or 30,000 people voting who are not on the qualified list.

That is not all. The most convenient place in the world for holding an election that I know anything about is the State of Alabama. I call attention to the fact that all you have to do, if it is not convenient for you to go to the polls, is to let your man at the polls know it is not convenient for you to come. What does he do? The election officer himself takes the ballot, goes out, hunts you up in your sick bed or wherever you may be, and brings your ballot back, and votes you. You do not know whether he changed your ballot or whether he did not. Sometimes it depended, I suppose, upon whom you voted for; but he goes and gets the ballot. There is evidence of that all through this record from the witnesses who were called, and it is not denied.

It is said that in such a case the idea was to accommodate the sick person, that there was no other way he could vote, "and we wanted him to vote in Alabama. But we did not do that all the time." They went to sweet ladies appearing there in automobiles who did not want to go to the trouble of coming into the election booths, and they said, "That is not necessary at all. We will just take out a ballot for you. We will get a Bible to rest the ballot on, you mark it, and we will bring it back and vote you." In one instance they drove 35 miles to get a person to vote a ballot. Why they did not vote him without going all that distance is one of the evidences of good faith in this case which I think I ought to speak about. But that is the practice in Alabama.

Is there any other State in the Union anybody knows anything about where that could be done, where such things could be called "flyspecks" on a record when a man is trying to see how they conducted the elections in Alabama? It seems to me that is a thing the Senate ought to know about. I think the Senators from Alabama ought to know about it themselves, if they did not know it until we called it to their attention.

That is not all. That is not nearly all. They were more convenient than that. In one county a busy doctor had his wife with him, and they went to the polling place to vote. The officials said, "You are not a registered voter here."

"I know; we live in the other county. We are registered in the other county, but it is too late for us to get there. Will you let us vote?"

"Well, if you will take the challenge oath."

So they go up and take the challenge oath, swear that they lived there, and that that is where they ought to vote; and their votes were accepted.

On the witness stand who was it who took the blame? Heflin's manager, Heflin's inspector took all the blame. He said, "I suggested that. I was wholly responsible for that." And lo and behold, we look up the record, and we find that Heflin's man voted for Bankhead. That is the kind of representation he had, and that is the way they did it in Alabama.

It does not make any difference where you live, the only question is, where do you want to vote? If you come to any place in Alabama to vote, it is all right. All you have to do is to say you are a qualified elector. In one place they had seven boxes in one beat, and you could go to all seven of them the same day, and, so far as I know, you could go to them twice the same day, all of them. There was not a thing under the sun, so far as the election officers themselves were concerned, that prevented that thing from being done.

That is not all. I have called attention to the fact that the parties paid the poll taxes of some voters. I do not quite know why they paid a poll tax. I suppose to be generous to Alabama they paid part of the poll tax, because the record is full of evidence of voters who did not pay any poll tax at all. The record shows that some of them paid poll taxes nearly a year after the election. So I do not know just why they collected $25 from Mr. Bankhead and money from other people in order to pay poll taxes, except that they wanted to be generous to the State.

THE REGULAR BALLOT BOXES NOT USED

The Senator from Georgia wanted me not to forget the fact that there were some explanations as to why there were no places in these boxes through which the voters could cast their ballots. I have here regular votes. An inspection of them will show that they did not pass through any slot. These are regular votes that were counted. I did not call attention to it, because there is no use calling attention to it. They admit that they used hat boxes. They admit that all the ballots did not go through slots. They admit that they used rural free delivery boxes which had no slots in them at all. So what is the use calling the Senate's attention to the fact that these particular ballots were not folded?

Much was made of a similar point in the Vare case, as to the city of Philadelphia, as the distinguished Senator from New Mexico will recall. The Senator from Maryland called attention to the size of the ballots and called attention to the fact that under no circumstances could they go into a slot the size of the slot in the ballot box, and much was made of that, and much might have been made of it. There was much to be made of it as to Philadelphia, where they were charged under the law with putting the ballots through a slot. But what is the use of calling the attention of the Senate to that fact as to Alabama, because in Alabama they did not follow any such practice, and they can immediately excuse here by saying, "We did not follow that practice in Alabama."

What was the practice? The law distinctly provides for two boxes; and a firm of lawyers, Bankhead & Bankhead—I assume the firm of Senator Bankhead—appeared in an election case in Alabama, in which the court distinctly laid

down the law that there must be two boxes furnished on election day.

Let me call attention to the trouble I had to find it, and let me call attention to the remark I made in the report, that the finding of the ballot boxes unsealed becomes unimportant. I will give the Senate the reason, and I will give them the real reason, a reason which can not be denied.

The supervisor who had conducted the count in one of his reports called attention to the fact that somebody had given some particular excuse for opening a ballot box, and he said, "This is different from that usually given, because it is sometimes said that they ignorantly placed the returns in the box, and that it was therefore necessary to open it." Mr. Bankhead wrote me a letter complaining about a word used. I can not at this moment think of the identical word that was used, but he complained about it, and called my attention to the fact that there was an opinion of the attorney general, and called my attention to the fact that there was a decision of the Supreme Court of Alabama showing that it was not only the authority but the duty of the election board to open any ballot box in order to find what the return was.

I could not quite understand that. The law distinctly provides for the sealing of the ballots and putting them back in the box and sealing the box itself, and the box being kept for six months; and I could not, therefore, understand how an opinion of the attorney general and a decision of the court could hold that the returning board should open a box in order to get the returns.

After much hard work I discovered this fact, and I want to call the Senate's attention to it. First, however, let me say that the word to which Mr. Bankhead objected was the word "stupidly"—that the boxes were "stupidly" opened. Mr. Bankhead said, "Stupidly? Then you have charged the attorney general with being stupid, and have charged the Supreme Court of Alabama with being stupid."

What are the facts? The law distinctly provides for two boxes, one a ballot box with a slot in it through which the ballots are to be placed. That is sent to the election officers, and the law distinctly provides that when they have counted the ballots they shall roll and seal those ballots, they shall label them, they shall show for whom the votes were counted, and how many votes were received. They shall do likewise with rejected ballots. They, with a copy of the return, together with the poll list, which also shall be sealed, shall be put back in the box and the box sealed and kept by the sheriff for a period of six months.

There shall at the same time be furnished by the sheriff a returning box, and that is what the Senator from Georgia is talking about. There shall be a returning box, and in the returning box shall be placed the returns, a copy of the poll list, and a copy of the registration list.

Mr. REED. Mr. President, is this the general election the Senator is talking about?

Mr. HASTINGS. The general election. In that box shall be placed these things, and that box shall be locked, shall be handed to the returning officer, and by him taken to the returning board. It was that box which the supreme court and the attorney general said must be opened by the returning board, and it was from the certificate of returns in that box from which they must figure their totals before they could go to a duplicate that had been sent to the judge of the probate court.

This was Mr. Bankhead's explanation, and this is a remarkable explanation, and this is why I say that from these facts you can not necessarily draw the conclusion which you would draw in ordinary cases from finding half of the seals broken.

Why, Mr. Bankhead says, "Yes; that is the law, but for 25 years the practice in Alabama has been to furnish but one box. I have shown what kind of boxes we got. We got a lot of them with no place to insert the ballots, and the only explanation that I know of that can possibly be made is that they were returning boxes.

Now, I ask the question, What is to be done with a situation like that? The law of Alabama has so clearly and distinctly provided for the purity of the ballot that I doubt whether any other State in the Union is so strict and so careful. They have provided that when the voter comes to vote, the ballot shall be initialed on the small part to be torn off. As I pointed out, that is for the purpose of preventing ballots being brought in from the outside. The voter goes and gets his ballot and it is initialed. He goes into the booth, if it is in the city, under the law, and there he can secretly take his time, but the law says it is a crime to take too much time. They have been so careful as that. It is a crime to stay in there too long. He is given a certain length of time and then he is directed to come out. He comes out with that official ballot, and it goes into a box with a slot in it which is locked. There can not be anything wrong there. In the first place, before the ballot is put in the box it is numbered in ink and the clerk writes down the number and his name. The ballot is folded. Then they have no way to find out how he voted at that time. They can never find out, as I shall point out later. He casts that ballot. If he is on the qualified list, he has a right to that ballot. If he is not on the qualified list, he can make an affidavit showing that he has been in that precinct for a period of three months and in the State for a period of two years; and upon that being shown and upon two neighbors who knew him taking a like oath, he is permitted to cast the ballot.

They open the ballot box and they count the ballots. They make a certificate of what they find. They sign the poll list before they begin to count and seal it up so they can not compare the number on the ballot with the number on the poll list. Then they count the ballots. Those which have been counted are put in one pile, and those which have been rejected are put in another pile. They roll them and then they label them and then they seal them, both the ones that have been received and the ones that have been rejected. There can not be much hoodwinking done up to that point. That is a pretty straight sort of an election up to that point.

Then they put the ballots in the box and they put a seal upon the box, and each election officer writes his name on the seal so it can not be possible for anybody to disturb it. That is done under the law. The box is then sent to the sheriff. Unless there is a contest, it is kept by him for six months, and at the end of six months he is permitted to open the box and destroy the ballots without looking at them. In three counties they were destroyed 30 days after the election. The Senator from Georgia [Mr. GEORGE] said, if I recollect his statement, that one sheriff destroyed them because he was afraid they would be tampered with.

Mr. GEORGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Georgia?

Mr. HASTINGS. I yield.

Mr. GEORGE. I am even yet unwilling to think the Senator from Delaware wants to be unfair.

Mr. HASTINGS. I do not want to be unfair.

Mr. GEORGE. I say, I am yet unwilling to assume it.

Mr. HASTINGS. I hope so.

Mr. GEORGE. I made no such statement. I said in one case the sheriff, who was going out of office, explained that he burned the boxes because he did not want to leave the ballots after he vacated the office and surrendered possession of the building—not that he was afraid that they would be tampered with.

Mr. HASTINGS. I am sorry I made the statement. I did not have the advantage of reading the speech of the Senator from Georgia. It did not appear in this morning's RECORD, and I was speaking from memory with reference to it. I am glad the Senator corrected me with respect to it.

Here is what happened to other boxes: The election officers put in the poll list, they put in the certificate of results, and they put in the list of voters that voted. Those are put in the box and locked. That box, locked as it is, is given to the returning officer and by him taken on Tuesday night to the returning board, which meets on Thursday and makes a canvass of the vote. That is all very simple, that is all very plain, and it would be difficult, it would be very difficult

indeed, for any person to commit fraud under such a scheme as that. But I point out how almost impossible it is to detect fraud if it is done the way it was done in Alabama. It is not clear at all whether they used a ballot box or whether they used a returning box. In one instance the woman who testified said that as she voted, the officer raised the lid of the box and put her ballot in there without folding it at all. I do not know to what extent that went on, and that is the reason why I insist upon the rule; that is the reason why I insist that it is the only rule that we can possibly follow when there have been such violations as those affecting various essential things, affecting the purity of the ballot and a correct return. The decisions of the courts and of both bodies of the Congress are full of precedents to the effect that when these conditions arise, we must assume of necessity that it was done for fraudulent reasons and not because the practice was one that had grown up through the years.

Mr. President, I was particularly anxious that the Senator from Idaho [Mr. BORAH] should hear what I am about to say and I am sorry he is not present at the moment to hear my thoughts with respect to the matter to which I am about to refer.

I sincerely wish it were possible to eliminate every personal and political consideration in determining this matter. To my mind, it is more important than it appears to many who have not closely followed the details. The report which I have prepared is not as complete as it might be. The great amount of work involved is my only excuse. I think the Senate has a real problem confronting it, and a proper determination is of great importance.

We must remember that Senators are elected by the direct vote of the people. When the right of a Senator who comes here with a proper certificate is questioned, the Senate has the duty thrust upon it of deciding the matter. The contestant can with ease comply with the precedents established by the committee relative to the sufficiency of his complaint. He can do as was done in this case, charge fraud in nearly every county of the State. The amount of public money necessary to thoroughly investigate such charge depends largely upon the number of votes involved in the election. In the present case the committee has expended more than $75,000. To thoroughly do the job would probably require three or four times that much; and if it were a larger State, involving ten times as many votes, it would require ten times as much money. What is to be the answer to such a problem? Can it be denied that the contention made by the contestant that he was shut off in the midst of the investigation is wholly unfair and deprives him of his right to establish the serious charges made? It can not. Can it be admitted, on the other hand, that the public is sufficiently interested in determining who was elected to warrant the Senate in expending the large sum of money that may be necessary to definitely ascertain that fact?

My own thought about the matter may be stated as follows:

First. If it should appear that the essential provisions of the law under which the election was held had been violated, I would hold that the particular precinct or district was so tainted with fraud that the vote should not be considered in determining the result, unless a satisfactory explanation of such violation was made and positive proof that no such fraud was committed.

I should only require the contestant to show that some provision of the law essential to the purity of the ballot and the correctness of the count had been violated in the particular district or precinct in question.

The States are in control of their election for United States Senator. They may by their laws throw as few safeguards around their elections as they may see fit; but if they choose the wiser and safer course and provide all the safeguards they can think of, the United States Senate should permit no man to urge as an excuse that such laws are meaningless and to say that elections are not conducted in accordance therewith, but are conducted in accordance with a loose practice that has grown up through the years.

Second. If the districts affected by such essential law violations can be discarded and the will of the people can be determined by counting the votes in the districts not so affected, then the election itself is valid and you determine who receives the greatest number of votes.

Third. If, on the other hand, it should appear that the violation of the essential provisions of the law was a statewide practice and there was not even a pretense of obeying its most vital provisions, the Senate ought to announce to the world that no man can be seated in the United States Senate under such conditions when his seat is contested. What we are asked to do here is to put our stamp of approval upon such unlawful conduct of an election.

Fourth. The refusal of the Senate to approve of such conduct would result in one of two things, the law of the State would be obeyed, or if this were too much of a bother to its citizens, they should see that it was repealed. In case the law was repealed, the Senate would be relieved of the unpleasant duty of declaring there was no election, unless the contestant could affirmatively prove that fraud was committed.

Fifth. In the foregoing suggestions I have entirely ignored the personal knowledge or conduct of the contestee. From my point of view his personal conduct may be beyond reproach. I admit, however, that if he be in control of the party conducting the election, or if he knew and acquiesced in such law violations, it greatly strengthens and makes positive the correctness of the rule which I think should be followed and which I have undertaken to outline.

If I may take the time of the Senate further, I should like to inquire whether or not that statement made by me is justified by the decisions? I invite attention to some of the decisions. In a case in Missouri the court said:

> In Windes *v.* Nelson (159 Mo. 51–66) the court said:
> "Where fraud is proved, it will be presumed to be for the benefit of the party having a majority in such district, especially if the officers of election are of the party in whose favor such a majority is returned."

I start out with that proposition.

In McCrary on Elections (4th Ed., sec. 582–A) the learned author says:

> While it is true that mere irregularities in the conduct of an election, where the will of the voter has not been suppressed or changed, will be disregarded, yet a succession of unexplained irregularities, and a disregard of law on the part of the officials, is sufficient to deprive the ballot box and the returns of the credit to which they are otherwise entitled, and shift the burden upon the party maintaining the legality of the official count.

In People *v.* Lindsey (80 Colo. 465–480) it was said:

> We have carefully read the record of the entire evidence as presented in the abstracts, and find that it reveals a most regrettable and astounding condition which prevailed during the election, day and evening, a condition which must receive our most emphatic disapproval. The whole conduct of the judges and clerks of election in that precinct shows gross negligence and a total disregard of their official duties.

Again:

> Here it is found by the trial court that many persons who were assisted were not sworn as to their ability, and no record of assistance was kept. If this can be permitted, then the provisions of the law are without avail. It will be possible for any number of voters to market their votes and call in the judges to see that the goods are properly delivered, wherefore this act, made for the preservation of pure elections, will become a machine in aid of corruption.

In a Pennsylvania case it was said:

> Much has been said in the argument on both sides concerning various provisions of the election law, which are claimed to be directory merely—

That is the contention made here—

> and though counsel have pressed their respective views upon our consideration with great zeal and ability, still we can not accord to them, either on the one hand or the other, hardly a semblance of assent. On the contrary, we hold that the election law in all its parts means something, and that there is no warrant in precedent or common sense for disregarding it partially or ad libitum. The day has gone by when the "directory plea" can be

used as a shield to defend or excuse election officers who have disregarded the law.

We say in concluding this most laborious investigation, covering in fact four cases—the first arising since the passage of the act of 1869, so far as we have been able to learn—that our rulings are in some respects in advance of those prevailing hitherto. But the time has arrived when courts must come to the front, even to the most forward line of the statutes relating to elections. Corruption is around us on all sides. It has seized upon almost every township and municipal office in the land. It has throttled great States and led captive their legislatures. Its creatures have gone up and taken their seats in the high places of the General Government shameless and unshamable. It even has found a permanent abiding in the National Capitol. Popular anathemas may resound from one end of the land to the other; constitutional conventions may put in the mouth of every officer elected hereafter a staggering array of oaths in denial of everything on their part looking like fraud on the elective franchise; but all this, though well, because exhibiting a tendency toward reform, must, in our opinion, fail to bring the desired relief. Human nature is the same to-day as it was yesterday; it will be the same for all time to come. And under a system of government based like ours upon the popular will, where elections are a necessary incident, there will be always as there have been always, lepers who will foul or attempt to foul the ballot box. Well-directed popular denunciation can not stop it; constitutional provisions can not stop it. At best these are but "rivers of Damascus." The only "Jordan" to cleanse from the leropsy is a proper statute, fully, faithfully, and fearlessly administered by the courts.

If that vicious and intensely wicked and dangerous sentiment—"there is fraud on both sides; therefore, let investigation cease"—prevails too long, this fabric of ours, so admired by those thirsting for liberty abroad, so loved by those enjoying it at home, will be tumbling down about our heads before we know it.

Now, let me ask the Senate to be patient enough with me to allow me to read some of the precedents in the Senate and in the other House with respect to this question, and see whether or not I am to be blamed for undertaking to place upon the other side the burden of showing that there is no fraud in this case. Reading from part 3 of the record, the House committee unanimously decided in the case of Butts against Mackey:

Every facility is furnished for fraud, and even where the election officers are honest great frauds may be readily committed without there being any practical means of detecting them. It is indispensable to a fair election that the electors shall be required to vote in the precinct where they reside.

In the case of Platt against Goode, Senator Blackburn states:

The statute of Virginia requires that one of the poll books of election shall be put under cover and seal and sent to the county or corporation court clerk, together with the ballots, inclosed and sealed. There can be no question as to the mandatory character of this statute. Its object is to prevent fraud in tampering with the ballots or alteration of the returns.

The rule laid down and supported by a number of adjudicated cases and applied in several instances by this House does not require that positive proof shall be adduced showing that the ballots have been tampered with. It is sufficient to show that opportunity for such tampering has been afforded. * * * We can not but conclude in the light of the testimony * * * that the vote of Bland and Rives Townships in the county of Prince George should be rejected.

And in the case of Abbott against Frost it was said:

This testimony, we think, clearly shows that many of the plainest and most important provisions of the law were recklessly disregarded, if not purposely disobeyed, by the officers having in charge said election. * * * We are clearly of the opinion that the provisions of the statute which have been so totally and unblushingly disregarded in this case are not merely formal and directory but vital and essential in order to render the election fair and free from fraud or the suspicion of fraud; for we hold it to be the duty of election officers so to conduct the election and everything thereunto appertaining as to as carefully guard against suspicion of or opportunity for fraud as fraud itself. Nothing short of this will satisfy either the spirit or letter of the statute made and enacted to protect and maintain the purity of elections.

And in the case of Gooding against Wilson, Mr. McCrory stated:

I think another rule must be observed. It must appear that the ballots have been securely kept; that they have not been exposed and that there has been no opportunity to tamper with them. This ought to appear affirmatively.

Again, Senator Hoar, when he was in the House, said:

It makes no difference for the purpose of my point whether the ballot box was there in an exposed place for 12 hours or 12 days. Now, I do not claim that there is any evidence here that * * * any person entered it, opened that box, and substituted other numbered ballots for the ballots which it contained. All I have to say is that an adroitness less than that practiced for a less important purpose in many ordinary cases of crime, robbery, burglary, and forgery could easily accomplish that result. Now, we know how eager, how unscrupulous, how adroit, in many instances, are the means which are used to affect political contests. It is not the question whether the friends of the very respectable and very able gentleman who claims this seat did or were capable of doing such a thing * * *. The interests of the sitting Member and of the contestant disappear before a question like this which involves the interests of the American people in the establishment and maintenance of a strict, wise, and safe rule of public policy. It is not merely a question whether the recount was correct; it is a question whether you know and are sure that the thing counted upon the recount was the same thing that was counted or should have been counted at the time the original count was made.

And, again, in the case in New Hampshire of Morris against Hines the opinion of the court concludes:

If at an election of Representative the check list be flung aside and votes are indiscriminately crowded into the ballot box without an inspection by the moderator, it must be obvious to all observing citizens that every evil which the statute was designed to remedy is likely to happen and that two prominent provisions of it will be trampled under foot. Votes so given and received are neither given nor received in conformity to the essential requisitions of the statute and such requisitions being violated the votes must be void. They would be no more void if given viva voce rather than by ballot. If such a neglect of the statute will not render the whole proceedings void, what neglect will have that operation? The whole balloting therefore in this manner is vitiated; no Representative can thus be duly elected.

In a Michigan case the court said:

In determining the title to the county office the vote of a township should be excluded where it appears that in such township the mandatory provision requiring the official ballots to be kept in the custody of an inspector was violated by the appointment of an unofficial person as "instructor" to distribute the ballots, and allowing him access to the voters even after they had entered the booths, although the parties acted in good faith and it is not shown that voters were unduly influenced.

The text writer in Corpus Juris says this:

An election will be vitiated by irregularities which are so numerous that they must be attributed to fraud rather than honest mistake, and although no actual fraud is apparent, yet an election will be invalidated where the whole conduct of the election officers shows such gross negligence and disregard of their official duties as to leave the judicial mind in doubt as to how the election resulted except for such widespread irregularities—

And so on.

It was said by the House committee in the Fifty-third Congress in the case of Moore against Funston:

The difficulty of establishing by legal evidence the existence of a conspiracy, generally great, is increased rather than lessened by the intermingling of politics. That this is so is apparent from the well-known fact that even where an entire community is convinced to a moral certainty that gross frauds have been perpetrated in an election in the execution of a studied effort to defraud, a sufficient amount of legal evidence to convict the suffrage assassins is rarely found, and usually enought of such evidence can not be procured to indict them. All text writers or other law authorities treating of the subject recognize the difficulty of proving a conspiracy by direct evidence; and, as in the case of fraud in general, recognize also the propriety as well as the necessity of proving distinct facts many of them insignificant in themselves, from all of which, however, when sufficient, a firm belief in the existence of the conspiracy or fraud may safely be deduced, and the conclusion may be as safely acted upon. In many cases circumstantial evidence is the only evidence which can be obtained and it is also not infrequently of the most satisfactory and convincing character.

Now, Mr. President, in order that it may not be so difficult to see what could have happened, I want to call the attention of the Senate to some extracts from the testimony. I read first from page 41 of the views of the minority from the examination of one of the inspectors, I think one of the Heflin representatives. Mr. Evins, counsel for Mr. Bankhead, asked this question:

Were you present when the votes were being counted?
Mr. BOBO. Yes, sir.
Mr. EVINS. They were properly counted, were they?
Mr. BOBO. As far as I know they were.
Mr. EVINS. Did you see a certificate of the results made out?
Mr. BOBO. Yes, sir.
Mr. EVINS. That was correct, was it not?
Mr. BOBO. As far as I know it was.
Mr. EVINS. And the only irregularity occurring in that box that you have knowledge of is in relationship to these challenged oaths?

Mr. BOBO. Yes, sir.
Mr. EVINS. And the going out and getting votes?
Mr. BOBO. Yes, sir.

* * * * * * *

Mr. WILKINSON. Did you observe the ballots as they were called and marked "tallied"? Did you have an opportunity to do that?
Mr. BOBO. No, sir; I didn't have an opportunity.
Mr. WILKINSON. Who called them off?
Mr. BOBO. Monroe Aaron called them off.
Mr. WILKINSON. A Bankhead man called them or a Heflin man called them?
Mr. BOBO. It was a Bankhead man.

From the testimony of Mr. DeMott, I quote as follows:

Mr. EVINS. So far as you know they (the ballots) were counted correctly?
Mr. DEMOTT. Yes, sir.
Mr. EVINS. You made no report of any incorrect count?
Mr. DEMOTT. No, sir; no report at all.
Mr. EVINS. Do you remember what the count was for Senator at that box?
Mr. DEMOTT. No, sir. I did know but it is not in my memory now. Not very many though.
Mr. EVINS. But so far as you know the counting was correctly done?
Mr. DEMOTT. Yes, sir.

On the next page from Mr. DeMott's testimony I quote as follows:

Mr. EVINS. Did you see the ballots as they were taken out?
Mr. DEMOTT. Yes, sir. I could not read what was on them; I just saw the ballots. The man that was calling out was up against the counter and here was a stove; they were holding the ballots out this way [indicating].
Mr. WILKINSON. Now, I believe you said it was impossible for you to get behind these men that were calling the tickets to see whether they were calling them correctly or not?
Mr. DEMOTT. Yes, sir. You see the table sits here and a counter here, and there were three men taking them out of the box and another one checking them off and another one calling them, and they were sitting between that table and the counter, and you could not get between them and the counter, and there were show cases on the counter and you couldn't get between them.
Mr. WILKINSON. You don't know whether the results were correct or not?
Mr. DEMOTT. I know what they called out.
Mr. WILKINSON. You took the results of what they called out?
Mr. DEMOTT. I took the results of what they called out; yes, sir.
Mr. WILKINSON. You could not see how the tickets were marked as they were called?
Mr. DEMOTT. No, sir.
Mr. WILKINSON. Who called out the ballots in the box?
Mr. DEMOTT. Grover Hancock.
Mr. WILKINSON. Was he a Bankhead man?
Mr. DEMOTT. Well, I don't know. I don't know how Grover voted, but my supposition of it is that he was a Bankhead man. Arguments we got out of him once in a while, I suppose he was. I wouldn't think he would be for the other fellow.
Mr. WILKINSON. Did he argue for Bankhead?
Mr. DEMOTT. Yes, sir.

Those are merely illustrations showing how it would be possible under the circumstances for the election officers to fix up a return that suited themselves, and then, bearing in mind the practice in Alabama of failing to roll the ballots, failing to seal the box, or using as an excuse that it was the practice to have only one box, and therefore the officers had to open the box, it is easy to see, under these circumstances, how it was possible for them to determine beforehand how many votes they were going to give to a certain candidate and how many votes they were going to give to the other candidate, and then on some subsequent day, before the Senate could reach that box to ascertain whether or not it was correct in all particulars, to substitute other ballots for those in the box. If that were done, it would not be possible for us ever to find out the facts unless some person should come here and admit that he was a party to that fraud. On the other hand, if they followed the law, if they did all that the law required them to do, we would be in a position now to go to the sealed box; we could find there in the sealed box the rolled ballots, also sealed; we could find them properly labeled; we could find them properly numbered; we could compare them and we could count them; and when that was over, there would not be a suspicion left with respect to that particular box; it would be as clear as could be, and the Senate would have no difficulty with respect to it. But when they throw away all the safeguards, when they refuse to use a box, as is required, with a lock on it, and we find in there ballots that have not been folded at all, it means, it is said, nothing in particular. Why? Because they have an excuse for the law not being followed, and an excuse that is consistent with a fair count.

So that is exactly the trouble in this case. It is the trouble in all election cases, and it is the trouble with all election laws. Wherever there is a failure to follow one important requirement, it throws the whole thing out of gear, and it is not possible to go back and trace it and find out just what was done with respect to the matter.

Before leaving this subject I desire to call attention to the absentee ballots.

The absentee ballots in Alabama were one of the important things in that election. The Senator from Alabama [Mr. BLACK] has greatly criticized me because I had accused persons of perjury in connection with the absentee ballots. On page 8775 of the RECORD the Senator from Alabama [Mr. BLACK] says:

What is that so-called perjury? The law of Alabama provides that a man who is away from his home at election time—on business, as I recall the law—may be allowed to vote by absentee ballot. The inference is left in the report of the Senator from Delaware that it is necessary for the man to have been continuously abiding directly at the place where he cast the absentee ballot. If that is the law, then I would not be entitled to vote in Alabama, because I have been away from there six or seven months. The chief justice of the Supreme Court of Alabama, who has been in Montgomery, Ala., for a long period of years, has retained his citizenship back in his home county. The same thing has occurred with reference to various others. People come to Washington, for instance, and secure positions here. Under the laws of our State they are permitted to vote by absentee ballot. But the charge is made here practically that every person of that kind is guilty of the crime of perjury. I deny it and I resent it. Why, Mr. President, it is not true that a man is not entitled to vote in Alabama if he leaves there for a year or two but keeps his citizenship there. That law is as old as any law of the country. Citizenship is determined largely as a matter of intent. That is what is shown by the absentee ballots.

There is one instance in the record in which it was charged that an absentee ballot was cast for a man by the name of John Moore, who was dead. The vote was challenged, and the officers consulted the chairman of the county committee, the solicitor of the county, and the sheriff, all of whom insisted that if the man's name was on the ballot roll, the certificate of voters, his vote should be counted, notwithstanding there was a man there who challenged the vote, and said that he knew the man was dead. So his vote was counted.

The matter came on here; and one of the first witnesses called in defense was this man who it was said was dead. It turned out that there were two John Moores registered in that particular district. The John Moore in Shelby County, I think, came on the witness stand and said, "I cast that ballot." "How long have you lived in Shelby County?" "I have lived there for five years." That is what he said in his testimony: "I have lived in Shelby County five years, but I vote in this other county." I am not certain that I have my counties straight. "I vote in this other county."

That is but an illustration of what goes on with respect to the absentee ballot in Alabama.

The Senator from Alabama evidently has overlooked one very important thing with respect to this matter, however. Section 366 has some provision touching this subject. Mind you, all that the law provides is that a citizen of Alabama who is going to be out of the State or out of his county on election day, in the regular course of his business, may be permitted to vote an absentee ballot; but there is some limitation.

Section 366 of the law is one of the things that make it quite clear that it is not intended that every person should vote. Here is what it provides:

No person shall lose or acquire a residence either by temporary absence from his or her place of residence without the intention of remaining, or being a student of an institution of learning, or by navigating any water of this State—

And so forth. That shows that it is intended not to bar a person who is temporarily absent. I call your attention, however, to the fact that in Alabama 5 per cent of the vote is by absentee ballot. That is 5 out of every 100; and I ask the Members of the Senate, from their own experience in

their own places where they live, if they believe it is possible for 5 people out of every 100 in the State of Alabama to be out of their county or out of their election district on election day in the regular course of their business.

No! No such thing happened. Here is what happened:

In Alabama, after you are 45 years of age, it is not necessary for you to pay a poll tax. The evidence shows that the list is rarely purged. Once on that list, you are always on; and, wherever you are, persons interested in the election in Alabama hunt you up and say that you are entitled to vote in Alabama under their election law.

It is in evidence that a person interested in Mr. Bankhead's election solicited in the adjoining county—in Jefferson County, I think, out of Shelby County—107 persons, taking with him a notary public with the applications in his hand for absentee ballots, although the absentee ballot law distinctly prohibits the probate judge under any circumstances from sending out an absentee ballot unless he receives an application from the person who desires to vote.

But the practice in Alabama was not only that. Not only were the ballots furnished but checks for 25 cents were furnished in many instances in order to pay the notary fees of absentee voters in order to get their votes.

Is that any way to conduct an election? True it is, Mr. President, that if we throw out all the absentee ballots it does not seriously affect this election; and the Senator from Georgia [Mr. GEORGE] is asking me to show how they affect this election.

I said day before yesterday that I was the person who suggested that we close this case and not permit additional testimony, and that is true. I suggested that it be closed for two reasons: Because I was satisfied, under the law and under the facts, that sufficient testimony had been produced to warrant the declaration that there was no election in Alabama. In the second place, I concluded that the Senate was not justified in spending all the money that would have been necessary to run down all the charges of fraud in this election. If we do not adopt the rule I suggested we can not be fair to the contestant in any case.

United States Senators are elected by the direct vote of the people. It is not difficult, under the precedents established in the Privileges and Elections Committee, to make out a case of fraud as was done in this case, alleging fraud in nearly every county in the State of Alabama. What are we going to do with a situation like that if we permit the Alabama law to be wiped out, and permit the people there to go and do just exactly what they please, and say, "That means nothing"? The only other way of dealing with the matter would be to appropriate sufficient money to go to every elector in the State of Alabama and put him upon oath and find out how he voted.

Are we bound, under the Constitution, to do anything like that? I submit that we are not. If, however, we adopt the plan I have suggested—which the courts everywhere uphold, and which is in accordance with the precedents long ago established in both Houses—if you adopt the view that when the violations strike at the very heart of the purity of the ballot in any particular case, the burden is placed upon the person who comes here with the certificate, then I say we have done a thing that will save the Senate great annoyance. We have done a thing that is fair to everybody. We have sent out notice to all the States of the land that hereafter they must live up to their laws if they expect the men they send here to be seated. In no other way can we do it.

The Senator from Georgia [Mr. GEORGE] wanted me to point out how it was possible to show that Mr. Bankhead was not elected. What shall be done with the 58,817 votes that were not numbered at all? Shall they be thrown out?

Why, of course not. They should not be thrown out unless there was a suspicion of fraud. If there were nothing at all in this case but the failure to number the ballots, I should have long ago gotten rid of it so far as I was concerned, and said there was nothing in this contest. But the failure to number the ballots was mentioned by the Senator from Alabama [Mr. BLACK] to the extent of twenty-eight times in his speech, in order, if you please, to draw attention away from the essential things of the law, in order to draw attention to that matter and to emphasize the contention that I had enlarged upon immaterial things. In order to do that he has mentioned twenty-eight times the matters of failing to number the ballots, using a pencil instead of a pen, and folding the ballots instead of doing something else with them.

That is not the essential thing in this statute. That is not true at all, and that is not what I want the Senate to understand from me. I say the essential thing in this statute is that when the votes are counted, they must be rolled and sealed. When they are rolled and sealed, they must be put in a box that is sealed. When the Senate sends to Alabama to get the ballot boxes, and finds those conditions existing, it may be reasonably well satisfied, when it counts the ballots, that there has been no fraud committed. When, however, it finds the seals on half the boxes destroyed and practically none of the ballots rolled and sealed, then I say that that of itself ought to be sufficient to satisfy any reasonable man that the Senate can not afford to put its stamp of approval upon it; but, on the other hand, it must say to the other side, "You must satisfy the Senate beyond all doubt, by some satisfactory evidence, that there was no fraud committed in this particular instance."

Now, I want to refer for a moment to Mr. Bankhead's own position with respect to this matter.

He pleaded yesterday for a judicial decision, and he quoted me as saying that this is the kind of case where the Members of the Senate act as judges and do not act as legislators. With that I fully agree.

I desire to call attention, however, to the fact that before Mr. Bankhead had reached the Senate he had appealed to judges who were not impartial. The committee was greatly shocked to find that Mr. Bankhead himself had proposed to the Alabama Legislature that it pass a law placing the investigation of this election in the hands of the probate judges of Alabama. He came frankly to the committee and said that he had suggested that to the legislature. At the same time he admitted that 61 out of the 67 judges of probate in Alabama were partisans of his.

Oh, yes; the contestee in this case is anxious for an impartial jury to pass upon his case. He was anxious then to have an impartial jury pass upon it. I submit that it comes with poor grace now for him to appeal to the Senate to lay aside its partisanship, to lay aside all things except a judicial attitude upon the case it has before it, when he himself endeavored to have the probate judges of his own State pass upon his case for some reason; I suppose for the reason of having some influence upon the Senate. He stated before the committee that it was for the purpose of aiding the committee.

What is the contestee's position with respect to the polling booths? His own counsel said that he had not heard of any polling booths in Alabama during his lifetime. Here is the leader of the Democratic Party in Alabama insisting that in order to have an honest election, in order to have a legal election in Alabama, it is not necessary to furnish the polling booths provided by law. In other words, he comes before the Senate and admits that, so far as he is concerned, he has acquiesced in that violation, and that important violation, of the law. He was the first man who explained to me this business about the having of two ballot boxes, and admitted that under the law they were required to have a ballot box and a returning box; but he said the practice in Alabama for 25 years was to have but one box.

I call attention in the report to the fact that in some case in which Bankhead & Bankhead appeared—and I assumed that the Senator from Alabama was one of the counsel—it was distinctly stated by the court that it was imperative that two boxes be furnished in Alabama. But here he appears in the Senate and complains of me because I have called attention to the way in which they carry on their elections in Alabama, when he has been a party to that particular violation of the law of Alabama.

Relative to the challenging of absentee ballots, the contention was made that one could not challenge an absentee

ballot, and the election officers of Alabama so held. After consulting the chairman of their committee, after consulting the sheriff, and after consulting the solicitor of the particular county, they conclude that one can not challenge an absentee ballot, and they hold that if the absentee voter be on the roll as a qualified elector and his absentee ballot appears, it can not be challenged.

Mr. Bankhead came to my office with respect to that, and I had some argument with him concerning it. He said, "Of course, that is true. Anything else would result in making the absentee ballot law absolutely a nullity, because all a person would have to do would be to challenge every absentee ballot that came in, and instantly that absentee ballot would go out." But upon further investigation I found that shortly before this very election the attorney general had rendered an opinion in which he said that it was the right of the people to challenge absentee ballots, and he called attention to the provision of the constitution of Alabama itself, showing that any law which undertook to provide otherwise was in violation of the Alabama constitution. But Mr. Bankhead insisted that he had no right to challenge an absentee ballot, and that was his idea with respect to observing the law in his own State.

I have already called attention to his attitude with respect to the probate judges, and I have already called attention to the fact of his participation in paying the poll taxes of others. He did not deny that that was a practice in Alabama. All he said was that the other side had produced evidence affecting but two counties in Alabama.

I have already called attention to his attitude relative to the primary, and I think it is not necessary for me to discuss that longer.

Mr. President, I want now to refer to the speech made by the Senator from Alabama [Mr. BLACK], and then I will have finished. I want to call attention to some of the things he said which, in my judgment, were a reflection upon me. Before doing so, however, I want to direct attention to the fact that I did not pick this job which I have had for a year. I have represented the United States Senate in it as best I could, and I think it comes with poor grace for some Member of the Senate to accuse me of having in my action some improper motive.

There are just a few things to which I want to call attention. The Senator from Alabama used this language, as appears on page 8694 of the RECORD:

> It is my expectation to discuss to-morrow the question of the primary and its effect, but I am glad to have this opportunity, immediately after the discussion by the Senator from Delaware, to reassert that there is no evidence of fraud in this record, unless we have come to the point where we must stoop so low as to view with suspicion every opportunity for the commission of fraud.

Then he said this:

> Every time there is a convention to nominate a candidate for United States Senator, or governor, or any other officer—

Talking about Delaware—

> there is an opportunity, by undercover methods, which are sometimes used in conventions, to thwart the will of the people. Every time they vote by secret ballot in Delaware in a convention or anywhere else there is an opportunity for fraud.

I want to say to him with respect to that, that, at least, we have not violated any law, and so far as the secret ballot in a convention is concerned, he is talking about the rule of the Democratic Party and not the rule of the Republican Party.

I want to call attention to what the Senator said with respect to the primary, as appears on page 8765 of the RECORD:

> We, therefore, must be led to the conclusion that this part of the views of the minority was placed in the RECORD not because the Senator from Delaware believed that it should result in the unseating of the junior Senator from Alabama but because the thought possibly occurred to him that there might be some in the Senate to whom this particular argument would appeal. In other words—

Talking about the primary—

> In other words, it is the same proposition that we have heard sometimes with reference to tariff legislation. If the proponents of a certain measure can not obtain the votes by one method, they try another, even if it be necessary to advocate something which personally they do not favor.

I think there was an inference of an improper motive in that which is not worthy of any Senator when referring to another.

I also wish to direct attention to this statement of the Senator, appearing on page 8772:

> The mere fact that a pencil has been used instead of a pen time and time again shocks the tender sensibilities of the Senator from Delaware. I suggest that before the Senator goes all the way to Alabama to condemn the voters of that State for using a pencil instead of a pen his services might be useful at home.

Again, referring to the Mayfield case:

> They did not reach the stupendous proportions that have been asserted here, in so far as effect is concerned, because the Senator from Delaware, fortunately for the State of Texas, evidently was not the chairman of the committee.

I read from page 8774 what the Senator said, because I happened to refer to the brief filed by counsel instead of the report, and there was very little difference between them:

> The Senator from Delaware, driven from his own report by the irresistible facts in this case, as his feet are insecurely placed upon the shifting sands of the charges that pencils were used instead of pens and that the ballots were folded instead of rolled, we find standing on the insecure island of a brief prepared by the attorney for the contestant. No wonder, when the Senator is driven by the irresistible facts from the conclusions which he has reached that he seeks to base an ouster of a United States Senator upon something a lawyer said in the record.

Does anybody agree that that is a fair argument or that it is a fair statement of this case in any particular?

Then the Senator stated the object of elections, and in a sarcastic vein he had this to say:

> Always up to the time of this contest it has been supposed that one of the objects of an election was to find out for whom the people voted. We did not know until this contest that the only important thing is whether the ballots were rolled or folded.

I want also to call attention to page 8776 of the RECORD, where the Senator deliberately charged me with undertaking to expose the secrecy of the ballot. This is what he said:

> Under the law the ballot is supposed to be secret, but this law to which my friend from Delaware looks up and before which he bows with such reverence and respect when it refers to writing with a pencil instead of a pen is not now so sacred. He is perfectly willing to have the secrecy of the ballot destroyed and so there has been published, and I have it here before me now and can give it to Senators if they want it, a tabulated report of the voters in Alabama disclosing how each voted.

Again, on the same page:

> But bear this in mind: The secrecy of the ballot has been done away with. Here is the list for anyone who desires to see it [exhibiting].

I was not in the Chamber when all of that was going on, but I found that the Senator from Nebraska was anxious to find out what that meant, so I undertook to straighten it out, and I called attention to the fact. I said:

> Mr. President, I should like to explain to the Senator from Nebraska that the list published does not show how the voter voted so that anyone getting hold of a list outside of the parties interested themselves could ascertain the fact. It does not disclose how persons voted. I thought the Senator from Nebraska would be interested in knowing that. However, we did have a supervisor check the vote and give to the interested parties the confidential information contained, but that was not given to the public. I thought the Senator from Nebraska might be concerned about that point.
>
> Mr. NORRIS. I do not quite understand; perhaps I did not get the explanation which the Senator from Delaware has made.
>
> Mr. HASTINGS. In the first place, there was given the number of the voter and his name. That is all that was published and that is all that appears in print. That does not show how the individual voted.
>
> Mr. NORRIS. I understood the Senator from Alabama to say that——
>
> Mr. BLACK. They were supplied the list; yes.
>
> Mr. NORRIS. There was a slash before the name of one candidate and a cross before the name of the other.
>
> Mr. BLACK. The Senator from Delaware is explaining that the information was not given out to the public, but that there was given to the contestant and the contestee the information with marks in front of the names to show how individuals had voted.
>
> Mr. HASTINGS. That is what I was interested in having the Senator from Nebraska understand.

Mr. BLACK. That is correct.

Mr. President, I called attention also to this statement made by the Senator from Alabama with respect to the opportunity for fraud:

> But, as they look with their microscope, they come back into the Senate and say on the Senate floor, there was an opportunity for fraud in Alabama, therefore we ask you to clear Pennsylvania.

Mr. President, I do not believe I will go further into that, for I am not certain but that I have covered that point. I have given my idea about fraud. But in order that I may show how fair the Senator was in his argument I want to direct attention to two or three other little things.

He has much to say about the rejected lists and tries to explain it by saying:

> It may be that it is the voter's wife and that her name appears upon the poll list as "Mary Jones." She may be known as "Mrs. J. E. Jones." They write her name as "Mrs. J. E. Jones." The Senator from Delaware and his supervisors have taken out every name where it does not correspond in that way, and they class such names as illegal voters. We have here in the record the lists of the voters from two counties classified by the Senator from Delaware as illegal. I have in my hand a report made by the probate judge of Colbert County. He shows that out of 44 names which have been classed as illegal by the Senator from Delaware, all but three are qualified voters in that county, and he did not take the time to go out and hunt up the particular three.

The only report we know anything about shows that 71 clerks were illegal voters and after much effort the probate judge showed that 22 might be legal voters. But the Senator called attention to one instance in particular, R. R. Moton, and contends that the ballot was thrown out because the word "doctor" was written in front of the name. He was correct about that, but it seems to me he ought not to pick out one particular name and make a great ado about it when it is purely and clearly a mistake. This was a very large job and undoubtedly there were such mistakes made. But the count, so far as we could ascertain, was absolutely correct.

The Senator referred to the fact that there was no evidence of seals being broken. As I understand it, he is now talking about the ballots that were rolled and sealed. He said it has not been shown that those seals on the ballots so rolled have been broken. How could we prove a negative like that? If they never were rolled and never were sealed, how would it be possible for us to come here and show that the seals were broken? The very thing we are contending is that they were not broken, because they were not sealed in the first instance.

There is one other thing which I think ought to be called to the attention of the Senate. I started to do it the other day, and the Senator from Georgia complained and said he would have to qualify my statement if I made it. This is an important thing. The list was made up some two or three weeks ago, was handed to counsel on both sides, and handed to me. A total of 554 persons served as election officers whose names were not found on the qualified list of electors, representing 444 election districts. It is contended on the other side that with an opportunity given they could show that many of the 544 names were qualified voters.

Let me repeat, if it be necessary to show what was a qualified voter in Alabama, that he must be on the certified list April 15, which is published. However, if he does not appear on that list and ought to appear, he is given until the 1st day of May to get himself placed upon the list and at that time a second list is published. He must have lived in the State two years and in his district three months before he is permitted to vote. The law declares that the election officers shall be selected, 20 days before the election, from the list of qualified voters of the district, and that list shall be published to the world 20 days before the election.

The law only provides two ways of finding out who are qualified voters. The first and most natural way is to find out whether the man is on the list. If he be not on the list, but has a right to vote, then he goes to the polling place on election day. He must make an affidavit and he must get two of his friends to make an affidavit that he is a qualified voter. In my judgment he is not a qualified voter until he makes his affidavit and is placed upon the list. In my judgment he can not be selected as an election officer unless he appears on that list. Otherwise, he could not be qualified, because there is no way to qualify him except for the election officers themselves to place him on the list on election day, and there are 544 of them that were not qualified electors.

If I was going to show that a conspiracy existed here, if I was undertaking to show there was fraud running through all of this election, I ask what would be a better way of doing it than to show that 544 people were selected, perhaps because they were skilled in the art of manipulating elections, and placed wherever the manipulators wanted to place them so they could do the job in the way they were directed to do it. There were 544 of them not on the list, and in my judgment not qualified electors and, therefore, not qualified to be officers. Can anybody conceive of an easier way or can anybody conceive of a thing that would attract more attention in the State of Pennsylvania if we showed it than that? I contend that we ought to apply the same rule below the Mason and Dixon line that we apply above the Mason and Dixon line, and when we do that we will have less trouble in the Senate with respect to the contests that come here.

In the Pennsylvania case under the leadership of the Senator from New Mexico [Mr. BRATTON], it was declared that where they found some fraud, although they threw out votes and although Vare was left with a majority, the whole thing was so tainted that the only reasonable conclusion which could be properly reached was that there was no election on that day. If that be the precedent, if that be the rule provided by the other side of the Chamber, then I beg of them not to come here and complain and accuse me of preparing a report based upon mere flyspecks, upon technicalities discovered with a microscope.

I resent any such suggestion, because what I have done has been to the best of my ability and with the honest belief that it was my duty to lay the facts before the Senate. Having done it, I care not what any other man does, but I do not propose, so far as my vote goes, to put my stamp of approval upon any such conduct.

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

The VICE PRESIDENT. The clerk will call the roll.

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

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

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

Mr. PITTMAN. Mr. President, I am going to detain the Senate but a few moments. I do not intend to debate the question at length. I am unwilling, however, in a matter of this importance to cast my vote without explaining briefly the reasons which urge me in the casting of it.

As I understand the question, and I have attempted to understand it from listening to the debates and reading the records, there is a question, first, as to whether or not there was a legal primary in Alabama, and, second, whether there was a legal election in Alabama. I understand from the

address of the chairman of the subcommittee on Privileges and Elections [Mr. HASTINGS] that there is no question as to whether Senator Heflin or Senator Bankhead was elected. I understand that in no event can Senator Heflin be seated under these proceedings. Senator Bankhead received a majority of the votes.

As a primary question, sir, I do not believe the constitutional provision empowering us to judge of the election, returns, and qualifications of United States Senators refers to any proceeding looking to the nomination of a candidate to be voted for at an election. At the time the Constitution was framed there was no such thing anticipated as a primary election; in fact, no such things as parties were anticipated. At the time the Constitution was framed it was provided that Senators should be elected by the legislatures of the States, and there was no provision for electing legislatures; that was left entirely to the States. In fact, under the Constitution the States were expressly granted the power to determine the times, places, and manner of holding elections for United States Senators. That has only been changed, to my knowledge, by the seventeenth amendment, which provides for the election of Senators by the people rather than by legislatures.

I agree with the decision in the Newberry case, wherein the Supreme Court held that the word "election" in the Constitution of the United States does not refer to a procedure, whether it be by caucus or convention or primary, for the nomination of candidates to be voted on at the election. Therefore, I believe that we have no right to go into a primary election for the purpose of determining what candidate was selected as a nominee to be voted on at the general election.

It is apparent, however, that under the authority to determine the "qualifications" of United States Senators, we have the right to look into the conduct of a Senator in a primary; we have the right to look into his conduct before or after the primary; in other words, we have the right to examine his conduct at any time, in any particular, in any undertaking, to determine whether or not he has the qualifications of a United States Senator, and it has been determined by this body more than once that the word "qualifications" includes moral qualifications. There is no doubt that if we believe that a candidate in a primary or in a convention or otherwise was guilty of corruption or fraud, we would have a right to take that into consideration and to decide that he has not the qualifications to be a Member of this body.

The second question raised, and which we must determine, is whether or not there was an election in the State of Alabama. It is not a question as to whether Mr. Heflin or Senator Bankhead was elected at that election; the question is, Was there an election in Alabama? As I have previously said, section 4 of Article I of the Constitution of the United States grants to the States the right to determine the times, places, and manner of holding elections, with certain qualifications, and I feel that before this body, in a collateral case, should determine that there was no election in a State, there should be the strongest affirmative proof of that fact. If this case involved only the election of a Senator, it would not be so important; but we can not declare that election absolutely void; we can not declare that there was no election in the State of Alabama without declaring that it is our opinion that the governor of that State was not elected; that the attorney general was not elected; that none of the legislators were elected; that none of the State, county, or municipal officers were elected. Therefore, it becomes a serious question of determination, in my mind, at least. I am totally unwilling to take the responsibility, in a collateral proceeding, of determining that there was no election in the State, unless the proof to my mind is conclusive.

I regret to be compelled to say that the evidence in this case discloses the fact, in my opinion, that the laws of the State of Alabama with regard to the protection of the voter by guaranteeing a secret vote appear not to have been enforced; it may even appear to me that some of the laws are not good laws; but what right have I, as a citizen of the State of Nevada, to criticize the character of laws that the State of Alabama has, when the Constitution has granted to the State of Alabama the same right which it has granted to the State of Nevada—the right to determine the manner of holding its own elections. To me the evidence discloses the fact that by reason of the failure to enforce the statutes of their own State the people of Alabama have opened wide the door to fraud, but I fail to find from the evidence in this case any general fraud even under the peculiar circumstances existing. I fail to find that there has been such an advantage taken of the opportunity for fraud that in my conscience and my judgment I can say that that whole election was so fraudulent that there was no valid election in the State of Alabama.

Mr. President, viewing the situation as I do, and having to vote upon the sole question, as I do here, as to whether or not there was a legal election in the State of Alabama, notwithstanding the technical failure to protect the voter as it was intended, by affording him a booth where he could have an opportunity secretly to mark his own ballot, to have it properly folded and sealed, to have it properly preserved, in the absence of evidence of general fraud throughout the State and, indeed, of fraud of any character or kind which may be attached to the contestee in this case, I am unable in conscience and in view of my opinion of the law to vote to declare that there was no election in the State of Alabama.

The VICE PRESIDENT. The question is on agreeing to Senate Resolution 199, reported from the Committee on Privileges and Elections.

Mr. ROBINSON of Arkansas and others asked for the yeas and nays.

The VICE PRESIDENT. Is the demand seconded?

Mr. NORRIS. Mr. President, I should like to make an inquiry. I understood that there was to be a substitute offered by the Senator from Delaware [Mr. HASTINGS] for the pending resolution. He does not seem to be present at the moment. Can any Senator now present give the Senate any idea as to what the understanding was as to that?

Mr. BRATTON. Mr. President, the Senator from Delaware has not indicated that it was his purpose to offer a substitute. I had understood that the vote would come on the pending resolution.

Mr. NORRIS. I understood from conversation with the Senator from Delaware that he expected to offer a substitute for the resolution. I assume that the vote on a substitute would come first. He is not in the Chamber, and I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

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

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

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present. The question is on agreeing to the resolution.

Mr. HASTINGS. I desire to offer a substitute for the pending resolution.

The VICE PRESIDENT. The amendment in the nature of a substitute will be reported.

The CHIEF CLERK. It is proposed to strike out all after the word "*Resolved*" in the pending resolution, and insert in lieu thereof the following:

That it is the sense of the Senate that there was no legal election for United States Senator in Alabama in 1930, and that the seat now held by JOHN H. BANKHEAD is hereby declared vacant.

Mr. ROBINSON of Arkansas, Mr. ASHURST, and others asked for the yeas and nays.

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

Mr. LONG (when his name was called). I have a general pair with the senior Senator from Illinois [Mr. GLENN], and therefore withhold my vote. If at liberty to vote, I should vote "nay."

Mr. THOMAS of Idaho (when his name was called). I have a general pair with the junior Senator from Montana [Mr. WHEELER]. I understand that if present he would vote as I am about to vote. Therefore I am free to vote, and vote "nay."

Mr. VANDENBERG (when his name was called). On this question I have a special pair with the senior Senator from Virginia [Mr. SWANSON], who is absent from the country on official business. I understand that if he were present he would vote "nay." If I were at liberty to vote I should vote "yea." I withhold my vote.

Mr. WATSON (when his name was called). I have a general pair with the senior Senator from South Carolina [Mr. SMITH], who is necessarily absent from the Senate and from the city. I am unable to secure a transfer. Therefore I withhold my vote.

The roll call was concluded.

Mr. SHEPPARD. The senior Senator from Montana [Mr. WALSH] is necessarily detained from the Senate. If he were present, he would vote "nay." He is paired with the Senator from Colorado [Mr. WATERMAN], who, if present, would vote "yea."

The junior Senator from Montana [Mr. WHEELER] and the senior Senator from South Carolina [Mr. SMITH] are necessarily absent from the city.

Mr. GLASS. I desire to announce that my colleague the senior Senator from Virginia [Mr. SWANSON], is still detained from the Senate in attendance upon the disarmament conference at Geneva.

Mr. McKELLAR (after having voted in the negative). Has the junior Senator from Delaware [Mr. TOWNSEND] voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. McKELLAR. I have a general pair with the junior Senator from Delaware, which I transfer to the junior Senator from Montana [Mr. WHEELER], and will allow my vote to stand.

The result was announced—yeas 19, nays 63, as follows:

YEAS—19

Austin	Frazier	Moses	Robinson, Ind.
Brookhart	Hastings	Norris	Shortridge
Capper	Hebert	Nye	Steiwer
Cutting	McNary	Patterson	Walcott
Dickinson	Metcalf	Reed	

NAYS—63

Ashurst	Connally	Hatfield	Neely
Bailey	Coolidge	Hawes	Norbeck
Barbour	Copeland	Hayden	Oddie
Barkley	Costigan	Hull	Pittman
Bingham	Couzens	Johnson	Robinson, Ark.
Black	Dale	Jones	Sheppard
Blaine	Davis	Kean	Shipstead
Borah	Dill	Kendrick	Stephens
Bratton	Fess	Keyes	Thomas, Idaho
Broussard	Fletcher	King	Thomas, Okla.
Bulkley	George	La Follette	Trammell
Bulow	Glass	Lewis	Tydings
Byrnes	Goldsborough	Logan	Wagner
Caraway	Gore	McGill	Walsh, Mass.
Carey	Hale	McKellar	White
Cohen	Harrison	Morrison	

NOT VOTING—14

Bankhead	Schall	Townsend	Watson
Glenn	Smith	Vandenberg	Wheeler
Howell	Smoot	Walsh, Mont.	
Long	Swanson	Waterman	

So Mr. HASTINGS's resolution, in the nature of a substitute, was rejected.

The VICE PRESIDENT. The question now is on the original resolution, which will be stated.

The Chief Clerk read the resolution (S. Res. 199), as follows:

Resolved, That JOHN H. BANKHEAD is hereby declared to be a duly elected Senator of the United States from the State of Alabama for the term of six years, commencing on the 4th day of March, 1931, and is entitled to a seat as such.

Mr. ROBINSON of Arkansas. I call for the yeas and nays.

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

Mr. LONG (when his name was called). I have a general pair with the senior Senator from Illinois [Mr. GLENN], and withhold my vote. If at liberty to vote, I should vote "yea."

Mr. THOMAS of Idaho (when his name was called). Making the same announcement as before, I vote "yea."

Mr. VANDENBERG (when his name was called). Making the same announcement as before respecting my pair, I withhold my vote. If at liberty to vote, I should vote "nay."

Mr. WATSON (when his name was called). Making the same announcement as before with reference to my pair, I withhold my vote. If at liberty to vote, I should vote "nay."

The roll call was concluded.

Mr. McKELLAR. I make the same announcement that I made a while ago as to my pair and its transfer.

Mr. SHEPPARD. The senior Senator from Montana [Mr. WALSH] is necessarily detained from the Senate. If he were present, he would vote "yea." He is paired with the Senator from Colorado [Mr. WATERMAN], who, if present, would vote "nay."

The junior Senator from Montana [Mr. WHEELER] and the senior Senator from South Carolina [Mr. SMITH] are necessarily absent from the city.

Mr. GLASS. I desire to announce that my colleague the senior Senator from Virginia [Mr. SWANSON] is still detained from the Senate in attendance upon the disarmament conference at Geneva.

The result was announced—yeas 64, nays 18, as follows:

YEAS—64

Ashurst	Connally	Hatfield	Neely
Bailey	Coolidge	Hawes	Norbeck
Barbour	Copeland	Hayden	Oddie
Barkley	Costigan	Hull	Pittman
Bingham	Couzens	Johnson	Robinson, Ark.
Black	Dale	Jones	Sheppard
Blaine	Davis	Kean	Shipstead
Borah	Dill	Kendrick	Stephens
Bratton	Fess	Keyes	Thomas, Idaho
Broussard	Fletcher	King	Thomas, Okla.
Bulkley	George	La Follette	Trammell
Bulow	Glass	Lewis	Tydings
Byrnes	Goldsborough	Logan	Wagner
Caraway	Gore	McGill	Walcott
Carey	Hale	McKellar	Walsh, Mass.
Cohen	Harrison	Morrison	White

NAYS—18

Austin	Frazier	Moses	Robinson, Ind.
Brookhart	Hastings	Norris	Shortridge
Capper	Hebert	Nye	Steiwer
Cutting	McNary	Patterson	
Dickinson	Metcalf	Reed	

NOT VOTING—14

Bankhead	Schall	Townsend	Watson
Glenn	Smith	Vandenberg	Wheeler
Howell	Smoot	Walsh, Mont.	
Long	Swanson	Waterman	

So the resolution was agreed to.

STATE, JUSTICE, COMMERCE, AND LABOR APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1933, and for other purposes, the pending amendment being the amendment offered by the Senator from California [Mr. JOHNSON] to the committee amendment, on page 90, line 1, where the committee proposed to strike out the following:

Public works: For establishing and improving aids to navigation and other works as may be specifically approved by the Secretary of Commerce, $449,708, to be immediately available.

The Senator from California moved to amend by inserting in lieu of the language proposed to be stricken out the following:

For establishing and improving aids to navigation, establishing lights, and for signals to mark the deep-water channel to Stockton, Calif., $16,000.

Mr. JONES. Mr. President, I desire to offer an amendment in lieu of the amendment offered by the Senator from California.

Mr. JOHNSON. Mr. President, the Senator from Washington is about to offer an amendment in lieu of the amendment which I offered when last we were considering the pending bill, which, as I understand it, will be acceptable. I trust the Senator will present the amendment which he has in hand.

Mr. McKELLAR. Let the amendment be reported.

The PRESIDENT pro tempore. Is the Chair to understand the Senator from California to have withdrawn his amendment which was pending?

Mr. JOHNSON. Temporarily: yes.

The PRESIDENT pro tempore. The Senator from Washington is recognized.

Mr. JONES. Mr. President, I have looked into this matter very closely and examined with reference to the amount of money carried in the bill for immigration purposes, and I think we can well afford to substitute $50,000 for the amount proposed to be appropriated, with the distinct understanding that $16,000 of the amount may be used for aids for navigation in the channel leading up to Stockton, Calif., without mentioning the point. I make that declaration clearly, that $16,000 of this money is intended to be used for that purpose. That will take care of the situation without changing the amount carried by the bill, and I think we can very well make that change. Therefore I offer the amendment which I send to the desk in place of the amendment offered by the Senator from California.

Mr. JOHNSON. Mr. President, upon the statement of the Senator from Washington that $16,000 of this amount shall be used in the Stockton Harbor for signals and lights and as aid to navigation, I am perfectly willing to accept it in lieu of the amendment I offered, and I withdraw my amendment.

The PRESIDENT pro tempore. The Senator from California withdraws his amendment to the committee amendment, and the Senator from Washington offers the amendment which the clerk will state.

The CHIEF CLERK. On page 90, line 1, the Senator from Washington proposes to restore the matter stricken out, amended to read as follows:

> Public works: For establishing and improving aids to navigation and other works as may be specifically approved by the Secretary of Commerce, $50,000, to be immediately available.

Mr. FLETCHER. Mr. President, I do not intend to oppose the amendment; I want to see the project of the Senator from California taken care of. I would like to ask, however, whether these aids to navigation are to be restricted and limited all over the country? There are a good many of those propositions in Florida. There are waters on the Gulf and on the Atlantic and inland where the people are asking for aids to navigation. I do not know whether there will be enough money to supply the necessary aids or not.

Mr. JONES. The Senator will remember that, according to the letter from the Secretary of Commerce, he really suggested that this appropriation could be cut out with less harm than would result from cutting out appropriations for many other things. We have proposed an appropriation of $50,000 for this item, and when the $16,000 is deducted, $34,000 will be left for additional lights anywhere throughout the country, and I think under the circumstances that appropriation is ample.

Mr. FLETCHER. That is what I wanted to inquire of the Senator, whether fixing the appropriation in this amount would mean the abandonment of aids now in existence, or which it is necessary to complete.

Mr. JONES. No; it will not mean the abandonment of any aids now in existence.

Mr. FLETCHER. There will be funds for that purpose?

Mr. JONES. Yes; $34,000.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Washington to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 6662) to amend the tariff act of 1930, and for other purposes.

TRANSACTIONS ON THE NEW YORK STOCK EXCHANGE

Mr. BLAINE. Mr. President, I did not want to interrupt the debate which has been proceeding for the last several days, though perhaps I should have earlier called attention to a newspaper report which apparently has been broadcast over the country in connection with the purported interview I had with a newspaper representative. However, I received a copy of the interview and the first information of its publication on yesterday morning. The information came by way of a bulletin from Dow, Jones & Co., of New York City. The interview relates to the investigation of the New York Stock Exchange. I notice that Dow, Jones & Co. send out financial bulletins, and they characterize these bulletins as the "Electric Page News, printed in over 100 cities." Dow, Jones & Co., of course, is an organization which reports respecting the New York Stock Exchange.

I call the Senate's attention to the fact that the other day Mr. LAGUARDIA, a Member of the House of Representatives from New York, appeared before the Committee on Banking and Currency and outlined some of the high-pressure methods used by operators on the New York Stock Exchange and by some of the brokerage houses in their operations in the sale of stocks and bonds.

My interview had reference, not to the statement of Representative LAGUARDIA, but to the general conditions which exist respecting the New York Stock Exchange. However, the reporter who obtained the interview with me was slightly in error, and I desire to correct the error before I proceed to outline a situation which I think ought to be called to the attention of the country.

In the purported interview the newspaper representative stated:

> "The public," said Senator BLAINE, "is at all times the sucker."

That is not my conception of the public. That is not the language I used. The language I did use was that brokerage houses and others engaged in the type of gambling which is transacted on the New York Stock Exchange conceive the public at all times to be the suckers.

In the same interview I stated:

> Professional traders never lose to the public, although they may lose among themselves.

That is a fair and, I think, an accurate statement of the situation. These operators are very much like the racketeers and gangsters about whom we have heard so much. However, they are the gentlemen who are clothed in holy robes; and Mr. Whitney, president of the New York Stock Exchange, undertook before the committee to place the character of angels about the operators on the New York Stock Exchange. Yet, after all, the operations on that exchange are similar in character to the operations of the racketeers and gangsters who may kill one another. So these operators on the stock exchange may occasionally lose among themselves, but their main purpose is to gouge the public, to cheat the public, to defraud the public.

Mr. President, it was demonstrated by Representative LAGUARDIA that many of those who operate on the New York Stock Exchange use high-powered publicity methods. In respect to one news-gathering or news-reporting service there was paid out $286,000, as I recall, to create what Mr. Hoover said in 1912 was "a speculative fever."

All of these news stories that were sent out were of the character of news stories sent out during the consideration of the tariff bill.

Senators will recall that the sugar interests spent tens of thousands of dollars then to mislead the Congress and also to influence the public generally that the public in turn might influence the Congress. There were other large interests as disclosed by the investigation conducted by the lobby committee. Large amounts of money were used for propaganda purposes. It has been pointed out on the floor

of the Senate time and time again how the power interests have used the newspapers as a vehicle to spread their propaganda, their poison, their misinformation, their misrepresentations, in order to mislead the public and to mislead the Congress. Identically the same methods are used by those who are operators and manipulators upon the New York Stock Exchange.

As I said, the unsuspecting average investor, without an opportunity to investigate the various corporations for himself, naturally relies on the financial authorities in New York, and he gets soaked. In 1929 the so-called "long" operators hoisted the prices of stocks and bonds upon the stock market until those stocks and bonds approached dizzy heights. All the time preceding that propaganda was being sent out all over the country by financial writers, by news organizations, through financial bulletins gotten out by various organizations in New York, until they had created what Mr. Hoover characterized as a "speculative fever."

In that interview I also stated, quoted the reporter:

Mr. BLAINE remarked also that the average American comes into the market only during bull movements. He is not a falling-market operator.

I said that generally the public comes into the market when the market is rising, when the "longs" are pushing the market until they have the market to that point where they have the opportunity to soak the unsuspecting public.

In that same interview I find this statement by the reporter:

"The uninformed investor," Senator BLAINE continued, "who lost so much in 1929 was the sort of person described by Mr. Hoover in the 1912 London Mining Journal as an 'idiot.'"

In that respect the reporter is mistaken as to what I said. I called his attention to the fact that if he would go to the United States Geological Survey library and there ask the attendant for the Mining Magazine of the issue of May, 1912, he would find an article written by Mr. Hoover wherein Mr. Hoover described the unsuspecting public as "idiots."

Therefore, at this time, Mr. President, I think, when the public is so vitally interested—interested not only in the rehabilitation of our economic conditions but also interested in what Congress is doing and especially interested in the proceedings before the Committee on Banking and Currency respecting the investigation of the New York Stock Exchange—it would, indeed, be informative, and perhaps instructive, to have in the RECORD the language Mr. Hoover expressed in 1912 when he was a citizen of Great Britain and a promoter in Great Britain, especially with reference to the promotion of mines in Australia and South America.

To be accurate and perfectly fair, any Senator who is interested may go to the United States Geological Survey library and there find volume 6, No. 5, of the Mining Magazine, May, 1912, edited by Mr. T. A. Rickard, pages 370 to 373, inclusive—the Mining Magazine published in London—containing an article entitled "Economics of a Boom," by Mr. H. C. Hoover. I assume that H. C. Hoover was Herbert C. Hoover. I may be mistaken in that respect. I understand, however, that that is correct.

Having addressed the editor, Mr. Hoover said:

SIR: I take pleasure in complying with your wish that I should give my views on the economics of mining booms.

I want to say to the Members of the Senate that if they want to read this article at the United States Geological Survey library it will be necessary for them to go to the library. There is a constant watchful eye upon that magazine and for good reasons.

If Senators will go to another part of the United States Geological Survey library, they will there find a vacant place on the shelf whence a magazine was taken and never returned and which magazine contained an article by Mr. Hoover. Therefore one can not borrow the magazine from the library. He must read it in the presence of some one, I assume for the purpose of assurance that the magazine will not be filched or purloined from the library.

I proceed with the reading of the statement of Mr. Hoover:

As the aftermath of every boom and slump in a particular department of the mining market, there is a flood of lamentation over the shrinkage in market-value and the enormous losses that have consequently ensued.

Senators will note that "There is a flood of lamentation over the shrinkages in market value and the enormous losses" quite analogous to the situations which have been developing in the last few years. There are lamentations, lamentations from men and women who have lost their entire life savings. During the boom period prior to 1929 they were led into the belief, through the propaganda of financial writers, that the greatest prosperity in the world was here and would continue, that stocks and bonds of the various industrial organizations and utilities would be of tremendous value and would be a security for them in the twilight of their lives.

Not only were they advised by the financial advisers and writers, but the information came out of the White House or out of the Cabinet to these men and women who were believing in the statements of public officials and financial advisers and those who were writing the propaganda. They invested their money. To-day many of those men and women are being supported by their friends, their relatives, their children, or by the public. Lamentations! Of course, Mr. President, there should be lamentations.

But let me examine into how Mr. Hoover treated those lamentations over shrinkages. I quote further:

Even the oft-repeated palliation that a minor amount of stock changes hands at top prices is quite superficial from an economic point of view.

In order to get at the true position it is necessary to disassociate clearly the various elements that are involved. The first of these elements is the actual industry in the given mining region upon which a boom has been built, and the second is the people at the financial center who are engaged in the provision of capital for this industry. The people must be divided into two classes, the insiders, who provide the capital, namely, the promoters, brokers, and so forth, and the outsiders, who may be styled the investing public.

It may be stated at once that the actual capital invested and risked in such a mining industry has nothing to do with either the nominal, issued, or market value of the shares of companies operating in a given region, but is what we may style the economic investment and consist of—

Then Mr. Hoover points out those three factors. I shall not read the first two factors. The third he designated as—

C. The amount of money expended in the raising of this capital. This sum is one difficult to estimate, for, from a social point of view the promoter, broker, etc., must be supported by the industry and the "economic" outlay upon them is only the amount of their takings from the investor or the industry that they do not reapply to reproductive investment. If they live modestly and continue to labor this wastage amounts to very little. If, on the other hand, they squander their takings, it is in such proportion more important. This sum bears little or no relation to the gains of paper-trading which may be done as between two parties at the financial center. The insiders may make millions of such paper and sell it to each other or to the outsiders, but this, except for the economic expenditure, is simply taking a block of national wealth from the book of one individual and placing it in that of another.

In other words, the outsiders may take millions of such paper, and Mr. Hoover states that that is merely transferring property from one individual and placing it in the hands of another. In other words, the insiders put their hands in the pockets of the American people during these raids and extract the money, the savings, if you please, of the men and women of this country, and put that money into their own pockets.

Mr. Hoover knew exactly what he was talking about, and he was then talking about a subject that is very familiar to us now, especially in view of the recent investigation by the Committee on Banking and Currency. Transferring the money from the pocket of one individual to that of another! That is exactly the method of the pickpocket. The criminal on the street who slips up behind one and puts his hand in one's pocket and extracts a pocketbook which he transfers to his own pocket is as respectable as are the insiders who have, through their propaganda, mis-

represented facts to the public, put their hands into the public's pocket, to extract money and place the money so extracted into the pockets of the insiders by way of the stock exchange.

Mr. Hoover was an engineer at that time, and to make his position clear he said:

In order to make the matter clear we may take a hypothetical example. On the Blank mine the A expenditure—

I have discussed that. Mr. Hoover presented A, B, and C expenditures—

On the Blank mine the A expenditure—that is, the annual development and equipment and management on the ground—is, say £100,000—

Speaking the language of the country of his adoption—

The B expenditure on the registration of the company, directors' fees, secretary, etc., is £5,000. The C expenditure is extremely difficult to assess. It may comprise the living of one or several promoters over a longer or shorter period, and a part of the living of several brokers and jobbers and their satellites. To arrive at a figure, however, we may assess this at £15,000. We have, therefore, a total "economic" investment of £120,000. It is quite possible that the Blank mine may be capitalized at £1,000,000, and that the insiders may sell the shares to the outsiders at that figure.

One hundred and twenty thousand pounds are invested, but shares are issued to the extent of £1,000,000, and the insiders then sell those shares to the outsiders. That is when they begin to pluck the public; that is when the insiders begin to pick the pockets of the public. Now, let me continue the quotation—

We have therefore a total "economic" investment of £120,000. It is quite possible that the Blank mine may be capitalized at £1,000,000, and that the insiders may sell the shares to the outsiders at that figure, but the £880,000 representing the difference—if we assume that the mine should fail absolutely—is not in itself an economic loss. It simply means that this much of the national wealth was transferred from one individual to another.

Eight hundred and eighty thousand pounds, representing no value whatever, sold to the outsiders by the insiders, and Mr. Hoover says that means only that so much of the national wealth was transferred from one individual to another. But that £880,000 in shares cost the insiders not a single dollar. They transferred those shares to the outsiders. It cost the outsiders, the unsuspecting public, the ones who had their pockets picked, the amount for which each share was sold, and those shares were sold according to the degree of the speculative fever that was abroad in the land.

Continuing the quotation—

It might result in a decrease in national wealth if the £880,000, or any part of such purchase of the mine, were removed from this kingdom.

That is, if the insiders left Great Britain and took with them the amount of money which they had picked from the pockets of the Britishers, removed that money to some other realm, of course, then the kingdom, the British realm would have had that much national wealth extracted from it; but, first, the insiders took the money out of the pockets of the outsiders without any consideration whatever excepting the certificate of stock, which was no more than the result of the operation of a printing press and represented in value nothing more than the junk value of the paper upon which the certificate was printed.

It is quite possible to say that the insiders may spend more than £15,000 upon legitimate living or on riotous extravagance.

And that they may never again perform any labor; so that a portion of the £880,000 does not return for reinvestment in reproductive work; but, in any event, experience shows that it is a minor quantity. Further, from an economic point of view—

And I want the Senate to note this particular sentence from the pen and mind of Mr. Hoover—

Further, from an economic point of view, this £880,000 of capital in the hands of the insiders is often invested to more reproductive purpose than if it had remained in the hands of the idiots who parted with it.

If the President has any knowledge of the operations of the insiders in stock gambling, the committee ought to be furnished with some specialists who were trained under Mr. Hoover during some period of his life in America so that those specialists might aid the Committee on Banking and Currency to ascertain how many dollars have been taken by the insiders from the pockets of the innocent, unsuspecting public.

In parenthesis, to make my point clear, I want to call attention to transactions in the J. I. Case Co. stock. I make the statement only upon information, and it may be incorrect, but I have it upon very respectable authority that in 1930 and 1931, during those two years, the stock transactions in the J. I. Case Co. stock in number equaled, as I recall, ninety-four times the total number of shares issued by that corporation, and that the insiders, the stock brokers, received as profits on those transactions an amount in excess of the total assets of that great corporation. I merely use that by way of example. It may be an exaggerated example, but at least it serves the purpose of pointing out how the insiders go into the pockets of the public and take their daily, weekly, monthly, and yearly wages and earnings and savings and transfer them into the pockets of the insiders.

Mr. FLETCHER. Mr. President, may I interrupt the Senator?

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

Mr. BLAINE. I yield.

Mr. FLETCHER. The Senator suggests that an investigation be made as to the amount of money which has been taken out of the pockets of the outsiders by the insiders. I do not know that what I am about to relate amounts to the same thing, but I think it is well within the figures to state that there was a depreciation in security values on the stock exchange in October, 1929, of some $29,000,000,000. Afterwards stocks went up, but in 1930 there was again a depreciation of some $20,000,000,000. All together it has been estimated as high as $70,000,000,000, but at least there was a $49,000,000,000 depreciation in values on the stock exchange in 1929 and 1930. That is quite a considerable sum, when we consider that there are only about $50,000,000,000 of real money in all the world.

Mr. BLAINE. Exactly, Mr. President; and I thank the Senator from Florida for pointing out those facts, and I think if an investigation were made it would be disclosed that these depreciations and losses were depreciations and losses largely of the outsiders. While those who are actual operators upon the stock exchanges may, as I said in the interview, lose among themselves, the great losses, the enormous losses, are incurred and the great injury is suffered by the unsuspecting, innocent public.

Mr. President, the philosophy of this time is a philosophy that leads only one way, and that is to a universal disregard for organized government. When men and women who have a right to rely upon banks, investment houses, and public officials are betrayed, when the Government furnishes them no protection, when the thief who takes their money goes scot free—not only scot free but becomes a respectable gentleman of our communities, and often the holder of high offices of public trust—that brings distrust of government. When tens and hundreds of thousands of men and women are brought to the door of the poorhouse, when for the balance of their lives they must face the dangers of starvation, anguish, and want, can we expect that there will be any high regard for government, or any respect for those who occupy the positions in government?

Mr. SHIPSTEAD. Mr. President, will the Senator yield for a question?

Mr. BLAINE. I yield.

Mr. SHIPSTEAD. These people used the mails in these transactions. They made statements that were not true, misrepresenting values. Does not the Senator think that the postal inspectors and the officials of the Department of Justice might render service by investigating violations of criminal statutes through using the mails to defraud?

Mr. BLAINE. My own opinion is that if full investigation were made, it would be found that these financial writers and

these financial houses had attended to it that they were within the law.

I know of no postal regulation that prevents a newspaper reporter from sending out a false report over the country regarding either individuals, institutions, or property, even though he received large sums for doing so. I doubt whether there is any present law that would punish these men, who are in fact aiding as great thieves as is the pickpocket. Judged by the standard of good morals, of proper conduct among their fellow men, the stock jobber's acts are more heinous than the crime of the man who burglarizes a bank under the power and pressure of machine guns. The only difference is that they keep within the law. They retain their respectability, not because they are entitled to it but because they can make large donations; they can employ the ablest lawyers; they can buy the newspapers or the newspaper writers, some of them. They mold public opinion through devious means, and thus they influence public officials, and in the finality they make the laws.

Mr. Hoover pointed out some other very pertinent situations.

We have heard a great deal about psychology. It is rather an ancient word. At least, it goes back to May, 1912; and Mr. Hoover has not forgotten the language. Note, Senators, quoting from his article:

There are many psychological factors in any boom; one at least is often put forward as of some consequence, and that is the value of a speculative fever.

Speculative fevers are produced by propaganda, paid for by the operators and brokers on the stock exchange. I will not go into the details of that. I hope the committee investigating this problem will go into all of the ramifications of the stock exchanges, ascertain the modes and methods by which the insiders rob the outsiders, how far the large banks of the commercial centers have their hands in the pockets of the outsiders, and ascertain what part the investment banker plays in this great game of robbery and theft, pilfering, and crime.

Why, Mr. President, the stock exchanges, with the practices that have already been disclosed before the committee, can be justly charged with having the leprosy of crime spotted all over them.

Now, let me continue. I want to repeat. Mr. Hoover says:

There are many psychological factors in any boom; one at least is often put forward as of some consequence, and that is the value of a speculative fever. For instance, the Nigeria possesses mineral wealth worthy of development, and the securing of adequate capital is made easier by such a fever. It is true that all of those of experience realize the great difficulty in securing adequate capital for new industries where such a fever does not exist, and it is a fact that the C expenditure—

To which I have called attention—

for promoters, brokers, etc., is greater without such a fever than with it.

In other words, if a speculative fever can be created through the false representations made by financial writers and made in financial bulletins, those methods, as Mr. Hoover says, are not quite so expensive as the slower method to which he calls attention later on.

He says:

For more intermediaries must be employed. In such cases 99 per cent of the capital raised comes from persons who buy shares—

Now, note—

not on any knowledge of the enterprise beyond its market nickname, but because of the fullness of hope that they may resell the shares to some other outsider on the following morning at a higher price.

Why, of course, Mr. President, the outsiders, the unsuspecting, innocent public know nothing about the daily sales or what may happen on the stock exchange during any day. That is left to the brokers, the insiders, the specialists, the investment bankers, the J. P. Morgans & Co.

Mr. Hoover says:

Given that this person is capable of conviction as to the merits of a given enterprise, the cost of convincing him outside of boom hours is very great; it usually takes years instead of days, and an army of intermediaries instead of a troop.

So the operators and the brokers, the investment brokers, hire these high-powered, high-pressure financial writers. The country is propagandized. All sorts of representations are made. The public is told what great profits will come to them if they buy the shares of the X company or the A company or the B company. That is cleverly manipulated.

Perhaps on the first of the month a corporation has reorganized and split its shares, multiplied the original shares two, four, or more times, and those split shares are gradually fed into the market. The financial-news writers tell the story daily, varying the amount for which those shares sell on the stock market, five or six dollars a share, the next day five and a half, and another day at a fractional gain, and another day another fractional gain. Those news stories go out to all the papers in the country. One news service organization, as I recall, sent a story out to 250 newspapers in the United States. That campaign is kept up daily, most cleverly. The boom starts and the shares go up ten, fifteen, twenty dollars a share. That is when the insider, with his split shares, or other shares, for that matter, fleeces the public. That is when the "longs" are interested. That is the time when the "longs" are playing the market. That was the situation which prevailed in 1929 before the collapse came. Then the other side of the market, the "shorts," began their operations, and the unsuspecting innocent public, which had purchased millions upon millions of securities, found those securities going down, down, down, down. I recall some stocks which were selling at $50 a share; and when the manipulation took place, those shares continued going down, down, down, down. I remember one corporation in the radio field where the shares went to practically nothing, where the so-called specialists had the inside information respecting that corporation, where the so-called specialists knew that the president of the corporation was going to send out a letter on a certain day, for instance, suggesting a meeting of the board of directors, and in that same letter suggesting that the board of directors would determine upon the reorganization of the company. So those letters were sent out, the specialists knew those letters were sent out, the shares of that corporation continued to fall until all of the outsiders were frozen out, every single dollar taken away from them, and the company, with $325,000,000 of assets, sold for $11,000,000, in round numbers. Those outsiders were "sold down the river" by the insiders.

I think Mr. Hoover has, probably unsuspectingly and unintentionally, contributed literature on the stock market and its operations so valuable that that literature ought to be preserved. That article written by Mr. H. C. Hoover ought to be in the archives of this Government and available for the people of this country. I understand that there is but one copy now, and that is available only in the presence of the guardian eye of an individual down at the Geological Survey Library.

Therefore, Mr. President, in order to make this entire article available without Members of the Senate having to go to great inconvenience, I ask unanimous consent that the entire article, with the notations which appear on the article taken from the original article in the Mining Magazine, be made a part of the RECORD at this point in my remarks.

The PRESIDING OFFICER (Mr. FESS in the chair). Is there objection?

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

[From the Mining Magazine, London, May, 1912]

ECONOMICS OF A BOOM

THE EDITOR.

SIR: I take pleasure in complying with your wish that I should state my views on the economics of mining booms.

As the aftermath of every boom and slump in a particular department of the mining market, there is a flood of lamentation over the shrinkages in market value and the enormous losses that have consequently ensued. Even the oft-repeated palliation that a minor amount of stock changes hands at top prices is quite superficial from an economic point of view.

In order to get at the true position it is necessary to disassociate clearly the various elements that are involved. The first of these elements is the actual industry in the given mining region

upon which a boom has been built, and the second is the people at the financial center who are engaged in the provision of capital for this industry. These people must be divided into two classes: The insiders, who provide the capital, namely, the promoters, brokers, etc., and the outsiders, who may be styled the investing public, although they often enough consist of other promoters and brokers. These classes could perhaps be truly styled the producers and consumers of mining shares, or in more formal economic terms, the entrepreneur and capitalists.

It may be stated at once that the actual capital invested and risked in such a mining industry has nothing to do with either the nominal, issued, or market value of the shares of companies operating in a given region, but is what we may style the economic investment and consists of:

A. The actual working capital and materials shipped to this given mining region and there devoted to plant, machinery, development, management, etc.

B. The expenditure in the management of these companies at the financial center, such as directors, secretary, engineers, registration fees, office expenses, advertising, etc.

C. The amount of money expended in the raising of this capital. This sum is one difficult to estimate, for, from a social point of view, the promoter, broker, etc., must be supported by the industry and the "economic" outlay upon them is only the amount of their takings from the investor or the industry that they do not reapply to reproductive investment. If they live modestly and continue to labor, this wastage amounts to very little; if, on the other hand, they squander their takings, it is in such proportion more important. This sum bears little or no relation to the gains of paper trading, which may be done as between the two parties at the financial center. The insiders may make millions of such paper and sell it to each other or to the outsiders, but this, except for the economic expenditure, is simply taking a block of the national wealth from the pocket of one individual and placing it in that of another.

Further, the matter somewhat hangs on the question as to whether we look at it from a world's view or from the more narrow national view. In the latter case, if the promoter or vendor be a foreigner and remove his takings from the country, then these sums would constitute a part of the economic expenditure. This is not so, however, from the broader view of total world's wealth.

The economic investment then consists of the sums represented by 'A,' 'B,' and 'C,' and if the net returns from the metal produced in this given mining region show a profit on this economic investment, then the national wealth has been increased. By profit, I mean necessarily the return of this capital with interest.

In order to make the matter clear, we may take a hypothetical example. On the Blank mine the 'A' expenditure—that is, the actual development and equipment and management on the ground, is, say, £100,000. The 'B' expenditure on the registration of the company, directors' fees, secretary, etc., is £5,000. The 'C' expenditure is extremely difficult to assess. It may comprise the living of one or several promoters over a longer or shorter period, and a part of the living of several brokers and jobbers and their satellites. To arrive at a figure, however, we may assess this at £15,000. We have therefore a total "economic" investment of £120,000. It is quite possible that the Blank mine may be capitalized at £1,000,000 and that the insiders may sell the shares to the outsiders at that figure, but the £880,000 representing the difference—if we assume that the mines should fail absolutely—is not itself an economic loss. It simply means that this much of the national wealth was transferred from one individual to another. It might result in a decrease in national wealth if the £880,000, or any part of such purchase of the mine were removed from this kingdom. It is quite possible to say that the insiders may spend more than the £15,000 upon legitimate living or on riotous extravagance, and that they may never again perform any labor, so that a portion of the £880,000 does not return for reinvestment in reproductive work; but, in any event, experience shows that it is a minor quantity. Further, from an economic point of view, this £880,000 of capital in the hands of the insiders is often invested to more reproductive purpose than if it had remained in the hands of the idiots who parted with it.

We can assume many alternatives; for instance, that the insiders succeed in selling only £120,000 worth of these shares to the outsiders. The enterprise would show a shrinkage in market value of one million, but even the insiders would not have benefited by the transactions; or we can assume that the enterprise returns the £120,000 and an additional £100,000, in which case the national wealth has been increased, although there was a shrinkage of £780,000 in apparent value; we can also assume that the mine provision worth £15,000,000, or any other handsome amount, on this occasion.

The reasoning may be extended to the recent case of the Nigerian tin boom. At the maximum point of the market enthusiasm for this industry the total nominal capital of the companies involved in that region, so far as I have been able to determine from available material was, in round numbers, £5,200,000, of which there was issued about £4,400,000. The total of what may be called the market value; that is, the quotation multiplied by the number of shares of the companies involved was about £10,700,000; and the total working capital (omitting cash payments to vendors) provided for these companies was about £1,100,000. Such a bare financial statement, however, requires a large amount of readjustment. Many of the companies hold shares of other companies, and thus there is a good deal of duplication in such figures. Any proper adjustment is impracticable, as the holdings are not sufficiently known. I would not be surprised, however, if it were found that upwards of 30 per cent should be deducted from all the figures for this reason. If we assume that there is fairly assured a total output of 50,000 tons of black tin from properties now known, and that this metal can be recovered over a period of 10 years, there would be on known results a profit of roughly £2,500,000. Such a sum would have a present value, if discounted at 7 per cent, of about £1,875,000. It is, of course, possible and probable that more tin will be found than that mentioned.

Now, as to the "economic" expenditure on this industry we can be certain that the actual working capital available for administration and work at the mines does not exceed £1,100,000, and out of this comes not only the 'A' expenditure but a large part of 'B' as well; namely, directors' fees, etc., are paid out of the working capital; in some cases registration and promotion costs are met without intrenching upon this, but such an allowance can be neglected as the sum mentioned embraces the working capital the preliminary syndicates, and finance companies. In any event, it appears to me that this figure of £1,100,000 is a liberal estimate for the 'A' and 'B' portion of the "economic" investment as the industry is now constituted. It is not necessary to include in the "economic" investment the cost of railways and commercial establishments, because those concerns should have returned their capital from the working costs of tin production and from the development of the country in other directions. The 'C' expenditure it is, of course, impossible to assess. One can only say in a general way that the promoters of Nigerian tin mines are most of them active and energetic men who live in a modest manner and do not buy undue quantities of jewelry for their wives; moreover, but few of them possess more than one motor car and no steam yachts have yet been announced. Therefore we need not take the gloomy view that they will retire with the money they have received, becoming drones on the community, or establish families of drones, or squander it in riotous living. The more hopeful view is that they will reinvest their takings in reproductive work and continue to devote their experience and abilities to the augmentation of the national wealth. The actual sum of wastage, therefore, through this item is not likely to be large. Moreover, there are only about 32 companies having a working capital in excess of £15,000, so that these gentlemen can not be a very large body or of very large ideas. Between a rough valuation of £1,875,000 for the industry "in sight" and the £1,100,000 mentioned, we have a margin probably greater than the actual wastage involved on the 'C' account. For all of which reasons it seems probable that Nigerian tin will show a sound profit from a national point of view. And should the actual industry expand the favorable margin will be greater.

It must be borne in mind in considering any particular economic current that there are many side streams, the introduction of the details of which only confuses the main outlines. For instance, a considerable proportion of the expenditure under 'A' and 'B' will be saved by officers and employees from their wages and salaries, and a considerable portion of it will be expended on machinery and plant, and the manufacturers and workmen of this equipment will save a portion of this money, the whole of which savings may return to reproductive expenditure and should, from a point of view strictly of national wealth, be deducted from the "economic" expenditure. It might also be said that the money paid to the Government in stamps (which probably amounts to £50,000) is not entirely an economic loss, as such contribution to the general taxation entails a less heavy drain from other quarters. And, furthermore, some of the Government expenditure may be reproductive. There are many other items of this sort and I draw attention to them lest some wise person arise to state that I have not considered these hundreds of economic rivulets that feed the main stream.

There are many psychological factors in any boom, one at least is often put forward as of some consequence, and that is the economic value of a speculative fever. For instance, Nigeria possesses mineral wealth worthy of development, and the securing of adequate capital is made easier by such a fever. It is true that all of those of experience realize the great difficulty in securing adequate capital for new industries where such a fever does not exist, and it is a fact that the 'C' expenditure on promoters, brokers, etc., is greater without such a fever than with it, for more intermediaries must be employed. In such cases 99 per cent of the capital raised comes from persons who buy shares not on any knowledge of the enterprise beyond its market nickname, but because of the fullness of hope that they may resell the shares to some other outsider on the following morning at a higher price. Given that this person is capable of conviction as to the merits of a given enterprise, the cost of convincing him outside of boom hours is very great; it usually takes years instead of days, and an army of intermediaries instead of a troop. On the other hand, and of greater importance from an economic point of view, is the fact that in boom times a multitude of worthless ventures are started; these represent a great economic loss, which would not in other circumstances ever have arisen. Thus out of the £1,100,000 provided for Nigerian mines, probably more than half is for companies destined before their birth to early and complete extinction. This wastage amounts to several times the amounts saved in more economical finance as set out in the first part of this paragraph.

If we wish to extend the application of these principles to the various mining booms that the London market has experienced, we could say with some assurance that the Witwatersrand and Broken Hill have been most highly profitable mining districts, and that the national wealth was greatly increased thereby. We

could also say that from anything now known West Australia, West Africa, and Rhodesia will probably result in economic loss. We could also say that from the point of view of the English investor alone, Russia, Spain, and Mexico probably show a profit, but that the United States, Canada, Queensland, South Australia and Victoria, and South America generally, show a loss. Obviously, it does not follow that individual enterprises in those unprofitable districts may not have been abundantly successful and in every way justifiable.

H. C. HOOVER.

LONDON, *May 7.*

[In regard to the sequelæ of a boom we can state that Mr. Hoover is slightly in error, as the motor car and yacht stage of prosperity has just been reached by one or two of the Nigerian operators.—EDITOR.]

STATE, JUSTICE, COMMERCE, AND LABOR APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1933, and for other purposes.

The PRESIDING OFFICER (Mr. FESS in the chair). The question is on agreeing to the amendment of the committee on page 91, line 4, which will be stated.

The CHIEF CLERK. Under the subhead "Coast and Geodetic Survey," on page 91, line 4, after the name "United States," the committee proposes to strike out "$200,000" and insert "$150,000," so as to read:

Field expenses, Atlantic coast: For surveys and necessary resurveys of the Atlantic and Gulf coasts of the United States, including the coasts of outlying islands under the jurisdiction of the United States, $150,000.

Mr. JOHNSON. Mr. President, I want the RECORD to show and I want the few Senators who are present to know exactly what has been done with this bill so far as the Department of Commerce and its Foreign Service are concerned. I have asked that the figures be furnished me by those who are familiar with them, and I am going to recite them now, very, very briefly, of course.

It is the desire of those of us who are familiar with the Department of Commerce to reinsert in this bill a sum aggregating about $465,000, so that the work of the department may not be so seriously interfered with and so outrageously injured as it would be if what has been done by the Senate shall be enacted into law.

In order to accomplish the purpose it would be necessary to ask unanimous consent that we reconsider the items which have been passed upon by the Senate, and then present the appropriate items seriatim in regard to the activities of the Department of Commerce.

I spoke to the chairman of the Committee on Appropriations, and he does not feel that he could agree that he could accord unanimous consent to that effect, and he feels that he is bound by what the Senate has done in regard to these appropriations. Because that is the attitude of the chairman of the Committee on Appropriations of the Senate, I want to make plain exactly what has been done by the House bill, in the first instance, then subsequently by the Senate bill, in the second instance.

The proposed amendment I have suggested, or concerning which I have spoken, would restore, I repeat, $465,000 to the appropriation for the Bureau of Foreign and Domestic Commerce, making the net cut somewhat over 10 per cent under the House bill instead of 19.87 per cent, as recommended by the Senate committee.

The Bureau of Foreign and Domestic Commerce has a present appropriation of $5,334,122. The House bill gives that bureau for the next fiscal year $4,869,531, representing a cut of $464,591, or about 9 per cent.

The Senate committee recommended a further cut of $964,531, which is practically 20 per cent under the House figures. The committee was instructed by the Senate to make cuts of 10 per cent in the appropriations carried in the bill, but in the case of this particular bureau twice that amount was deducted from its appropriations.

If $465,000 were restored the bureau, it would still have its appropriations reduced about $1,000,000 under the present funds, a cut of 18 per cent.

The bill which is before the Senate, House bill 9349, if enacted, will result in just this:

Foreign offices which must be closed, 20 in number.

District offices which must be closed, 18 in number, and these 18 district offices are located in the following cities: Buffalo, Charleston, Charlotte, Dallas, Des Moines, El Paso, Mobile, Memphis, Pittsburgh, Galveston, Indianapolis, Kansas City, Los Angeles, Louisville, Milwaukee, Wilmington, Norfolk, and Salt Lake City.

The foreign offices which will be required to be closed under the bill are at Barcelona, Bucharest, Lisbon, Toronto, Vancouver, Winnipeg, Prague, Helsingfors, Milan, Riga, Warsaw, Berne, Oslo, Bombay, Hong Kong, Melbourne, Mukden, Sao Paulo, Panama City, and San Juan.

The divisions which will be abolished by the bill are five in number. The employees who must be dismissed if this bill becomes a law as now it is contemplated by the Senate, will be—

In the city of Washington, 252.

In the United States outside of Washington, 153.

In the foreign service, 88.

The total number required to be dismissed from the service of the department will be 473.

There will be an elimination of monthly detailed statistics on competitive foreign markets. The domestic commerce survey work will be eliminated, as well as the activities relating to the regional distribution, commodity movement, credit and business failures, consumer demand, industrial marketing, special trade studies for grocers, jewelers, electrical industry, credit men, garment manufacturers, hardware, lumber, naval stores, and so forth.

This is what this bill does to the Department of Commerce.

If Senators want to do it, well and good. But if the elimination of these activities is accomplished by merely a yardstick of percentage of reduction, it is a wrong which can not be justified. If we proceed with a reduction of any department of government upon the basis that that department is unnecessary, and there is a fair defense of that position, none at this time can complain. All favor economy, all favor reductions which may be legitimately, scientifically, or logically made. But I submit, sir, in view of these figures, that that sort of thing has neither been attempted here, nor has it been accomplished. On the other hand, we have just slashed without regard to the effect which may be had.

In order that the RECORD may show the facts in regard to the matter, I ask leave, on page 70, lines 19 and 20, after the word "exceed," to strike out "$1,650,000" and to insert "$1,990,000."

I ask that the various amendments may be pursued. If consent can not be granted, I submit, of course, to the determination of the chairman of the committee and of the Senate.

Mr. JONES. Mr. President, in view of the unanimous consent which has been given for the consideration of this bill, I do not see how I could accede to that request now.

Mr. JOHNSON. That is up to the Senator, of course. I recognize that.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California?

Mr. JONES. I can not grant the request of the Senator under the circumstances. The Senator knows my position. My position is a great deal the same as his. But he knows what the orders of the Senate are, and we are obeying the orders of the Senate.

Mr. JOHNSON. But the orders of the Senate were to make a 10 per cent reduction.

Mr. JONES. In the aggregate.

Mr. JOHNSON. We have in these items substantially a 30 per cent reduction. That is exactly the mathematical computation.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Tennessee?

Mr. JOHNSON. Certainly.

Mr. McKELLAR. The Senator says at one time that it is not a scientific reduction because we have not exercised any care in saying where the places are to make the reductions, and then the Senator complains because we have taken more from one item than another. What the committee has done

has been to reduce the aggregate 10 per cent, and we made the reductions after a most careful investigation of each item which has been passed upon.

Mr. JOHNSON. The care that was exercised by the committee may be manifest to the Senator from Tennessee. The care is not manifest in the items which have been slashed and in the items to which I have adverted and which I have read. I venture the assertion that there was practically no member of the committee who understood that he was eliminating the various offices in the various sections of the United States at the time that elimination was made.

Mr. JONES. The Senator is mistaken about that.

Mr. McKELLAR. Entirely mistaken. If I recollect right, the head of the department notified his constituents, he certainly notified mine, that certain offices were going to be abolished. I understood from my constituents that this Cabinet officer urged my constituents to protest against my action in seeking to reduce them. In other words, Cabinet officers have sent out propaganda to the constituents of Senators on that question.

Mr. JOHNSON. I know nothing about Cabinet officers sending out propaganda; but I do know, sir, that were I a Cabinet officer and I saw the service of the United States injured, crippled, halted, ruined, I would do everything within my power, and I would conceive it to be my duty to do it, to prevent that injury, that halting, that ruin. So I do not think any man who is in the service of the United States, no matter who he is, is open to criticism in the slightest degree because he protested either to constituents or to Senators against the crippling of his particular department.

Mr. LOGAN. Mr. President——

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

Mr. JOHNSON. I yield.

Mr. LOGAN. If there had been a threat that there would be an office abolished or if the head of a department said that he would be compelled to abolish an office, and that office happened to be in the Senator's State, would he not reserve the right to make some investigation and find out whether the Secretary of Commerce was correct about it and whether it ought to be abolished if the cut was made?

Mr. JOHNSON. I certainly would want to ascertain the facts.

Mr. LOGAN. In my State, in the city of Louisville, the board of trade and other business people were induced to pass resolutions protesting against the reduction of the appropriation for the Department of Commerce because it would result in closing the office there, to which the Senator just referred. I found the fact to be that $13,500 is appropriated for the expense of that office and that it has five clerks and stenographers. I also found that the work can be done just as efficiently and probably better with three than five. Therefore a 40 per cent or even 30 per cent reduction is no cause for the closing of that office.

For that reason I disagree with the Secretary of Commerce that it is necessary to close the office although he has the power to do so. The reduction in the appropriation will still leave that office with sufficient funds to function properly although the expenses of that office may be reduced as much as the total of the appropriation is reduced.

Mr. McKELLAR. Of course, the Senator from Kentucky is correct about that, but that is not the idea of the heads of the department. What they want is no reduction in the appropriations. They are trying to make it appear, by propaganda sent to the various States wherever any such situation as that stated by the Senator from Kentucky arises, that that particular office is being destroyed or that it has got to be destroyed simply because of a comparatively small reduction made in the appropriation. I have been told over the telephone, though I have not seen the paper, that Secretary Mills came before a committee last Friday and made the suggestion that certain offices of collectors of customs in various States would have to be abolished. He said if the committee wanted to save, they could save $500,000 by cutting off a number of offices of collectors that were comparatively useless in various States. One of those offices happens to be in Memphis, Tenn. A man called me up the next morning and said that it was reported in the papers that I had introduced a bill to discontinue the office in Memphis, Tenn.

I merely state that for the purpose of showing to what extent the propaganda is being used to prevent any reductions in appropriations. If we listen to propaganda, our appropriations will be increased instead of reduced.

Mr. JOHNSON. I take it that the Senator from Kentucky and the Senator from Tennessee, like myself, are impervious to propaganda.

Mr. McKELLAR. I do not suppose anyone is impervious to propaganda. If it is gotten out, we dislike very much totally to disregard it. I think Cabinet officers are doing a very great injustice when they indulge in propaganda that has no solid foundation of fact, as much of this propaganda has not. I think we ought not to listen to it, but we are obliged to pay some attention to what takes place, of course.

Mr. JOHNSON. I am surprised at the admission of the Senator from Tennessee. There are upon the desks of every Senator, I assume, for I presume I am not alone in that particular, telegrams which it is utterly impossible for us to read concerning items in the tax bill. We are not going to determine our course by virtue of those telegrams nor because somebody says we are doing this, that, or the other thing. In reducing appropriations the question should be whether it is a just cut. If Senators believe it to be a just cut, I have no complaint in the slightest degree because they so believe.

Mr. McKELLAR. I have no doubt about it.

Mr. JOHNSON. I take it the Senator has not. I take it the Senator from Kentucky has not. Unfortunately, I am compelled to disagree with both of my colleagues in that regard.

Mr. LOGAN. Mr. President——

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

Mr. JOHNSON. Certainly.

Mr. LOGAN. Referring to a part of the statement made by the Senator from Tennessee, I merely want to say that letters and telegrams which I have had from Louisville have contained the statement that the Senate has pending before it a bill providing for the abolishment of the office in the city of Louisville. That was not true, and I told them it was not true, but those people had been led to believe by some one—I know not by whom—to believe that we in the Senate are writing a provision into the bill that the office in Louisville shall be abolished and that I am going to vote for the bill. To that sort of propaganda I do object.

Mr. JOHNSON. Of course, that sort of thing is not accurate at all, yet the fact remains that that is exactly what we are doing and the consequences of our acts are that we will abolish these various offices. That I wanted to call to the attention of the Senate, and I wanted to make clear so far as I am personally concerned, a reduction which would be accorded something near 20 per cent by the insertion of the $465,000 to which I have referred would be a reduction which ought to be commensurate with the designs of the Senate as expressed in its resolution and which ought to satisfy the most economical in this body.

There is no desire, I take it, in anyone's mind to cripple the public service. All of us would maintain it. There may be different views as to what the public service will be benefited by. The Senator from Tennessee may think the abolition of the entire Commerce Department or all of its activities abroad would be an excellent thing. I do not think so. I might think that the abolishing of a very large part of the Farm Board would be an excellent thing. He might not think so; and so it runs.

Mr. McKELLAR. If the Senator will pardon me, I will say that I think the Farm Board ought to be abolished. I do not think it has done the farmers any good. I think it would be a very wise thing to abolish it.

Mr. JOHNSON. I do not observe any bill before us for the abolishment of the Farm Board.

Mr. McKELLAR. Oh, yes, there is.

Mr. JOHNSON. Where is it?

Mr. McKELLAR. I understand the Senator from Nebraska [Mr. NORRIS] has introduced such a bill.

Mr. JOHNSON. I am not aware of it.

Mr. McKELLAR. I find that I am mistaken about it. The Senator from Nebraska just tells me that I am mistaken about it.

Mr. JOHNSON. We all make mistakes, and I would rather err upon the side of a decent, efficient public service than on the side of a crippled and injured public service.

Mr. LONG. Mr. President——

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

Mr. JOHNSON. I yield.

Mr. LONG. I think the Senator comes from a territory that gets its foreign trade largely the same as the territory from which I come. Is the Senator familiar with any distinct service that the Department of Commerce has rendered in South and Central America except to stir up revolutions and maintain dictatorships?

Mr. JOHNSON. Oh, yes. I will have to take issue with the Senator there. Yes; in the matter of trade they have done a very great service there and a great service in the Orient.

Mr. LONG. Perhaps I do not know, and probably I do not; but, for example, does the Senator know of one particular service they have ever done? I do not.

Mr. JOHNSON. I have had them repeated to me continuously, but I would not attempt to relate them in detail.

Mr. LONG. None with fruits and none with coffee.

Mr. JOHNSON. I think they have been very active in the matter of the fruit business.

Mr. LONG. The only thing the Senator will find—and I do not intend to take up the Senator's time.

Mr. JOHNSON. The Senator is at perfect liberty to do so.

Mr. LONG. The only thing I know of that the Department of Commerce was instrumental in doing was in the famous coffee treaty between the Bank of England and some French institution and bankers in Wall Street, whereby they limited the coffee output. Outside of that, I know of no service ever rendered by the Department of Commerce in Central and South America.

Mr. JOHNSON. The Senator and I will not disagree about the activities of Wall Street or the celebrated house of Morgan, so far as that goes; but that is apart from this question. Many of our merchants that I know of in the city of Los Angeles and in the city of San Francisco appreciate quite beyond words the foreign service which has been rendered by the Commerce Department; and I say that advisedly. The service which the department has rendered to the merchants and exporters and importers in California has been incalculable.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from New York?

Mr. JOHNSON. Certainly.

Mr. COPELAND. I should like to confirm what the Senator from California has said. The testimony of merchants and manufacturers in my State is to the effect that this department has been very useful. I am not speaking about Wall Street. I do not know how they could help Wall Street.

The manufacturing companies, however, are very much concerned over the possibility of abolishing these offices. Last year I made an appeal for an office in western New York, and it was established there. Now the merchants and manufacturers of that section are very much distressed over the prospect that that activity will not be continued. So I share the apprehension of the Senator from California that we are doing a wrong thing. In this time of economic depression we ought to be doing things to stimulate business; we ought to be trying to build up trade instead of seeking to tear it down.

Mr. LONG. Mr. President, if the Senator will permit me, I did not mean in this instance to make an attack on Wall Street's activities. If the work of this bureau has done Wall Street any good, that is all right; but I meant to say that Wall Street will tell those who are gullible that the service has been of immense benefit. I happen, however, to have been more or less directly associated with foreign trade between this country and South and Central America, having fought many of the rate cases, and I know of no single distinct act of service that has ever been performed by the Department of Commerce. The Senator from Tennessee has referred to the fact that there was some agitation and some propaganda—and it reached my section—to induce people to petition their Senators not to vote for this curtailment. On the contrary, we had rather the service discontinue it.

Mr. JOHNSON. Mr. President, that is a perfectly logical position, with which I do not quarrel at all, but what I complain about is that some would cripple a service that at least they admit has value and do not go to their full logical extent respecting it.

Mr. McKELLAR. Mr. President, will the Senator from California yield to me?

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

Mr. JOHNSON. I yield.

Mr. McKELLAR. Will this proposed action interfere with the service at Los Angeles or San Francisco, in the Senator's State?

Mr. JOHNSON. I am so informed.

Mr. McKELLAR. I did not know that the Senator had read the name of a city in his State where the service would be abolished.

Mr. JOHNSON. I read the name of Los Angeles.

Mr. McKELLAR. It is certainly not intended to abolish the service there; and I want to say to the Senator that if these reductions shall be made, there is not a particle of necessity to abolish any of these offices. The department can merely lessen the number of employees at those offices and the same work can go on and, in my judgment, will go on better. I share the view of the Senator in that I think we ought to help our foreign trade wherever we can. I think Doctor Klein is a very excellent head of that bureau; I have known him for a long time, and he is a very vigorous and active man; but he could get along, if this reduction should be made, just as well, if he will undertake to do it, in this time of depression, when all of us ought to get along on less, as he could with a larger appropriation.

Mr. JOHNSON. Very well. Mr. President, I admire the mode in which my friend from Tennessee can determine all of the intricacies and all of the technical and scientific aspects of the Foreign Trade Service and of the bill relating to the Department of Commerce. I have no such omniscience; I do not claim it. I speak only from information that has been accorded me that I accept at its face value. I have presented it to the Senate for its determination. Objection was made to one item. In order that the record may be clear in that regard, I now ask that we may return to pages 63 to 70, so that amendments may be presented which would in this bill reinsert about $465,000 which has been stricken out, thus making the reduction in this particular bureau about 20 per cent instead of the very large percentage that now exists.

Mr. JONES. Mr. President, let us go on and finish the bill and then decide the question of going back. I object to going back at the present time at any rate.

Mr. JOHNSON. As I understand the Senator from Tennessee, he also would object?

Mr. McKELLAR. I shall object.

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

Mr. JONES. Mr. President, just a moment. I sympathize very much with the contention of the Senator from California, but the Senate has spoken two or three different times with reference to action along these lines. I am not referring to anything that has been said, but I received this morning a communication telling me that if this bill should be passed as it is, one of these offices will be discontinued in one of the leading cities in my State. I take that as a sort of threat, a sort of intimidation upon the part of some one in the department. There is a law against action

of that kind; there is a law against department officials even coming to Members of the Senate or the House of Representatives except in a particular kind of way. I do not know whether the department officials have been stirring up such communications as the one I received this morning or not.

Mr. McKELLAR. I think they have.

Mr. JONES. But it looks very much that way.

Mr. JOHNSON. What city was it where the Senator was notified the office would have to be closed?

Mr. JONES. It was not mentioned in the list the Senator from California read.

Mr. JOHNSON. Then the Senator probably has some misinformation.

Mr. JONES. I do not know, but the information came pretty straight to me, to the effect that if this appropriation bill were not changed or some provision made for the office in the locality referred to, it would be abolished.

Mr. President, I think there is much force in the suggestion that there really is not any need for the discontinuance of any of these offices, even with the appropriations reduced as we propose to reduce them in this bill. There may result a decrease in the number of the force employed, so that instead of having three or four to take care of an office, they will probably have to handle it with one or two; but I am inclined to think that they will be able to take care of these offices if they are disposed to do so. I know the Senator from California wants them to operate just as economically as I do, so far as that is concerned; but I have had something to do with the Department of Commerce for quite a good many years. I know they are very active; I know they were extremely active when times were good, and, of course, we responded to their activities. Now I am afraid they will have to cut down some of those activities and reduce their force. The reduction in the appropriation may not cause the discontinuance of any office, but the department may not be able to employ so many people as it has heretofore employed. I myself regret that that has to be done; I regret that anybody has to be dismissed from the employment of the Government.

As I have said, I am not personally in active accord with the policy which we have pursued; but the Senate has directed the committee to take action along the lines which have been taken. This bill itself was reported to the Senate without these amendments, but the Senate sent it back to the committee and instructed the committee to cut it 10 per cent below the appropriations carried by the bill as it passed the House. The Senate did not tell the committee to take off 10 per cent here and 10 per cent there and 10 per cent yonder, but it expressly said "in the aggregate," recognizing that there would be more reductions in some items than in others. It provided, however, that in the aggregate the reductions should be 10 per cent. The committee has tried to follow the instructions of the Senate.

Mr. McKELLAR. Mr. President, I wish to say that I agree largely with what the chairman of the committee has stated. I regret that anyone may not be employed as usual. I do not believe, however, that there will be any offices abolished. I do not know whether I am right or not—I sometimes think I am not—but I think it is still the privilege of Congress—and the Constitution says it is the duty of Congress—to direct the Cabinet officers as to what shall be done and what shall not be done. I take it that these offices will not be abolished unless the Congress abolishes them. They were created by act of Congress, and I imagine that the Congress still has control over them. We may be wrong; it may be in the power of a Cabinet officer, as many of them assert it to be in their power, to cut off at will when there is a reduction in an appropriation. For instance, the other day a Cabinet officer came before the subcommittee of which I am a member and said: "If this bill passes, it will mean the cutting off 36,000 men in the department." Such a statement as that is ridiculous. I can not imagine how it would be possible for a Cabinet officer to make such a statement, and yet he made it.

Mr. JOHNSON. Mr. President, I am not aware of what the Cabinet officer said or to what the Senator refers.

Mr. McKELLAR. The statement was made before the subcommittee.

Mr. JOHNSON. Was it made in relation to the Commerce Department?

Mr. McKELLAR. No.

Mr. JOHNSON. Well, I am speaking of the Commerce Department.

Mr. McKELLAR. So far as the Commerce Department is concerned, I have a letter at my office, which I will put in the RECORD to-morrow, from the head of that department written to one of my constituents protesting against any cut, and asking him to write to his Senators requesting that there be no reduction in the appropriation for his department. That came from Mr. Lamont. I have the letter, not with me, but it is in my office, and I will bring it over to-morrow and put it in the RECORD.

Mr. JOHNSON. I do not question that.

Mr. McKELLAR. I have not done it heretofore because I had hoped it would not be necessary to do it. I was sorry that that letter was written; it ought not to have been written. Senators have enough trouble as it is in endeavoring to cut down expenditures, without our employees writing letters to our constituents urging them to protest against cuts in appropriations.

Mr. JOHNSON. Mr. President, I know nothing about the letters that may have been written by one person or another. How many telegrams have we received from veterans during the last week, do you imagine, Mr. President? How many thousands telegraphic messages have come to us from veterans' organizations regarding the tax bill and regarding various provisions of the so-called economy bill that is now before the House? I do not in the slightest degree resent those messages being sent. It is impossible for me to read all the telegrams, it is true; but when it comes to administering a very great concern such as the Department of Commerce, I feel that I would scarcely be justified in standing here before the Senate and saying that I know that men will not be discharged, and I know that so much money as has been estimated for is not required for the various offices under that department.

There is one thing more and only one that I want to say about the discharge of employees. In the matter of the discharge of employees there is an economic problem presented to this Government; but there is another problem, too; there is the problem that all of us have been up against in our lives and that men and women in this community are up against to-day. I know people, and you do, sir, decent, God-fearing, Christian people, the best citizenship that we have in the Nation, who have their homes partly paid for, their children in school, who, sir, depend upon the meager salaries they receive from the Government, and these people, constituting the great human problem, are the ones who are affected by our action in providing insufficient appropriations that will require their discharge.

Mr. President, while I am here, I never will consent, if there be the reasonable probability of the necessity of the service of these people, to the reduction of an appropriation which will send them out on the streets with their homes half paid for, their children taken from schools, and their whole lives blighted because we have set up a fetish of economy at whose feet we are worshiping, and for which we are acting without rhyme and without reason; and I yield to no man on the face of the earth in desire for economy in government and for doing everything that may be essential to be done in order that we may have a due economy in the Government of this land.

These questions present themselves to me perhaps with a greater degree of force than to some of my fellows, and perhaps I am unduly alarmed about just human beings. But human beings, in the last analysis, are to be considered in these cuts and these discharges; and they are the ones, sir, finally, who are going to pay the price of the economy we practice, unless the economy be absolutely necessary.

Mr. COPELAND. Mr. President, I am a member of the Committee on Appropriations and have been for a good many years. I have never known that committee to work harder or to appear more conscious of its responsibilities than it has this year.

I have voted for these 10 per cent reductions. I am not going to vote for another one.

Mr. LONG. Neither am I.

Mr. COPELAND. This is not the way to make a Budget. I think, of course, that the Appropriations Committee and every Member of the Senate, whether he is a member of that committee or not, must do everything possible to economize; but there are limits beyond which we should not go.

The banks of America are boasting that they are 85 per cent liquid. That is just exactly as sane a boast as for a hospital to say that it has 85 per cent of its beds empty when there are thousands applying for admission. A hospital is instituted to take care of the sick. It is dedicated to that purpose, and is a dead thing when it ceases to function. Banks are organized to loan money to carry on the activities of the country. They are useless when they fail in that duty. The Senate in perfecting the appropriation bills must not forget the purpose of appropriations. They are to make governments function. No matter how poor we are, certain Government activities must not be ended.

For my part, I do not intend to be a party any longer to this method of reorganization of the departments in the arbitrary way in which we are doing it. I do not intend to vote again to proceed in that manner.

Mr. LOGAN. Mr. President——

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

Mr. COPELAND. I yield.

Mr. LOGAN. Has not the Senator from New York voted against every one of these motions to rerefer the appropriation bills to the committee to make these cuts?

Mr. COPELAND. I may say to the Senator that I have voted in favor of each of them.

Mr. LOGAN. I beg the Senator's pardon. I thought he voted against them.

Mr. COPELAND. I voted in favor of them. I held my nose while I did it. I said, when we did it the first time, that we put the cart before the horse; that we ought first to try, through the committee and then on the floor of the Senate, to make these reductions. But I have decided for myself—I do not criticize any other man upon the committee; he may do as he wishes—I have decided for myself that this is not the way to make a Budget.

The Senator from Tennessee [Mr. McKELLAR] says that these activities are going to be carried on just exactly as they were before. That is perfectly absurd.

Mr. McKELLAR. Mr. President——

Mr. COPELAND. Mr. President, I do not yield.

The PRESIDENT pro tempore. The Senator declines to yield.

Mr. McKELLAR. Very well.

Mr. COPELAND. It is perfectly absurd to say that if we wipe out all of the personnel and all of the appropriations heretofore used to operate these necessary institutions, they will operate automatically. That is absurd. Of course, they can not. The departments of Government are not automatic in their operations.

We have had the various department heads before the committee. We have heard their pleas, but what could we do about the matter? Our hands have been tied. There was nothing we could do except, under the order of the Senate, to make this arbitrary cut of 10 per cent.

Here is this department. I was not on the floor when the Senator from California [Mr. JOHNSON] spoke, but I assume that in the early part of his remarks he brought to the attention of the Senate certain figures. I judge from the criticisms that have been passed since that those figures must have originated in the office of the Secretary of Commerce. I do not care where they came from. I am an American citizen, representing a sovereign State, the chief manufacturing State of this country. I want to know how our producers may be benefited. Our manufacturers want to sell their goods. I contend that it is the duty of government in the future, as it has been in the past, to operate these advertising agencies, these offices in various parts of the world, where the peoples of those countries may be told what we are manufacturing in the State of New York and other States of this Union. We desire to learn what other and competing countries are doing. But because the demand for economy is so great, the minute that cry is raised here we dare not vote otherwise than apparently to indorse the demand for economy. We have lost our sense of proportion. I fear we neglect to differentiate between true and false economy.

Mr. President, we must exercise economy. I concede that at once. The Budget must be balanced; but we can not balance the Budget wisely and sanely if we proceed along the lines we have followed the last three or four weeks. If we expect to exercise economies sufficient to make it possible to balance the Budget, we are going to destroy the operations of the Government.

I have had pending here for the last 10 days a resolution to the effect that it is the sense of the Senate that those items which have to do with capital investment, permanent improvements, amounting to between three and four hundred million dollars in this Budget, should be taken from the appropriation bills and otherwise financed. In the case of improvements which will be used for the next 50 or 100 years, why should we pay for those investments this year out of the income derived from taxation? If, however, we are to do that, we shall have to go ahead with this cruel, thoughtless, uneconomic, heartless, and absurd performance, and cut out of the various appropriation bills items which are absolutely essential to the proper conduct of government.

The particular thing which is before us is a matter of great concern to my State, and I have observed that it is of interest to every other State. I notice, according to this information which I have from the Senator from California [Mr. JOHNSON], that the office in Louisville is going to be closed; the office in Memphis is going to be closed. I am sorry, but I have a direct interest in whether or not the office in Buffalo is to be closed. Buffalo is the center of the great chemical industry of this country, seeking to find sales for its products in every country of the world, in the face of bitter competition and the intelligent competition of Germany. The German people have long been the manufacturers of chemicals, chemical products, and dyestuffs. We are seeking in our country to build up those industries, and we want to find markets for them. To this end we need the Bureau of Foreign and Domestic Commerce. Are we going to wipe it out in order that we may "balance the Budget"? Or are we going to find some other way to balance the Budget and yet go on with our activities?

If we are to continue as we have started, when we get through the Senate of the United States will be in the unenviable position of being exactly like a banker who claims that his bank is 85 per cent liquid. We can say we have balanced the Budget, but we will have balanced the Budget at the expense of the prosperity and development of our country. We will have turned into the streets, as the Senator from California has said, thousands of respectable, hard-working, intelligent, able employees of the Government, employees who are helping the producers of America to dispose of their goods.

I do not know how other Senators feel about the matter; but when I go to New York and see in front of every employment agency on Sixth Avenue a queue of men a block long and in front of every soup kitchen in New York a line of hungry people I know that something must be done to keep in employment those who are there now and as speedily as possible to put back in employment millions of men and women who are now out of work.

I should like to ask Senators, Why are we so conceited as to think that the social and political structure of our country is so secure that nothing can destroy it? I should

hate to voice in this public place the fears that I have as to what may happen. Hungry men are not going to stop because of the restrictions of law imposed by orderly government. I do not want to enlarge upon that. I have said enough to throw out the hint and the suggestion; but, Mr. President, we can not afford to disregard the menace of the situation.

I do not want to pose as an alarmist; but I want every person within the sound of my voice to know that in my heart is a real fear as to what may come to America in the next 12 months or the next 6 months.

There are things here more important than a presidential election. There are matters pending here more significant than the choice of a candidate for President by either party. There are perils confronting our country which can not be disregarded by thoughtful citizens.

In formulating our appropriation bills this year it is our business to take into consideration the evil effects as well as the good effects of the economies that are to be brought about through these measures. It is our business to see that those economies are not carried so far as actually to break down government and to bring the deluge. That is the way I feel about the matter; and so I say, so far as I am concerned, I am not going to vote any more for arbitrary cuts, because in my opinion those cuts are being applied in a way that menaces the Government and its perpetuity.

I have spoken strongly and feelingly, but I have spoken from the heart. I am disturbed about this matter. I am distressed beyond words by what I think I see. If other Senators see the same thing, I know that every precaution will be taken to preserve our institutions. We will not spend our time in exchanging bitter words. We will not get into disputes which are unworthy of us. We will face the facts as they are, and try to solve this problem in such a way that our country may be preserved.

Mr. McKELLAR. Mr. President, it is remarkable how much we can get disturbed over a comparatively small matter.

In 1929 the Department of Commerce was just as vigorous as it is to-day. It probably had just as many offices. It probably did just as much work. The year 1929, up until October, was one of the most prosperous years we had.

Do Senators know how much we expended that year? I wish the Senator from New York would listen to this. In 1929, with all the prosperity we had up until October of that year, every bureau of that department ran at full tilt. We spent $3,711,957, and we are going to spend over $200,000 more this year, if this cut goes through, than we spent in 1929.

In 1930, it is true, the department got a larger appropriation. The appropriation was increased in 1929 to $4,257,357. In 1930 it ran up to $4,539,923, and in 1931 it ran up to $5,086,660. In 1932 the appropriation was $5,334,122.

Last year an enormous amount was appropriated, more than ought to have been appropriated, of course, and even the President sent in a recommendation for but $4,195,000. The committee, with the 10 per cent reduction, asked that only $190,000 be cut off of that, and yet there are all these protests.

The Senator from New York says there is an arbitrary cut of 10 per cent. There is no such thing as that. We passed upon every item of the bill. We cut some in smaller measure, some in larger measure. We cut off those which ought to have been cut off and we added to those which should have been added to, and some were left as they were. So the committee has made no arbitrary cut; it has made a careful cut, looking into all the facts and simply cutting the aggregate 10 per cent.

The Senator from New York says our hands are tied. Our hands are not tied. The Senate, by a majority of 50 to 29, directed that this be done. Does the Senator from New York mean to say that after the Senate votes, and especially by such a large majority, it ties the hands of those who are outvoted? I do not see that at all.

Then, to quote his exact words, he says that we are "destroying the functions of the Government" in deducting this item. It destroys the functions of the Government? An appropriation of $4,100,000 is recommended. The committee recommends $3,905,000, and because there is a cut of less than $200,000 the Senator from New York inveighs against it and says we are destroying the functions of this particular bureau because we cut the appropriation from $4,195,000 to $3,905,000.

The department itself, spreading the propaganda, undertakes to show that offices will be abolished throughout the country, endeavoring to frighten the Senate into restoring these improper, extravagant, wasteful appropriations.

I do not believe the Senate will do it. The Senator from New York went so far as to say a few moments ago—and I quote his words—"It would destroy the Department of Commerce if we balance the Budget in this way." Is it possible that because one bureau in the Department of Commerce is reduced from $4,195,000 to $3,905,000 it is going to destroy the whole Department of Commerce? That is a logic I can not understand. That is not the logic of the situation. We will cut down the expenditures, we will cut off extravagances, we will reduce the amount the Government gives, but we will get better service.

Let us look at the practical workings of it. Was the bureau destroyed in 1929? It functioned that year as never before. Yet we appropriated less for it that year than we are proposing to appropriate by this bill. Why should the Department of Commerce, which flourished in 1929 with a lower appropriation than we propose to give it this time, be going to the "demnition bowwows"?

If that is the kind of a department it is, we ought not to appropriate as much as we propose to appropriate by this bill. I say that in my judgment the committee, even with a 10 per cent cut, has given to this bureau more than it ought to have, and I believe that we will get better work with a smaller amount of money than we did last year.

Has it improved our business? In 1929, recollect, we gave them $3,711,000. Has our business improved since that time year by year? It has gone backward. They have had increased appropriations, and do we get better service? Not at all. The returns have been less and less each year since 1929, and we all know it. Yet, because it is proposed to cut off $290,000 from what the President recommended, they say we are going to destroy this department.

I deny that, and ask for a vote, in which I hope the committee will be sustained. The bill went back to the committee by a vote of 50 to 29, and I hope there will not be any reversal of that vote.

The PRESIDENT pro tempore. The question is on agreeing to the amendment on page 91, line 4.

The amendment was agreed to.

Mr. FESS. Mr. President, I would like to direct a question to the Senator from Tennessee in reference to the increase of the appropriation for the Department of Commerce. I wondered whether the Senator had taken into consideration the requirements of the census, for which we have made a large appropriation for three years.

Mr. McKELLAR. Yes; all those things were taken into consideration.

Mr. FESS. That would account for the large appropriation.

Mr. McKELLAR. That would account for some of it, and that is an additional reason why the appropriation this year should not be as great as it has been heretofore.

Mr. NORBECK. Mr. President, I desire to propose an amendment to the pending bill and have it printed in the RECORD. The amendment is to be inserted on page 30, and is not to increase the appropriation. It is an amendment simply for the purpose of making available at the end of this fiscal year an unexpended balance of $3,200 in connection with the celebration of the one thousandth anniversary of the Althing, the National Parliament of Iceland. I ask permission that this amendment be taken up tomorrow.

Mr. NORBECK's amendment was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 30, after line 8, insert the following:

"One thousandth anniversary of the National Parliament of Iceland.

"The unexpended balance of $3,173.75 of the appropriation of $55,000 contained in the joint resolution approved January 20, 1930 (46 Stat. 57), for the expenses of participation by the United States in the celebration of the one thousandth anniversary of the Althing, the National Parliament of Iceland, is continued available until June 30, 1933, for the same purposes, and for the transportation and subsistence or per diem in lieu thereof (notwithstanding the provisions of the subsistence expense act of 1926 or regulations prescribed pursuant thereto) of a representative or representatives of the Government of the United States to make the formal presentation of the statue of Leif Ericsson, including such expenses of entertainment as the Secretary of State shall deem proper."

Mr. REED submitted an amendment intended to be proposed by him to the pending bill, which was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 131, after line 22, insert the following as a new paragraph:

"Section 6. Not to exceed 12 per centum of any of the foregoing appropriations for the Departments of State, Justice, Commerce, and Labor may be transferred, with the approval of the Director of the Bureau of the Budget, to any other appropriation or appropriations for the fiscal year 1933 under the same department, but no appropriation shall be increased more than 15 per centum by such transfers: *Provided*, That a statement of all transfers of appropriations made hereunder shall be included in the annual Budget for the fiscal year 1935."

PROPOSED MERGER OF ATLANTIC STEAMSHIP LINES

Mr. McKELLAR. Mr. President, if I may have the attention of the Senate just a moment, several days ago before the Committee on Appropriations there occurred this colloquy:

Senator McKELLAR. Brought down to its real meaning, it means, the meaning of that agreement is that you are not permitted to transfer these British ships without the consent of the British Government.

Mr. KEATING. That is it.

I now find from an article in the New York Times of April 11 that the International Mercantile Marine has made an agreement with the White Star Line by which ships of the International Mercantile Marine and the White Star Line are to be consolidated on the Atlantic run, and this particular company, the International Mercantile Marine, under its purchases from the United States Lines, is now drawing subsidies in large amounts from the Government of the United States.

The article in the New York Times is as follows:

[From the New York Times]

EXPECT SHIP LINES TO MERGE SERVICES—OBSERVERS IN BRITAIN LOOK FOR COLLABORATION OF WHITE STAR AND UNITED STATES VESSELS—"LEVIATHAN" IS INVOLVED—"MAJESTIC" AND "OLYMPIC" ALSO NAMED AS LIKELY TO BE USED IN WEEKLY ATLANTIC RUN

SOUTHAMPTON, ENGLAND, April 10.—A close working arrangement between the White Star Line and the United States Lines is expected to emerge before summer, with the *Leviathan*, *Majestic*, and *Olympic* joining in a weekly trans-Atlantic service.

This expectation springs partly from an announcement that henceforth the White Star Line will direct all the United States Lines' operations at Southampton. The local office of the American organization has been closed, and beginning with the *President Roosevelt's* arrival Thursday en route to New York the White Star Line will dispatch all the United States Lines' vessels.

It thus happens that the International Mercantile Marine will have the White Star's agency in the United States and the White Star Line will direct International Mercantile Marine vessels here. At the same time it is officially stated that the *Homeric* not only will spend the summer cruising but will be used several months after the summer season in short trips from Southampton to various beauty spots.

In view of the recent drastic changes of the Red Star Line, which is associated with the International Mercantile Marine, this is taken to mean that the *Homeric*, *Lapland*, and *Belgenland* will be joined either in cruises or in special service.

In last week's transfer of the Atlantic Transport liners *Minnetonka* and *Minnewaska* to the Red Star Line it was announced these would form a weekly service with the *Pennland* and *Westerland*. The *Belgenland* and *Lapland* are not involved in the transfer, however, and will be free for cruising work.

It is assumed here that all the vessels in the present reshuffle, including the *Leviathan*, *Majestic*, and *Olympic*, will continue to fly their distinctive house flags and stay under their present ownership.

OFFICIALS HERE ARE SILENT

Officials of the United States Lines refused last night to discuss the plans of the company as to its relations with the White Star Line. The *Leviathan* will return to the trans-Atlantic service on April 26 as a competitor of the White Star liners *Majestic* and *Olympic*, thus placing the International Mercantile Marine Co. in the position of agent of the rivals of the ship in which it has an important financial interest.

The United States Lines are owned by a group which includes the International Mercantile Marine and R. Stanley Dollar and Kenneth D. Dawson, Pacific American agent of the White Star Line.

This situation has been the subject of much discussion in shipping circles, where it is believed the schedules of the three ships will be arranged to reduce the competition to a minimum.

Mr. President, I want to add just a word. The International Mercantile Marine, which has a contract, according to its president, by which in the event of trouble between England and any other country its lines can be taken over and used by Great Britain, through purchase of the United States Lines, is drawing a subsidy from the American Government.

AGRICULTURAL APPROPRIATIONS—ERADICATION OF GRASSHOPPERS

Mr. NORBECK. Mr. President, I desire to propound a question to the Senator from Oregon [Mr. McNARY] with relation to the agricultural appropriation bill. I know the difficulty he has had in getting the conference agreement back. The Northwest is particularly interested at this time in the grasshopper item. The grasshoppers are hatching, and the funds the Senate voted and the conferees agreed to should be available at this time. The bill, of course, is tied up, and the point will soon be reached where the appropriation will not be of any service. Can the Senator from Oregon tell us something about that?

Mr. McNARY. Mr. President, the conference report on the agricultural appropriation bill has been withheld, along with other appropriation bills, until the House should have decided on the action it will take with respect to the economy bill, which is now before them for consideration and which probably will reach a final vote to-day. As soon as action has been taken by the House on that bill, I promise to bring the conference report on the agricultural appropriation bill before the Senate, I hope within the next two or three days.

Mr. NORBECK. I thank the Senator.

The PRESIDENT pro tempore. May the Chair say for the information of the Senator from South Dakota that even in that event no amendment may be offered. The remedy of the Senator from South Dakota, if the Chair may be permitted to say so, is to introduce as a separate piece of legislation what he now proposes as an amendment.

Mr. McKELLAR. This is a different thing, as I understand it.

The PRESIDENT pro tempore. The Chair understood the Senator from South Dakota to wish to offer an amendment to the agricultural appropriation bill.

Mr. McKELLAR. Oh, no; to the pending bill. As I understand it, the grasshopper provision is in the agricultural appropriation bill.

Mr. McNARY. I have just explained that.

Mr. McKELLAR. I would rather have it go through as a separate appropriation than to have to bring in the agricultural appropriation bill at this time.

Mr. McNARY. It is well known that the item is in the agricultural appropriation bill now in conference. The Senator from Minnesota [Mr. SHIPSTEAD] also has pending a joint resolution asking for separate action upon that item. This evening I intend to ask the Senate to adjourn so we may have a morning hour to-morrow and he can perhaps bring it up to-morrow during the morning hour.

Mr. McKELLAR. I would have no objection if it really involves necessary action at this time.

Mr. NORBECK. Mr. President, may I say that the amendment which I have offered ordinarily would be subject to a point of order simply because it was not offered at an earlier time. It has a Budget estimate and is in order, and I do not believe there will be any objection to it.

ADDRESS BY JOUETT SHOUSE

Mr. COPELAND. Mr. President, I ask unanimous consent to have printed in the RECORD an illuminating addresss by the chairman of the Democratic National Executive Committee, Mr. Jouett Shouse, March 3, 1932.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The address is as follows:

"THE G. O. P. WAR SONG OF 1928 BECOMES THE ALIBI OF 1932"

In common with many millions of other Americans I had been under the impression that the armistice was signed on November 11, 1918, bringing to a close the hostilities of the World War. For years I had persisted in this mistaken belief and was not set right in my thinking until I listened to the speech of the eminent Dr. SIMEON D. FESS, chairman of the Republican National Committee, in this radio hour last Tuesday night.

It was apparent from his remarks that the armistice was not signed until November 11, 1929, instead of November 11, 1918, and that all the ills from which the American people have suffered during the two years and four months of the Hoover panic had their origin in the World War. This was Doctor FESS's explanation for the disruption of industry, the destruction of agriculture, the failure of banks, the suffering and privation and fear that have come to the multiplied millions of unemployed and the even greater millions of their dependents. It is true the good doctor made no reference to suffering humanity. He cited no figures on unemployment. He did graciously admit that through causes which no agency could control there had been an occasional bank failure, or, perhaps more nearly interpreting his view, an occasional instance of frozen assets which for a brief time compelled a curtailment of loans necessary to the carrying forward of industry. But the whole grievous weight of responsibility for the most severe and long-drawn-out depression the country has ever known was laid at the doorstep of the World War.

CONTRAST WITH 1928 CONVENTION SPEECH

In curious contrast to this radio address of the chairman of the Republican National Committee I happen to recall his speech as temporary chairman of the Republican Convention at Kansas City in June of 1928. He then devoted himself to a review of the conditions that had prevailed at the close of the World War in 1918. According to his testimony, under the misfortune of Democratic rule the country had fallen to the lowest possible estate. Then the Republican Party had again taken charge of the Government and as a result of the wisdom and the ability of Republican Congresses and Republican Presidents the whole dismal picture had been changed into one of unbelievable brilliancy and beauty.

He said: "In a comparatively short period we are passed from war confusion to peace contentment; from economic disorders to sound principles of progress; from a period of general prostration to one of substantial prosperity in which all basic industries are on sound economic foundations. This remarkable record in administration reflects a type of political leadership at the head of the Government rarely experienced in this or any other country."

And yet we now find the head of the Republican National Committee, who in 1928 described in such glowing terms the manner in which his party had met and had solved every postwar problem, attempting to tell you that the postwar problems have not been solved.

This is but a typical illustration of the expedients to which our Republican friends are forced to resort in an attempt to defend themselves from the wrath of the American people which is about to descend upon their sacred heads.

HOOVER—LINCOLN—WASHINGTON

The remainder of the remarks of the good doctor were directed to a laudation of President Hoover, to an enumeration of what he sought to define as the Hoover program of rehabilitation, and to claims of leadership on the part of the President so amazing that the world has never seen its like before. Well, it is a weakness of the good Doctor FESS to look upon the Republican who happens at the moment to be President of the United States as the greatest man that the world has ever produced. In such terms he lauded Harding. With such extravagance he praised Coolidge. Now he finds in Hoover the brightest star in the whole Republican galaxy, and again he bows down in obeisance to worship at the feet of his temporary king.

With such laudation the American people will not be deceived. On Lincoln's Birthday, through concerted action of the official family of the President, exploited by the publicity division of the Republican National Committee, every spokesman who could be summoned to the hustings devoted himself to a eulogy of Herbert Hoover. The average auditor must have been confused as to whether it was Lincoln's Birthday or Hoover's that was being celebrated. As part and parcel of the same picture you will recall the address by the President himself at Valley Forge some months ago in which he compared the difficulties and discouragements of his situation to the trials that had confronted Washington. Is it any wonder that an Ohio newspaper recently said that he had better be watched at Easter time?

I have no unkind personal word to voice relative to the President. I have pity for him. With all due regard to his unusual abilities, the fact remains that he has proved the most inept, the most ill-suited man who has held the presidential chair in many years. In other lines of endeavor a great success, in this high office he is a monumental failure. And yet when any Democrat seeks to criticize an official act of the administration, a sin of either omission or commission, he is accused by White House spokesmen of attempting to "smear" the President of the United States.

INDIVIDUAL CITIZENS MAKE PUBLIC OPINION

Let me offer this thought for your consideration: It is not public opinion at Washington which controls. It is the conclusion reached by the individual citizen in his individual community, no matter how remote, that determines the thought and ultimately the action of the American people. Go to any section of any State of this Union and ask a dozen average men their feelings about the present administration and you will get a correct index as to the situation. If President Hoover is unpopular it is not due to propaganda from the Washington headquarters of the Democratic National Committee. If President Hoover is regarded as a wholly incompetent President it is not because of what Washington correspondents have written. It is because of the inevitable impression left by the acts of the man himself. It is because of the sifted and balanced judgment which the people have formed.

DIVIDED CREDIT ON RELIEF MEASURES

What of this program of relief that has been passed by Congress these last three months? I am willing to accord that every measure is a desirable and necessary piece of legislation. I am glad to accredit the President with having brought to the attention of Congress some of these legislative proposals. I earnestly hope that each of them may meet the situation it is intended to correct. But first I challenge the authorship of this program by President Hoover. In it there are measures which he proposed. In it equally are measures which have been proposed by others, some of them over a period of years.

But even if President Hoover were the author in conception and in substance of every one of these measures, why did he wait all this time to bring them up? The panic is more than two years old. Until a year ago he had an overwhelming congressional majority of his own party. He could have convened the present Congress months in advance of its December session. But never a word then.

Again, for the sake of argument, granting him full credit for authorship of the proposals, what is the situation that has made their enactment possible? Last December for the first time since 1917 the Democratic Party by a clear majority of its own membership elected the Speaker of the House of Representatives, and under the forceful leadership of that forceful man, despite the fact that he has a majority of only three of his party behind him, the Seventy-second Congress has made a legislative record rarely equaled in the annals of this country. There is no measure which President Hoover might have suggested which could not have been defeated immediately had the Democrats of the House so desired.

The situation in the Senate is scarcely dissimilar. There the Hoover party had a majority of 16 seats in the last Congress. In 1930 its predominance was brought down to a mere plurality of one. From the very beginning of his term the President showed himself wholly incapable of leading his party in the Senate, and to-day with the Republicans rifted and divided the only cohesive force in that body is the Democratic party. If in the Senate, as in the House, Democratic leadership had set out to thwart and to embarrass and to throttle legislation proposed by the administration, it would not have been possible to pass a single one of the so-called reconstruction measures.

RESULTS OF DEMOCRATIC COOPERATION

And so I assert that even if President Hoover had been the author of this legislative program in its entirety, which he was not, the passage of it could not have been accomplished in any possible way except through Democratic cooperation. That cooperation has enabled the initiation and the partial completion of an excellent program. Under it we have seen enacted into law the year's moratorium of war-debt payments; the Reconstruction Finance Corporation bill setting aside $500,000,000 to break the dam that has been choking the free flow of business and to prove a tonic to the whole economic structure by reason of its ability to establish a billion and a half additional credit; the addition of $120,000,000 to the capital stock of Federal land banks to continue unimpaired the solvency of those institutions; the amendment to the Federal reserve act to provide an emergency circulation of Federal reserve notes based on Federal bonds, to make available for discount many millions of additional paper and to revitalize the confidence of bankers and bank depositors alike in the existing financial system.

There is no better illustration than this last-mentioned piece of legislation of the absurdity of the claim of administration origin of all important measures. The bill itself was introduced in the Senate by Senator GLASS of Virginia, in the House by Congressman STEAGALL of Alabama, both of them Democrats. It was founded on a principle which Democratic leaders have been advocating for 30 years and which Republicans have invariably flaunted and ridiculed. Even as recently as six weeks ago the then Secretary of the Treasury, Andrew Mellon, and the assistant who succeeded him, Ogden Mills, emphatically disapproved the bill. But in spite of this fact apologists for the administration attempt to give credit to the President for it.

DEMOCRATIC ECONOMY REAL

But perhaps the most important thing that has been done by this Democratic House, which has utterly refuted all the Repub-

lican prophecies of disorder that would ensue, is the strict program of economy that it has inaugurated. The President has talked economy, and his Budget officials, facing deficits running into billions, have cut departmental estimates. But the Democratic House has not contented itself with accepting the mere recommendations of the Budget Bureau. Its leaders have felt that in this period of distress economy that is real is one of the most vital concerns of the Government. At a result, in the appropriation bills which thus far have passed the House and in the two reported out of the committee and now pending a saving has been effected up to 3 o'clock this afternoon (March 3) of $114,579,052.56 below the figures submitted by the Budget Bureau.

And one thing else. There will be a consolidation of bureaus and departments of the Government, but it will be effected as it should be effected by the Congress. It will not be placed in the hands of the President as he sought to have done.

This is only a partial review of what a Congress under Democratic leadership has been able to accomplish in three months. Its work so far is an assurance that it will continue to be careful, painstaking, unhurried, and duly attentive to the interests of the whole people.

DEMOCRATIC PROSPECTS

To-day Democratic prospects are brighter than they have been at any time in 20 years. The political trend indicated by the result in every election since 1928 shows no signs of diminution. The prophecies of our adversaries that chaos and riot will characterize our national convention will prove to have as little basis in fact as their prediction of a disorderly breakdown when it became evident that the Democrats were to control the House. There is an abundance of material of the highest class from whom the Democratic candidate may be chosen. The vigor of competition for the nomination is good for the party.

In the same hall at Chicago within two weeks of each other the two conventions will meet. Grudgingly, unwillingly, sullenly the Republicans will renominate Herbert Hoover. The Democrats, celebrating the one hundredth anniversary of Democratic conventions with a buoyancy and an enthusiasm born of justified expectation of success, will write a platform and will nominate a ticket to offer to the American people. And the American people will have the opportunity, in the remote places as well as in the centers, on the farms, and in the cities alike, to pass judgment as between the two parties. Uncontrolled by the glamour of oratory, unbiased by extravagant claims or exaggerated promises, they will decide which party offers the greater opportunity for a return to the right to earn their bread by the sweat of their brows, to the right to the "enjoyment of life, liberty, and the pursuit of happiness." I, for one, am wholly content to submit the cause to them.

LETTERS ON TAX BILL

Mr. BINGHAM. Mr. President, I merely wish to state for the benefit of several thousand correspondents that so many letters have been pouring into my office in regard to the tax bill it is physically impossible to answer or acknowledge them in any way. I want this to be a public statement so they may not feel they are being discriminated against or treated with discourtesy. Many of the letters are important, long, and come from distinguished people, very important people. However, at this time, we are working all day long on the revenue bill, and it is absolutely impossible to answer or even to acknowledge the letters.

Mr. McKELLAR. Mr. President, I think that statement would apply to a great many of us.

EDITORIAL ON SENATOR GLASS AND THE BANKING SITUATION

Mr. BYRNES. Mr. President, I desire to ask permission to insert in the RECORD an editorial from the Columbia (S. C.) State, entitled "Carter Glass and the 'Big Bankers' Three Years Ago."

The PRESIDENT pro tempore. Without objection, it is so ordered.

The editorial is as follows:

CARTER GLASS AND THE "BIG BANKERS" THREE YEARS AGO

One now hears of the "fine times before the smash" in the fall of 1929. But were they so fine? Perhaps there are some who may be interested in noting how the State, which put itself in the position of "the man in the street," viewed the situation on April 3, 1929:

"Langbourne M. Williams, banker, of Richmond, might command more support in his opposition to Senator CARTER GLASS's protest against the extension of credit to operators in a speculative market had he dealt in a business man's arguments instead of the personalities that are usually employed by irresponsible persons.

"Mr. GLASS is a United States Senator. He was Congressman for 16 years. He has been Secretary of the Treasury for two years. He has had conspicuous part in financial legislation, and is quite generally regarded as a student of that subject. When the Federal Reserve Board took measures to check speculation on the New York stock market, which had assumed such proportions as to cause apprehension on the part of the man in the street, it was at least acting in behalf of safety. Charles E. Mitchell, president of the National City Bank of New York, an institution of huge financial power, led the banking interests seemingly in opposition to the policy of the reserve board by announcing a credit of $25,000,000 from his bank to speculators in stocks; other banks followed suit. Mr. Mitchell is on the directorate of the Federal Reserve Board. Senator GLASS criticized his action in opposition to the board, and declared he should resign from the directorate.

"Mr. Williams, of Richmond, thereupon characterizes the policy of the reserve board—which wise or unwise was taken in the interest of safety—as the 'vicious misconduct of the Federal Reserve Board in attempting to destroy the large business interests of the country.' He writes Senator GLASS: 'I believe it would be far more appropriate that you should resign as Senator from Virginia and let some one of broad and clear vision * * * who is not drowned in self-conceit and narrow-gage thinking, take your place as a real broad-gage representative of Virginia.' And so forth and so on the banker's tirade continues for five or six hundred words.

"This sort of thing is not impressive, and it is certainly jarring when indulged in by the senior member of an important banking house.

"Concluding his letter to Senator GLASS, Mr. Williams says: 'Men of narrow vision do not realize that the money center of the world has moved from London to New York, hence trading in New York has necessarily increased, and, furthermore, the large bills payable of the giant industrial companies have been converted into stocks that are now used as basis of credit instead of having the big banks carry tremendous bills payable of our modern giant corporations as formerly.'

"That is mostly Greek to the man in business throughout four-fifths of the country, and Mr. Williams does not seem to take the existence of that very important man into account. That man has no association with 'modern' giant corporations, but he is apprehensive when he knows that brokers in New York have borrowed twelve hundred million dollars, and when he sees stocks earning 5 per cent quoted at 200. He reads a lot about 'tremendous prosperity,' but he does not see it around him. He does not know what it is all about, but he is uneasy, and it is not healthy for this business man to be apprehensive.

"Perhaps the business man not associated with 'giant corporations' wishes to establish an industry in his town that will give men and women employment and produce real, sound wealth. He makes inquiries of those usually interested in such enterprises, but finds they are not now favorably disposed. They say that 'when things settle down,' when the 'uncertainty of the present situation' passes they may be interested—and so development at that point is checked. Or perhaps the ordinary business man, out in that 'backwoods,' which embraces four-fifths of the country, wishes to expand his business. He has credit and needs money, but he finds that the enormous demand for money, coupled with the huge interest rates paid by speculators for 'call' money, has made money more expensive. He must pay more for what he needs, or defer the expansion of his business. Is that wholesome?

"This plain business man finds himself injuriously affected by the 'orgy' of stock speculation. He might be content to wait upon events if he could believe that advancing stock prices would make other parts of the country wealthy and he would ultimately reap some benefits therefrom; but he can not help asking himself how high those prices will climb, and what will hold them up? He asks himself, Why should 'Three R's' be worth 300 when it earns but 7 per cent? What constitutes prosperity, earnings or paper values? How can paper values be saved from deflation? What will happen if many balloons burst at the same time?

"Those are some of the disturbing questions suggesting themselves to the man in the street. He may be without 'broad vision,' but that is not his fault. If Banker Williams could show him that uncontrolled stock speculation is in his interest and that the policy of the Federal Reserve Board is against his interest, Mr. Williams would be doing legitimate business a great service."

But what was the use of warnings. After that date dozens of Columbians put or kept their money in the stock market. One of the biggest operators in this State, and a personal friend of the writer, assured us we were dead wrong; that what was going on was sound business. He lost heavily. And this stock-gambling orgy was but a repetition of the Florida boom gambling.

CARTER GLASS at that time won the right to have his views on banking, finance, and stock gambling respected. He has proved himself the party's outstanding authority in banking, and should have support in the pending legislation.

DANIEL S. SCHAFFER CO. (INC.)

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 3270) for the relief of Daniel S. Schaffer Co. (Inc.), which was, on page 2, line 6, after the word "appropriated," to insert:

Provided, That no part of the amount appropriated in this act in excess of 10 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of

this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. FESS. Mr. President, on behalf of the Senator from Maryland [Mr. GOLDSBOROUGH], I move that the Senate concur in the House amendment.

The motion was agreed to.

ADJOURNMENT

Mr. McNARY. I move that the Senate adjourn, the adjournment being until 12 o'clock to-morrow.

The motion was agreed to; and the Senate (at 5 o'clock and 5 minutes p. m.) adjourned until to-morrow, Friday, April 29, 1932, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 28, 1932

The House met at 12 o'clock noon.

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

May God be merciful unto us and bless us, and help us to rejoice in our labors though under hardship. Upon the breath of our noonday prayer, we pray for our Speaker and all Members of this legislative body. Grant that they may be strong in understanding and that patience and courage may be ministered unto them through the might of our God. Bless this Nation; may knowledge go forth to establish it more and more upon immutable foundations. O lead us all to fear God and keep His commandments. Enlighten our judgment, remove our doubts, and inspire our hopes. Summon us, Almighty God—we will meet the challenge of the hour. Banish misunderstandings that may be due to ignorance and prejudice, and build up mutual confidence and cooperation everywhere, and unto Thy name be praises forever. Amen.

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 375. Joint resolution to provide additional appropriations for contingent expenses of the House of Representatives for the fiscal year ending June 30, 1932.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 4401. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Farnam Street, Omaha, Nebr.

The message also announced that the Senate had agreed to the amendment of the House to the bill (S. 194) entitled "An act for the relief of Jeff Davis Caperton and Lucy Virginia Caperton."

The message also announced that the Vice President had appointed Mr. NYE and Mr. PITTMAN members of the joint select committee on the part of the Senate as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Interior Department.

PROVISION FOR FLYING PAY

Mr. BYRNS. Mr. Speaker, I ask unanimous consent to address the House for not exceeding five minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. BYRNS. Mr. Speaker, I have asked this time for the purpose of referring to a provision in the naval appropriation bill relative to flying pay. Last Sunday some of the papers carried a story that the naval appropriation bill carried a joker respecting flying pay. I am somewhat jealous of the reputation of the Appropriations Committee and also of my own as a member of the committee, and I felt I should make this statement to the House because that bill does not carry any joker. Appropriation bills do not carry jokers. [Applause.]

There was no ambiguity in the report on the bill touching this matter and there was no ambiguity in the statement made to the House by the gentleman from Kansas [Mr. AYRES], who was in charge of the bill, when he announced he would propose a change in the bill respecting flying pay in consequence of an understanding I had had with the Chief of the Bureau of Aeronautics, Admiral Moffett. The facts are—and I wish to repeat them—that the Chief of the Bureau of Aeronautics talked with me with reference to the provision which was carried in the naval appropriation bill as reported from the committee, placing the maximum limit upon the amount of increased pay which might be paid to a flying officer at $1,100. He stated to me then that if that provision were carried he was afraid it would disrupt the entire Aviation Service of the Navy. He gave me his assurance, and authorized me so to state to the Subcommittee on Naval Appropriations, that he would be able to get along administratively if they would cut out that particular language and restrict the appropriation to the amount which had been agreed upon by the subcommittee and approved by the general committee, which was $1,014,250. In other words, that the reduction of $271,890 made by the committee would be absorbed if that language were eliminated. In substance, that was the statement made to the House by the gentleman from Kansas. The gentleman from Kansas at the time read a letter from the Secretary of the Navy, which was written voluntarily and without request, in which he reiterated, as will appear in that letter and which is to be found on page 8703 of the RECORD, the statement made by Admiral Moffett. I presented the admiral's proposition to the subcommittee, stating it as given to me. It was agreed to by the subcommittee, which concluded to take the admiral at his word and fix the limit at the figure within which he said they could get along, that is, $1,014,250, and that was the proposal made to the House and that has been incorporated in the bill.

Now, what will be the effect of this change in the original plan of the committee? Instead of 958 officers receiving not to exceed $1,100 per annum as flying pay, 783 may continue to draw the pay they are now receiving up to $1,420, and there still will be a surplus of $101,160 available for paying flying pay to such number of the remaining 175, namely, officers in grades from lieutenant commander to rear admiral, both inclusive, as the department may consider necessary should have flight orders.

I understand it is being said now that it was never intended to meet the committee's reduction at the expense of officers or, at least, wholly so; that it was intended to make savings in other directions, including a curtailment of flight orders to enlisted personnel. I submit that the assignments of officers drawing flying pay in grades above lieutenant—and they are enumerated in the hearings on the naval appropriation bill—would impress anyone that we would need go no further than that list to accommodate flight orders to the amount allowed in the bill as it has been approved by the House.

The point of my statement this morning is that the committee acted upon the express agreement of the Chief of the Bureau of Aeronautics; and if there was any purpose to utilize other funds, of course, that is a matter that was not explained to us and contrary to our understanding.

[Here the gavel fell.]

Mr. OLIVER of Alabama. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for one additional minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. OLIVER of Alabama. I am glad the gentleman has made that statement, because I think the House should know that the gentleman's understanding was not only with Admiral Moffett but also with the Chief of the Aviation Service in the Army; and if final approval is given to this

reduction in flight pay for the Navy, we must in fairness, make the same relative reduction in flight pay for the Army, because there was a definite understanding that like treatment in the matter of flight pay would be accorded to both services.

Mr. BYRNS. I thank the gentleman for his statement.

JAMES MONROE

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein an address delivered by my colleague, Hon. ANDREW J. MONTAGUE, in the old hall of the house of delegates in the capitol of Virginia on November 10, 1931, at the request of the Governor of Virginia, upon the unveiling of the bust of James Monroe, the fifth President of the United States, who was born 174 years ago this day.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The address is as follows:

Your excellency, ladies, and gentlemen, James Monroe was born in Westmoreland County, Va., in a few miles of the birthplace of Washington, on April 28, 1758. He was born of goodly stock, in a goodly place, and at a goodly time. His first Westmoreland ancestor was a sea captain, as was John Washington, the father of George. His father, Spence Monroe, was of Scotch descent, and his mother, Elizabeth Jones, of Welsh. His brother, Joseph Jones, of King George County, was a man of great ability, an eminent jurist, and an influential statesman. He was devoted to his nephew, James, and did much to encourage and direct the course of his early life. Monroe's father was a farmer, inheriting and purchasing large tracts of land, discharging with efficiency and fidelity several local public offices, and a signer of the famous Westmoreland resolutions in relation to the British stamp act. James was a boy of 9 at this time, and with a natural aptitude for politics, he must have been impressed by this event.

His birthplace was in an extraordinary environment of nourishing associations and influences. In a radius of 50 miles from his home were living the great thinkers and founders of American free institutions. He was almost in sound of the voices of Washington, Madison, Marshall, George Mason, and the Lees. Substantially within this radius lived Patrick Henry and Samuel Davies, later the first great president of Princeton; Pendleton and Taylor, of Caroline; Francis Corbin, of Middlesex; Carter Braxton, of King and Queen, and John Rodgers Clarke, of Orange. Thomas Jefferson was near by, and, though 15 years older, was his devoted and cherished friend. What commanding contacts! What ennobling and instructive associations! This environment was in itself a subconscious education that ultimately swept him far upon the ocean of fame.

In the narrow sense, his education was limited, as it was of most of the famous men of that day. There were no great school buildings, but there were a few great teachers. Among these was the Rev. William Douglas, probably brought from Scotland by the Monroe family. He taught Thomas Jefferson for four years, and also for a while Monroe. The Henry family secured Thomas Campbell, the poet, but he was compelled to forego his journey to Virginia, and in his stead came Archibald Campbell, his uncle, a fine teacher. Madison attended this school, and it is said that Washington and the elder Marshall did—certain it is that Monroe and John Marshall were here together for two years—here began their lifelong friendship, here they were well grounded in Latin and mathematics, and prepared for college.

What college should Monroe attend? Out of about 120 boys who had gone from Virginia to English universities up to this period 19 came from Westmoreland. But Monroe and his family were intensely Virginians, and naturally he was entered in the College of William and Mary, then the richest college in America and entering upon its golden opportunity, as Williamsburg had now become the new capital of Virginia. The capitol itself was an attractive building, situated at one end of the Duke of Gloucester Street, and the college, the architectural creation of Sir Christopher Wren, stood at the other, in full view each of the other.

Monroe was now a well-grown young man. Tall, square shouldered, sinewy, active and energetic, with a grave face, steady, kindly, penetrating bluish-gray eyes, modest but unafraid. He entered college in the fall of 1774, and he was now in another but invigorating community. He had left the land of the Washingtons and the Lees; he was now in the land of Pocahontas and John Smith, of Wythe, the Randolphs, Tylers, Tuckers, Blairs, Harrisons, Tazewell, and Roane. Here the cultured president and faculty of the college became his immediate and dominating influence. Nor did he lose sight of the House of Burgesses and its political activities, with its varied membership. Bruton Church, with its beauty, dignity, and spiritual appeal, deeply impressed him. Nor was he unmindful of the glamor of the royal governor and his court. Raleigh Tavern was then kept by Anthony Hay, whose son George was to become in due time United States attorney, the official prosecutor of Aaron Burr for treason, United States district judge, and the husband of Eliza, the daughter of Monroe.

The college had not more than 70 matriculates at this time, among whom were three sons of Dunmore and some others who grew to deserved distinction in field and forum and council. Of course, a boy with Monroe's political aptitudes knew all of his classmates! College records give an inadequate picture of the life and activities of students. The bursar's books contain Monroe's expenditures for matriculation and board and keep. There remains, however, a paper in the form of a petition, with Monroe among the signers, protesting against the extravagance and partiality of Mistress Digges, the matron; but upon its hearing by the board, Monroe admitted he signed without reading the paper, an age-old ending of this common and futile procedure. He was a diligent and faithful student, and the training here acquired soon reflected itself in a long, varied, and illustrious public career.

Monroe's college education came to an end in the second year of his matriculation. Rumblings of revolution could be heard from Massachusetts to Georgia, and the great men whom I have heretofore mentioned were especially responsive to the multiplied signs of the time. Patrick Henry's dramatic utterance, "that after all we must fight," was caught up and repeated by the students throughout the college. The resolution of the Virginia convention tion instructing her delegates in the Continental Congress to propose a declaration of independence, and the oppressive acts of Parliament and King were rapidly culminating in this portentous event, which in turn would culminate in a mighty epoch. So Monroe was born at a goodly time.

Monroe's college books were now laid aside. Some 200 Virginia troops quaintly uniformed "in green hunting shirts, homespun, homewoven, and homemade, with the words of "liberty or death" in large white letters on their bosoms," appeared upon the campus, the greens, and the streets of Williamsburg. Monroe was deeply impressed by these troops, for among them was Lieut. John Marshall, his friend and fellow student under Parson Campbell. These were the "minute men" of Culpeper, Fauquier, and Orange. Several of the students of the college rode great distances carrying messages in relation to the impending struggle. Grigsby alludes to "two tall and gallant youths," Monroe and Marshall, about to become officers under General Washington. Marshall became a member of the Eleventh and Monroe of the Third Virginia Regiments. Monroe was also of the small company who moved the arms from the palace to the powder house in Williamsburg, and a little later he was in active service in the far north. He participated in the Battle of Harlem Heights, his company being commanded by Captain Washington, a kinsman of the great general. Monroe was greatly relied upon by his superior officers.

He was with his military unit at White Plains and at Trenton. In the Battle of Trenton the advance guard of the American troops was led by Capt. William Washington and Lieut. James Monroe, repulsing the British and capturing two pieces of artillery in a fierce engagement. Captain Washington received a shot in the wrist and Lieutenant Monroe one through the shoulder, carrying the bullet to his grave. It is believed he crossed the Delaware with George Washington; at any rate, he was among the first and foremost at Trenton.

Monroe's efficiency and gallantry was recognized by General Washington himself, who said: "The zeal he discovered by entering the service at an early period, the character he supported in his regiment, and the manner in which he distinguished himself at Trenton, when he received a wound, induced me to appoint him to a captaincy in one of the additional regiments. This regiment failing, from the difficulty of recruiting, he entered into Lord Stirling's family and has served two campaigns as a volunteer aide to his lordship. He has in every instance maintained the reputation of a brave, active, and sensible officer."

Later he served as an aide with the rank of major on the staff of Lord Stirling, and took part in the Battle of Brandywine, Germantown, and Monmouth. He was subsequently made lieutenant colonel before he was 21, and displayed great energy and ability as commissioner to investigate and report upon the condition of the southern army, when his military career ended.

Monroe now determined to make his way in civil life, and adopted the legal profession as his calling. He studied law under Thomas Jefferson, which association increased the confidence and affection of each in the other. The political activities of Monroe were now so multiplied that he pursued his practice with many interruptions, but he was a lawyer of learning and ability, as is shown by his selection as one of the famous commission appointed to revise the laws of the new State.

He was early chosen as a delegate to the general assembly from King George County. He became also a member of the executive council, and was elected to the Fourth, Fifth, and Sixth Congresses of the Confederation. For a second time he was returned to the general assembly, and later became a member of the "great convention" of Virginia that considered the adoption of the Federal Constitution.

His congressional experience under the Articles of Confederation inclined him to a stronger Federal union. A government that could tax but could not collect was an anomaly. In this Congress Monroe became deeply interested in three subjects: The great back, or Western, country; the Mississippi, its navigation and an outlet at New Orleans to the sea (this was the germ and genesis of the Louisiana Purchase); and the regulation of commerce, the matrix of the new Federal Constitution. He drew the famous report in this Congress upon this subject, and its expressions and implications are to the effect that this regulation requires a stronger government. Bancroft thinks Monroe failed to give to

this measure which he proposed his full support. The evidence fails to sustain this prejudiced conclusion. No one would have been more critical of this position if true than Jefferson, yet he was then Monroe's warm friend.

He had favored a new Constitution, but in the Virginia Convention he aligned himself with Henry, Mason, and Lee against its ratification and against Washington, Madison, and Marshall. Why this change of front? It required independence and courage to do it. But he lacked neither. He was a man of strong convictions. But now the man of the hour was Madison. Bancroft declares that in this time of despair "the country was lifted by Madison and Virginia." "We now come," says he, "upon the week glorious for Virginia beyond any event in its annals or in the history of any republic that had ever before existed." Virginia evoked and secured the new Federal convention at Philadelphia, which Monroe approved, for he was fundamentally a Union man, though he did not approve all of its work. He made two speeches in the Virginia convention. He thought the consolidation powers too great; there was no bill of rights; the President should hold office for one term of seven years; and the Eastern States might block the development of the central and western sections of the country. He would support the Constitution with amendments but not without them.

Hugh Blair Grigsby writes that: "The speech of Monroe was well received. It made upon the House a strong impression, which was heightened by the modesty of his demeanor, by the sincerity which was reflected from every feature of his honest face, and by the minute knowledge which he exhibited of a historical transaction of surpassing interest to the South." Henry, the greatest of American orators, followed and rose to surpassing heights. Associating himself with a storm that broke upon the building he climaxed the scene with such transcendent oratory that "the members rose in confusion, and the meeting was dissolved." But Washington and Madison won; and in later years the Republic faced a catastrophe that of itself lent much support to Monroe's fears and prophecies. He accepted patriotically the result of the convention, and labored in and out of season to make the new Federal charter operative and successful.

Notwithstanding his objections to the Constitution, which were soon substantially removed by amendments as the result of the fight made by Henry, Mason, and himself, he became a candidate for the First Congress, and by the irony of fate his opponent was his friend, James Madison. He should not have opposed Madison, but no doubt he became a candidate by reason of the persistence of Henry and other friends of the Virginia convention. It was a unique and picturesque campaign, resulting in Monroe's defeat by a majority of 300.

But the new Congress was soon to find him in its higher branch. Virginia's first Senators were Richard Henry Lee and William Grayson, a near kinsman of Monroe, and who with Lee had also opposed the new Federal Constitution. Grayson lived but a short while and Monroe was elected by the general assembly to the vacancy, taking his seat in December, 1790, at the age of 32, and serving until May, 1794. Thus Monroe was again in close touch with his friend Thomas Jefferson, who was then at the seat of government in Philadelphia as Secretary of State in Washington's Cabinet.

Monroe was a hard-working Senator. He spoke infrequently, but practically and rigidly to the point. His committee assignments were good, and he was most industrious in performing his duties. He was pronounced in his opinions, which in a political sense tended to the liberalism of the school of Jefferson. Gouverneur Morris's confirmation as minister to France and Jay's to England were opposed by Monroe. He thought Jay's position as to the Mississippi radically wrong.

Monroe seems to have looked forward to a long senatorial career. He purchased a home in Albemarle County near Monticello and worked upon the revision of laws of Virginia. But suddenly the stage of his activities shifted. He was taken from the Senate, so to speak, and, to his great surprise, nominated by the President and quickly confirmed as minister to France. He arrived in Paris on August 2, 1794, but was not officially received until August 15. The French Revolution was rolling along on its bloody way; Robespierre expired under the ax of his Brutus and organized government for appropriate reception of foreign diplomats was nebulous. The committee of public safety hesitated to receive him. He took the bull by the horns after 10 days' waiting and addressed the president and representatives of the convention, stating that he did not know the competent department nor the forms established by law for his reception.

A decree was at once passed inviting him to the bosom of the convention. He promptly accepted, making his address in English, with a translation in French, that was read by the secretary, together with two letters from Edmund Randolph, the American Secretary of State. The speech was dignified and glowing in style. It made a profound impression, and was printed by order of the convention in two languages, "French and American." He was enthusiastically received, the president giving him the fraternal embrace or accolade. The whole ceremony was novel and dramatic. Monroe was then most cordially welcomed by officials and citizens, and the success of his mission seemed assured. But diplomacy is a fickle jade, and ambushes lay on every side. Jay was at St. James. He had negotiated a treaty with England which was very offensive to the French, to a majority of the American people, and to Monroe. America was practically facing war with both nations, and Jay's treaty threw America into the arms of Great Britain and into the face of France. Monroe's government had not apprised him of the text or contents of this treaty until it reached the public. He was just incensed at this, for he had no opportunity to parry or soften its effect upon the French. Then, too, Randolph thought Monroe was too glowing in his address, that he had gone beyond the scope of his agency, and severely criticized his conduct.

Monroe was recalled by Pickering, Randolph's successor, on August 22, thus serving at the French post 13 days, but he did not take his leave until December 30. He was very indignant. He avouched his letter of instructions from Randolph, submitting his actions to be fully within the scope of his instructions. And they clearly were. But really Monroe was in no way to blame. There was nothing that he did or failed to do that was incompatible with his instructions or his mission. Under the guise of neutrality our Government preferred Great Britain, although it had previously preferred France under the treaty of 1778. A govenment which practices neutrality should be most rigid in applying the same treatment to all neutral nations. The Secretary had bungled and Monroe had to suffer. Monroe returned to Virginia and wrote a lengthy defense of some five hundred pages. It is an interesting and able document and vindicated him at home, for he was elected Governor of Virginia in 1799, and twice reelected, holding office until 1802. He was again elected in 1811, but resigned to enter the Cabinet of Madison.

Within the limitations of my time no adequate discussion can be made of his conduct as Governor of Virginia. Monroe was very thorough, painstaking, a master of details, courageous, and just minded. He was temperamentally an administrator. He acted with energy, decision, and humaneness in his first administration in an uprising of some thousand or more negroes led by two slaves, General Gabriel and Jack Bowler, for the destruction of Richmond.

Jefferson, the Secretary of State, had no hazy ideas about New Orleans. He knew its possession by the United States was essential to its safety and development, and he was alarmed at its retrocession by Spain to France. The former nation was a languid owner, and we could live side by side with her without difficulty for some time to come. Not so with France. Jefferson said: "The day that France takes possession of New Orleans fixes the sentence which is to retain her forever within the low-water mark. It seals the union of two nations who, in conjunction, can maintain exclusive possession of the ocean. From that moment we must marry ourselves to the British fleet and nation." The letter containing these graphic observations was sent to Livingston, our minister at Paris, by Du Pont Nemours, who was requested to see Napoleon unofficially and impress upon him "the idea that if he should occupy Louisiana, the United States would wait a few years until the next war between France and England, but would then make common cause with England."

Livingston made slow headway in acquiring New Orleans. He wrote Madison on January 13, 1802, that there "was no government where less could be done by negotiations than France." "There are," he said, "no people, no legislature, no counselors. One man is everything * * *. He seldom asks advice and never hears it unasked. His ministers are mere clerks, and his legislature and counselors parade officers." A graphic picture of Bonaparte is this. Jefferson and Livingston did not fully agree, the latter holding the opinion that "so long as France conforms to existing treaties" between the United States and Spain it would be unwise to oppose the transfer of this territory to France. So Jefferson needed some one in France other than Livingston, and Monroe was that man. His nomination as envoy extraordinary to France was sent to the Senate on January 10, 1803. He was quickly confirmed, and lost no time in sailing, which he did upon a ship of 400 tons named *Richmond*.

Parenthetically it is interesting to observe that almost at this precise time Jefferson recommended Lewis and Clark for the exploration of the upper Mississippi River and the northwestern country.

Livingston wished the assistance of Monroe, to whom he wrote a welcoming letter upon his arrival at Havre on April 10, 1803. "I congratulate you," said Livingston, "upon your safe arrival. We have long and anxiously waited for you. God grant that your mission may answer your and the public expectation. War may do something for us; nothing else would. I have paved the way for you, and if you could add to my memoirs an assurance that we were now in the possession of New Orleans, we should do well."

The evidence shows that on this very day, April 10, Easter Sunday, Bonaparte discussed New Orleans with Talleyrand and Marbois. They were divided in opinion, and the conference was carried far into the night, the ministers remaining at St. Cloud. About daybreak Bonaparte, having received alarming dispatches from England, summoned Marbois, and said, "I renounce Louisiana. Negotiate for its cession. Don't wait for Monroe. I want 50,000,000 francs; for less I will not treat. Acquaint me day by day, hour by hour, with your progress. Keep Talleyrand informed." New Orleans was now embraced in the larger cession. Bonaparte needed money for his war; so he and he alone initiated the larger transaction. Livingston did not do it; Monroe did not do it; Bonaparte did it. When he wished to do a thing he had no illusions and no scruples. Marbois told Livingston of Bonaparte's offer, and Livingston at once undertook to anticipate and exclude Monroe in the negotiations, and latterly contended that Monroe had nothing to do with the transaction. Livingston and the United States were after New Orleans, whereas Bonaparte surprised the envoys by offering to sell the whole of Louisiana.

This territory was then offered to the United States for 100,000,000 francs and the payment of the claims of American nationals.

Livingston pronounced the consideration exorbitant; he could reach no conclusion without consulting Monroe; but Livingston sat up until 3 o'clock at night writing a dispatch to Madison apprising him of the interview with Marbois, and declaring that the purchase was wise. Livingston also made the astounding suggestion that if the price was too high, the outlay might be reimbursed by the "sale of territory west of the Mississippi, with the right of sovereignty to some power in Europe whose vicinity we should not fear." Livingston and Monroe then agreed to give 50,000,000 francs, but in the spirit of trade offered 40,000,000, one-half to be returned to American claimants. Marbois regretted that we could not give more, and declared that he must consult the consul before he could accept. Latterly Marbois proposed 80,000,000 francs, and our envoys at last acceded to his figures. Thus ended the largest real-estate transaction that the world has ever known, which was conducted by Bonaparte with as much nonchalance as if the property was a small town lot. He remarked exultingly to the envoys, "I have given to England a maritime rival that will sooner or later humble her pride"; and upon taking leave of Monroe on June 24 he declared "that the cession he had made was not so much on account of the price given as for the motives of policy; and that he wished for friendship between the Republics." This great man was not very veracious.

The development of our country is closely connected with this famous purchase. Without it perhaps there would have been no Missouri Compromise, no annexation of Texas, no Northwest Territory, no acquisition of northern Mexico or California, no Nebraska bill, no Indian troubles, no Alaskan Purchase, no Pacific railroads, no Isthmian Canal, no Chinese immigration, perhaps no war between the States, for it is difficult to affirm that any of these controversies or events would have ever been known if Spain, France, or Great Britain had remained in possession of the domain beyond the Mississippi.

Our Government wished to acquire Florida, and Monroe was especially charged to undertake this negotiation with Spain. This duty did not devolve upon Livingston, but we find him trying to anticipate and perhaps supplant Monroe in this negotiation, which conduct throws light upon similar action of Livingston in the Louisiana negotiations. Spain, however, was unwilling to consider the question, which was postponed to the administration of Monroe. No criticism should attach to Monroe. He displayed great tact, industry, and sagacity in the negotiations.

Monroe was not only a special envoy to France but to England and Spain as well. Pinkney, of Maryland, was sent over to assist him in negotiating a treaty with England. After arduous and tactful efforts, and delays by reason of changes and deaths in the English ministry, a treaty was signed. But the exasperating subjects of impressment of American seamen and compensation for loss of American property were not embraced in the document, and Jefferson never transmitted it to the Senate. Monroe and Pinkney were disappointed, for they wished to avoid war, and the former wrote the Secretary of State a full explanation of his conduct.

Monroe had returned home, and was again and for the fourth time elected Governor of Virginia, a very extraordinary expression of the confidence and esteem of those who knew him best.

England and America were now drifting rapidly into collision. The British naval vessel *Leopard*, asserting the right of search, had wantonly attacked the American frigate *Chesapeake* off the Virginia capes, again delaying action upon the treaty, which however, was abruptly abandoned when the odious and menacing "Orders in Council" were issued by England, thereby rendering inevitable war between the two nations. Perceval's truculent declaration in February, 1812, that England could not listen to the pretensions of neutral nations caused Russell, the American minister at London, to write home that war could not honorably be avoided. Madison, now President, had exhausted all honorable means to do so, and Monroe, now the new Secretary of State, had long been indefatigable to this end. War was declared on June 18, 1812, the message submitting the question to Congress, as well as the report from the committee headed by the renowned Calhoun, having been written by Monroe himself, Henry Adams to the contrary notwithstanding.

The war opened brilliantly for America on lake and sea, and was likewise conducted from Canada to New Orleans with the humiliating exceptions of Bladensburg and Washington, which were captured and subjected to barbaric usages, to burning without justification both the White House and the Capitol. This invasion roused the pacific Madison, who now threw himself upon the strong arm of Monroe, who was at once made Secretary of War in addition to the portfolio of State which he was filling with efficiency and distinction.

Monroe quickly infused vigor, energy, and optimism in the Army. It may, in passing, be of interest to observe that Monroe's service as Secretary of State was interrupted by four several assignments to perform the duties of Secretary of War. He, as before suggested, endeavored to secure treaties of peace with England; but failing, he saw war as the inexorable and honorable fate, and he did not hesitate so to declare. It should here be said that Monroe's whole conduct in relation to the war was patriotic in conception, and wise and daring in execution. His courage, his self-control, his patience, his incomparable experience, his energy, and his profound and penetrating mind made him more effective than "an army with banners." He was now indeed Madison's right arm!

The war over, the treaty of Ghent ratified, and the Federalist Party dissolving, partisan rancors subsiding, and the dissensions of sections disappearing, Madison, the political philosopher and patriot, realized the triumph of his administration, and was content to trust its justification to posterity.

But the time was approaching for the choice of his successor. Governor Sullivan, of Massachusetts, declared that the Virginians had held the Presidency "as often as they were entitled to," and therefore advocated the election of De Witt Clinton as the successor of Madison. Monroe was nominated in a caucus of the Republican or Democratic Members of Congress over William H. Crawford, of Georgia, by a vote of 65 to 54, and in the Electoral College, with a total vote of 221, Monroe received 183, as against 34 for Rufus King. He was inaugurated March 4, 1817, amidst Senators, Representatives, Galliard, the President of the Senate, and Henry Clay, the Speaker of the House, foreign ministers, Justices of the Supreme Court, including the illustrious Chief Justice Marshall, who administered the oath of office to the new President. Boys at Campbell's School, now standing face to face on the same platform, had become the two greatest living figures in the world.

What an incomparable career was Monroe's! Lieutenant in the Continental Army and lieutenant colonel before he was 21; military commissioner to the Southern Army; member of the General Assembly of Virginia; member of the executive council; member of the Continental Congress; member again of the general assembly; member of the Virginia convention to ratify the Federal Constitution; United States Senator; member of commission for revising the laws of Virginia; twice minister to France; four times governor of Virginia; minister to England and Spain; signer of the treaty acquiring Louisiana; third time member of the General Assembly of Virginia; Secretary of State; Secretary of War; twice President of the United States; author of the Monroe doctrine; visitor of the University of Virginia; member and president of the Virginia Constitutional Convention of 1829–30; and justice of the peace.

'"Thou hast it now, King, Cawdor, Glamis, all,
As the weird woman promised."

I will pass briefly to consider him as the fifth President of the United States. Twice was he President, and the second time elected with but one dissenting vote. This was the "era of good feeling." He was a successful and able Chief Magistrate; impeecably honorable and self-sacrificingly patriotic. The Federalist party disappeared under his administration, and he received substantially the united support of his countrymen. But I can only consider one of his many administrative achievements, and that is America's greatest foreign policy, for which his name is the synonym—"The Monroe doctrine."

Was Rush, Adams, Canning, Jefferson, Madison, or Monroe the author of this doctrine? The evidence of record is perfectly clear that Monroe himself and no one else was its author. He wrote it, signed it, and sent it to Congress. No other is responsible for it. It was Monroe's doctrine, and since its promulgation it has borne no other name than his. Envy, jealousy, prejudice, and ignorance have alone sought to impair Monroe's authorship of this contribution to American politics. Of course, he sought information and advice from informed and responsible statesmen. Why not? But does this absolve him from the responsibility and authorship of the paper?

Upon the fall of Napoleon, who had upset several of the European monarchies, a so-called Holy Alliance was instituted by Alexander I of Russia, and signed by Francis of Austria, Frederick William of Prussia, and Louis XVIII of France. The alliance was neither holy nor Roman. It was a euphemistic title to conceal intrigues and to restore and extend European monarchies. One conspicuous design was to smother the fires in those South American countries that had been kindled by Miranda, Bolivar, and San Martin, and therein lurked the danger to the free institutions of the United States. Monroe sensed this. Canning suggested joint action by Great Britain and the United States to meet this unholy design. Monroe did not accept this offer, declaring what should be done must be done by the United States alone of or for itself.

Monroe sent his message to Congress containing this doctrine in December, 1823, just as the expediency of sending ministers to the Congress of Panama was being debated. Adopting the digest made by Mr. Clark, sometime Under Secretary of State, the message substantially declares:

1. The "American Continents," that is, North as well as South America, were not subject to colonization by any European power. This was concretely aimed at Russia, who was about to initiate such an undertaking in the far Northwest of the United States.

2. The United States would consider any attempt of the "allied powers" to extend their system to any part of "this hemisphere as dangerous to our peace and safety."

3. "With existing colonies or dependencies of any European powers we have not interfered and shall not interfere."

4. With respect to Spanish colonies which had declared and maintained their independence and which we had recognized, the United States "could not view any interposition for the purpose of oppressing them or of controlling in any other manner their destiny by any European power, in any other light than as the manifestation of an unfriendly disposition toward the United States."

5. The United States declared that it was impossible for these powers to extend their political system to North or South America "without endangering our peace and happiness," and that such interposition could not be considered with indifference.

6. The true policy was to leave Spain and her seceded colonies to adjust their differences between themselves. Thus the declaration falls into two divisions: Future colonization by any European power of the American Continent, and "interposition for the purpose of oppressing them or of controlling in any other manner their destiny." The inhibitions apply to European powers, not to those of South or North America. The doctrine in origin and application is wholly one of self-preservation. The foothold of such powers upon this continent inevitably meant aggression upon the United States. This is practically the beginning and end of the doctrine that has become the fixed policy of our Government which no informed and responsible American statesman will disregard.

James Monroe, while a member of the Continental Congress sitting in New York, married Elizabeth Kortright, of that city, in February, 1786. She was the daughter of Laurence Kortright, well known and well connected, and a lady of intelligence and culture. From a miniature of her painted in Paris, which Monroe thought her best likeness, she was of extraordinary beauty, which together with her tact and charm made her perhaps the most attractive chatelaine who ever lived in the White House, not excepting Dolly Madison. Several competent men and women who met them both were more attracted by Mrs. Monroe. Of this marriage there were two daughters, Eliza and Maria Hester, the former married George Hay, of whom I have heretofore spoken, and the latter Samuel Gouverneur, of New York; and some of the descendants of these daughters lend their presence to this occasion. Eliza went to school to the famous Madame Campan, and became a schoolmate of Hortense de Beauharnais, the daughter of Josephine, who married Louis Bonaparte and became the mother of Napoleon III. She presented her own miniature to Eliza together with a lock of her hair.

It was at the home of his daughter Maria in New York that Monroe died on July 4, 1831, at the age of 73, his remains resting in that city until July 4, 1858, when they were removed with impressive ceremony and reinterred in our own Hollywood. The remains of his wife, who died at Oak Hill, in Loudon County, some few years before his death, rest beside his tomb. Three Presidents of the United States died on the 4th of July—Jefferson, Adams, and Monroe—the two former dying in the same year, 1826.

Monroe has not had full justice done him. He was malignantly criticized by his political partisans, and these criticisms have been magnified by some later writers.

He was an exemplary character. Jefferson affirmed that if his soul could be turned wrong side out you would not find a speck upon it. His honor and courage and patriotism equaled that of any of our Presidents. He was also a man of great abilities. John Quincy Adams, his Secretary of State, and subsequently President, entertained for his ability and character the greatest admiration. Calhoun thought his intellect of extraordinary power and penetration, declaring his capacity to consider a given subject, stripped of all irrelevant issues and detached from all personal bias, to be equal to that of any man he ever knew. Lord Holland, in speaking of Monroe and his colleague Pinkney, whom he met in the negotiations about the English difficulties, declares that Monroe "had candor and principle"; that he was "diligent, earnest, sensible, and even a profound man"; and that while Pinkney was more attractive and brilliant, his "opinions were neither so firmly rooted nor so deeply considered as those of Monroe."

Trevelyan, in his The American Revolution, declares that "the junior officer in William Washington's company was a lad even younger than Hamilton, and not his equal (as, indeed, very few were) in intellectual endowments or in personal charm. And yet," said he, "if in the course of ages both their memories were to perish, that of Lieutenant Monroe would in all likelihood be the last forgotten of the two, for he was the James Monroe who, in December, 1823, as the fifth President of the United States, enunciated the policy which defeated the machinations of the Holy Alliance and which deprived Spain of her American Colonies."

Thus great achievements and their makers live and endure.

RESIDENT COMMISSIONER FROM PORTO RICO

The SPEAKER. The Chair lays before the House the following communication:

The Clerk read as follows:

HOUSE OF REPRESENTATIVES,
CLERK'S OFFICE,
Washington, D. C., April 28, 1932.

Hon. JOHN N. GARNER,
House of Representatives, Washington, D. C.

DEAR SIR: I beg to inform you that the certificate of appointment of Hon. JOSÉ L. PESQUERA as Resident Commissioner from Porto Rico to fill the vacancy caused by the resignation of Hon. Felix Cordova Davila, in due form of law, has been filed in this office.

Yours very truly,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

SWEARING IN OF RESIDENT COMMISSIONER

Mr. DYER. Mr. Speaker, Hon. JOSÉ L. PESQUERA is present and desires to take the oath of office.

Mr. PESQUERA appeared in the well of the House and took the oath of office prescribed by law.

THE ECONOMY BILL

Mr. HESS. Mr. Speaker, I ask unanimous consent to extend my remarks on the economy bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HESS. Mr. Speaker, Members of the House, from the information that I have gathered from advocates of salary cuts, it seems that the real motive for reducing Federal salaries is to produce "a favorable psychological effect" throughout the country. The reduction in the wages of these employees certainly can not be claimed to save sufficient money to balance the Budget or wipe out the deficit. For the fiscal year ending June 30, 1931, the deficit was $902,023,828.11, and the estimated deficits for the years 1932 and 1933 are placed at $2,122,961,000 and $1,420,142,248, respectively, so that we can readily see that if no salaries at all were paid to any Federal employees these deficits would not be wiped out, for the total annual pay roll of our Government amounts to approximately $1,215,000,000.

A recent investigation by the Bureau of the Budget shows that there are 732,460 civilian employees and 290,913 officers and enlisted men of the Army and the Navy on the Government pay roll; the average salary of the civilian employees is $1,441 per year and of the members of the military service $893 per year. This compares with an average wage of $1,553.58 per annum paid to employees in the Cincinnati, Ohio, industrial area, as compiled by the Bureau of the Census of the Department of Commerce. From these figures we can readily see that the claim being made that the Government employees are being paid more than those in private industries is not based on facts.

What psychological effect will a reduction of wages in the Government service have? Will the millions of working men and women in the country breath easier and feel more confident of their own jobs and salaries when Federal wages are reduced, or will they feel that the Government has set an example for private industries to follow? I believe that the latter will be the case.

What effect would a reduction of, let us say, 10 per cent on Federal salaries have on the restoration of confidence, which I think we must all admit will do more to restore good times than any legislative action Congress may take? Will not the buying power of the Federal employee be reduced by the amount of the reduction? These men and women in my city of Cincinnati are to-day, and have been during this period of depression, helping to provide for relatives out of employment, and are also donating a portion of their salaries to a fund for the relief of the poor and unemployed. They have been the target of every charity drive during the depression, and have contributed freely and generously. If salaries are reduced, these contributions will decrease in amount and number, if they are not totally discontinued. In the case of practically every Federal employee, his family is living on the budget system. Many of them have purchased their own homes and are making weekly payments thereon; an amount is set aside each week for food and clothing, school supplies for the children, and other necessaries of life, and little, if anything, is left after these obligations are met for the so-called luxuries.

The United States Bureau of Efficiency informs me that there are approximately 3,033 Federal employees in greater Cincinnati, receiving $6,352,960 from the Government annually in the form of salaries. A 10 per cent reduction in their wages would mean that they would have $635,296 less to spend than in the past; and if the Bureau of Efficiency is correct, this would mean a reduction in buying power of $4,447,072, for it is claimed that the dollar turns over seven times each year. The merchants in and around Cincinnati will suffer a loss in business in this amount—a loss which to-day they can not stand. Properties will become vacant, mortgages will be foreclosed, and bankruptcies will increase.

Of the 3,033 Federal employees in the city of Cincinnati, 2,565 receive less than $2,500 annually, and their total sala-

ries amount to $4,819,579 each year, while only 468 employees receive more than $2,500 per year.

I am for economy in government, but not for economy at the expense of reducing the standard of living of the working people of the Nation. If the Federal Government sets the example by reducing salaries of the employees in the lower pay grades, private business will follow with more drastic cuts, and all we can look for is a retarding of economic recovery. It will indicate that Congress has lost faith in the future.

Government economies that would save many times the amount involved in a possible salary slash can be effected with less difficulty. There are to-day 10 departments, 135 bureaus, and 40 independent commissions in the Government. The unification and coordination of these, with a general reorganization of all of the departmental functions, would effect a saving of many times the amount that would be saved by a salary cut. Let us start there, and then, if more savings be necessary, reduce salaries in the higher brackets—above the $2,500-a-year man. I am perfectly willing to vote for a reduction for myself and others in the higher salary brackets if the saving effected will materially help put this country on a sound economic basis and restore its credit, but the fallacy of such salary reductions in the lower grades is too evident at this time, and I shall vote against them.

PREPAYMENT OF ADJUSTED COMPENSATION CERTIFICATES

Mr. ANDREW of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks on the proposed prepayment of the adjusted-service compensation certificates.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. ANDREW of Massachusetts. Mr. Speaker, the continued and persistent agitation at this time of the so-called bonus proposals is, I believe, doing immeasurable damage to the country. It is unfortunate that our veterans are being misled to think that their country is treating them ungenerously at the very moment when the National Government is spending for their benefit a third of all the taxes it collects. It is regrettable that many of those who served so valiantly in the World War are being persuaded that the Government is withholding from them billions of dollars which are now their due, when this is not the fact. It is still more deplorable that they are being induced to advocate a proposal which not improbably would plunge our country into economic troubles far greater than any we have yet experienced.

Mr. Speaker, the mere advocacy of this proposal is thwarting every constructive effort to restore confidence and revive activity in business. Its ramifications and possibilities, I believe, are of more serious import to the country—and by the country I mean all of us—than any other matter before the present Congress, and on that account I have asked permission to print in the RECORD certain thoughts on the subject that I have tried to express to the Ways and Means Committee.

My statement before that committee was made on April 22, and was as follows:

Mr. ANDREW. Mr. Chairman and gentlemen of the committee, if I may be permitted a personal word along the line of the discussion that has just preceded, I came to Congress when the question of the so-called bonus was very much in the foreground. I felt that the original payment of $60 for a veteran when he returned home from the war was a pitiful and niggardly allowance, and I was from the beginning an advocate of the bonus, or adjusted compensation, as it is more deservedly called. I believed that it was not a gratuity, but an obligation, and that it was fully justified; and, I opposed at that time, on the floor of the House and elsewhere, the statements which were made by Mr. Mellon, the then Secretary of the Treasury, that we could not pay the bonus without impairing the credit of the Government, and that we should not be able to reduce taxes, or go on retiring the debt if the bonus were paid. I protested against those assertions, and I twice voted for the measure over the President's veto.

THE BASIS OF THE BONUS

The statement that has just been made by Congressman LEA as to the calculations about the payment, tallies with my memory of what was agreed upon at the time and the reason for it. When the adjusted-service certificate was authorized in 1924, the period in which the veterans' need was greatest, which was when he left the Army, had passed, and it was felt by the leaders of the veterans' organizations at that time that it was to the interest of the veteran himself—at that time they were generally employed—not to give him money, which he would be apt to spend at once, but to give him instead a much larger sum in its face value in the form of an endowment-insurance certificate. The dollar a day for home service and the dollar and a quarter a day for foreign service, to which allusion has been made, were the basis; but 25 per per cent more was added to this basis, and my distinct recollection is that it was added to cover the interest for the period from the time when these men left the service to the time when the so-called bonus certificates were issued. Then this whole total was more than doubled, as has been so often stated, by adding the interest of 4 per cent cumulatively compounded for 20 years, and a 20-year endowment-insurance policy was given the veterans for the full amount, which was nearly three times the cash originally asked for.

To-day I want to address myself briefly to the proposal of our colleague, Mr. PATMAN, that there should be immediately paid—or rather prepaid—the interest for the next 13 years on those certificates, and that provision should be made for that payment by the issue of United States notes to the extent of about $2,400,000,000.

I realize that many veterans, probably the majority of the veterans in the country, would like to have such a prepayment, and have been led to believe that it would be of benefit to them. It is with some regret, therefore, that I feel obliged to oppose them. But I can not do otherwise, because I believe the proposal, if adopted, would involve immense harm to the country and to the veterans themselves. I shall try very briefly to explain the grounds for that belief.

THE COLLAPSE OF CONFIDENCE

We probably should not all agree as to the cause and the sources of the terrible economic depression that confronts this country and the world to-day, but there is one aspect of the crisis upon which there can be little difference of opinion. It will be generally agreed that the situation has been prolonged and has been greatly aggravated because of fear and distrust, and the cumulative pessimism which has pervaded the world as to what lies in the future. It has been like a disease, a nervous disease, which has infected the whole community and left the entire economic organism in a state of complete prostration. There are many people to-day whose incomes, derived from salaries or wages or otherwise, would permit them to buy more than they are buying in the way of comforts and luxuries, but who are so worried about the future that they do not purchase anything aside from the merest necessities. There are plenty of men who could repaint their houses or reroof them, who could buy automobiles, or washing machines, or new clothes for their families, who have ceased doing so out of a nameless fear that an even greater disaster is going to happen, a feeling that they ought to save what they have against some dreadful event that still lies ahead—a worse situation than we have yet experienced.

The storekeepers and merchants in the different cities similarly hesitate to place their usual orders, or such orders as they might easily place, because of fright and dread of something still to come. The manufacturers and heads of industrial plants likewise refuse to improve their factories or to buy machinery which they might very easily buy because of that same anxiety about worse conditions still before us. The banks, in their turn, continue to call their loans, refuse to extend credit, and try to make their assets liquid, because they are also afraid of what may happen in the future. They are constantly confronted by the fear that their depositors, suffering from that same nameless dread, might at any moment withdraw their deposits, institute a run, and force the bank to close its doors.

Back of all this unsettlement and distrust lies a still greater dread—that our Government itself, the last bulwark of our economic defense, may yield under the strain that is placed upon it. Wherever we look to-day throughout the world, whether we look to Europe or to South America or to the Orient, we find government treasuries which have sunk into bankruptcy. Even Great Britain, a country whose economic stability seemed a year ago beyond question, slumped last September into practical insolvency, and this has made our own situation much worse than it was or otherwise would be. Every effort that has been made in this country to revive confidence and start the wheels of business going has been blanketed ultimately by apprehension that our Government may be confronted with the same destiny as so many other governments and that the Treasury of the United States itself may be headed toward insolvency.

CONSTRUCTIVE EFFORTS OF CONGRESS

Our Congress has made very earnest efforts to deal with this baffling crisis. When it was first threatened, in the field of agriculture, we appropriated $500,000,000—perhaps not too wisely—to help the farmers. Since then we have appropriated hundreds of millions of dollars for road building and for the construction of public buildings which were not necessary at the time, but in the hope that this would increase employment and revive business. Two years ago we agreed to put at the disposal of the veterans $1,200,000,000 not merely to help them but with the hope, which had been promised, that this in its turn would give a new fillip to general trade. This year we liberalized, in the Glass-Steagall Act, the provisions of the Federal reserve laws so as to make avail-

able to the country more currency and more credit to the possible extent of many hundreds of millions of dollars.

About three months ago, when banks were failing here and there throughout the country in alarming numbers, and multitudes of families found their bank balances unavailable when they had the greatest need for them, and when the insurance companies, in which sixty or seventy million Americans had invested their savings in the hope of providing for old age or hard times or for their families when they died, were in jeopardy—when it appeared that the insurance companies as well as the banks might be forced into insolvency—Congress adopted another measure. It created the Reconstruction Finance Corporation and put at its disposal $500,000,000 more of its own money and offered to guarantee them $1,500,000,000 additional in order to save the depositors in the banks and those who had placed their future in the trust of the insurance companies from a disaster which would have caused untold misery to millions and tens of millions of people.

Now, all of these measures have helped in some degree. The last measure to which I have alluded, as General Dawes said yesterday, has greatly curtailed the closing of banks, has made it possible for some banks to reopen, and enabled their depositors to recover the money which they had intrusted to them. The insurance companies, too, have avoided failure. But throughout all of this tremendous effort there has lurked in the background a fear that is not often named—the fear that the Treasury of the United States might itself yield under the stupendous pressure which has been brought to bear upon it.

THE TREASURY DEFICIT

These different measures to which I have alluded have entailed a tremendous drain upon the National Treasury at the very moment when the Government's sources of taxation and powers of borrowing were withering up. And with the example of other countries in the rest of the world, which, one after another in the course of the last year and mostly since last September, have slumped into insolvency—with that example before them, the fear has grown in the minds of many people that the Treasury of the United States might itself become insolvent.

Now, at the present time in this current year, as we all know, we are confronted in the Treasury with a deficit which will exceed the enormous sum of $2,000,000,000. It may reach two and a half billions. The very proposal at this time that Congress should double this already vast deficit, which is what the bonus proposal would amount to, seems to me to be fraught with grave danger, because it adds to the distrust and the apprehension as to the ability of the United States Treasury to stand the strain.

The proposal which has been made by our colleague to issue 2,400,000,000 more of United States notes could, in my judgment, have but one effect at the present time, if it were adopted. It could not fail to promote a further disturbance of confidence, which is already so badly unsettled. It could not but increase the mistrust and aggravate the pessimism of our people as to the future. It could not but magnify the one thing which, as it seems to me, has prolonged and aggravated this great crisis.

CREDIT, CURRENCY, AND GOLD

It is difficult for many people to realize how tenuous a thing the credit of a country is; how vast and frail a structure is built upon so slight a basis. Yesterday Professor Kemmerer called attention to the fact that the means of exchange in the country consist in the main of some fifty billions of credit accounts in the banks. They are the so-called deposit accounts which are for the most part created, not by deposits of cash, but by the extension of loans to the people. There are 50,000,000,000 of such accounts in the banks of the country, all of which are demand obligations on the banks, yet for the redemption of these accounts the banks hold less than 10 per cent in actual cash, and what is more, that cash in its turn consists largely of credit money which is a demand obligation on the Government payable in gold.

The Federal Government itself has issued a great many different types of fiduciary currency, with which you are all familiar, which the Government is pledged to pay in gold, but which the banks count as part of their reserves. It has issued about five billions of such money, silver certificates, United States notes, Federal reserve notes, and so on. The banks count in their reserves something like a billion and a half of other money than gold. In other words we have about fifty billions of bank deposits and about five billions of paper money, all supposedly payable in gold, but the Treasury and the banks have only about four billions in actual gold with which to pay them.

The banks have demand obligations, payable in lawful money, of about $50,000,000,000, roughly, and against that they hold in cash, including not only gold but all other forms of lawful money, less than one-tenth of that amount; and in turn the Government itself is subject to demands upon it for the redemption in gold of all that lawful money. It has something like three and a half billions of dollars in gold, against which there are outstanding obligations of more than $5,000,000,000 in other forms of money. Whatever the exact percentage may be, a stupendous amount of credit is founded upon a very small basis of gold, and any curtailment of that basis is fraught with danger to the superstructure.

WITHDRAWALS OF GOLD

Last autumn when distrust as to the solvency of the governments of the world was becoming widespread; when in France, for example, they had found that by leaving their balances in London for too long a time, the Bank of France, after the suspension of gold payments by the Bank of England, had to write off a loss of a hundred millions of dollars because of the sudden depreciation, to the extent of one-third of the value of the British pound—at that moment Europeans began to be fearful as to what might happen in this country, and began to call their money back, and in two months time something like $700,000,000 in gold was withdrawn from this country. This was undoubtedly prompted by the fear of the same thing happening to our standard of value as had happened to the British standard of value, and which had entailed upon French investors, and the Bank of France particularly, a loss within a very brief period of a hundred millions of dollars. Our Treasury and our banks were able to stand the strain, but it is doubtful whether they could withstand another drain of like proportions.

I believe that an attempt at this time to issue two billions and more of paper money, if adopted, would result in world-wide distrust in our financial stability and would cause a similar withdrawal of gold from the country, and that this in all likelihood would be accompanied by runs upon our banks by frightened depositors, trying to get hold of gold and gold certificates. This would mean the collapse of our whole banking system, a panic of unexampled proportions, and our forced abandonment of the gold standard. The very agitation of such a proposal to-day serves to arouse apprehension as to the imminence of such a catastrophe and frustrates every hope and effort looking toward an economic revival.

Mr. HILL. Mr. Chairman, will the gentleman yield right there?

Mr. ANDREW. Yes.

Mr. HILL. What resulted to Great Britain in the matter of withdrawals of gold when they went off the gold basis?

Mr. ANDREW. They went off so suddenly that it was difficult to withdraw the gold. France attempted to withdraw what she had there, but she acted so late that she had already suffered a loss of $100,000,000.

Mr. HILL. That was all on the sterling deposit they had in Great Britain?

Mr. ANDREW. Yes, sir.

Mr. HILL. But as to the efflux of gold itself in Great Britain as a result of getting off the gold standard? That is the question I am interested in.

Mr. ANDREW. I could not give you the exact amount, but after the Government suspended gold payments, it was practically impossible to obtain gold in London for export. The situation in Great Britain was quite different from that which might confront a country in consequence of inflation. When Great Britain went off the gold standard, they had not begun to issue paper money, and there was no efflux of gold because of rising prices. They went off the gold standard, not as the result of inflation, but because of general distrust before inflation had occurred.

EFFECT OF UNCONVERTIBLE PAPER MONEY

I have been in two countries that suffered from inflation and the resort to unconvertible paper currency. I was in Germany in the autumn of 1923 when the German mark, which originally had been equivalent to 25 cents, had gradually fallen in value until it was not worth the cheapest kind of tissue paper.

The German Government had not begun with the idea of issuing paper money in vast amounts. They began with relatively small quantities. But as prices rapidly rose wages lagged far behind, and the people did not have enough money to meet the new price level; they ignorantly clamored for larger and larger issues. Then, as the Government issued more and more paper money, prices rose higher and higher, and it became more and more difficult for the people to purchase anything and the Government tried to meet the difficulty by issuing still more money. When I was there, in October, 1923, a man who received any money had to spend it within a few hours or he would find that prices had risen in the meanwhile to double what they were before. The farmers naturally refused to sell their grain or their meat or their vegetables or milk or eggs or chickens, and the people in the towns or cities were almost without food.

If I may narrate a personal incident, I went into a bank in Dusseldorf to buy some German money, not to spend it but for the momentary feeling of opulence that it gave me, and to keep as an example of what happens to a country which resorts to inconvertible paper money. I put down $10 and got for it something like 10,000,000,000 marks, the equivalent under normal rates of exchange of more than $2,000,000,000. I invited the rather haggard bank clerk to have lunch with me and asked him to explain how it had affected him. He told me that he was not able to have meat more than once in two weeks, but while his wages were increased every fortnight, they were fixed two weeks in advance, and that by the time he was paid the wages which were promised two weeks before, they would scarcely buy anything at all.

The result of all that inflation and all of that terrible experience in Germany was this: The working people, who had gradually through the years lifted their wages to where they offered a decent standard of living, found that the value of those wages was completely wiped out and they had to start at the bottom again.

What did it mean to the veterans? It meant that those veterans who were getting pensions and compensations for disabilities of one kind or another found that all that they had achieved during the preceding four or five years in the way of relief from their Government was worthless and they too had to start all over again.

The same thing happened in France. I was in France in 1926, and as I have a good many friends among those veterans whom I met in the war, I was able to learn what had befallen them in consequence of inflation and depreciation. The franc had dwin-

died in value through inflation from a value of 20 cents to a value of 4 cents and all of their pensions and everything that they by effort and pressure had been able to induce their Government to provide for them had been cut down to the extent of four-fifths of their value.

If that were to happen in this country, and I believe it might happen if this bill were passed, it would do incalculable harm to every wage earner in the country, and to every man who has a salary. It would do incalculable harm to everyone who has insurance, or who has deposits in savings banks. It would do incalculable harm to the veterans themselves, because whatever they have won in the way of promises from the Government for compensation, for disability allowances, or for retirement allowances, would be diminished in value and might be completely wiped out.

Mr. ESLICK. Will the gentleman yield?

Mr. ANDREW. Yes.

Mr. ESLICK. In case the $2,400,000,000 were paid, in accordance with the Patman bill, and the money in that amount were issued, does the gentleman think that that would create an inflation comparable to the German inflation and the French inflation?

Mr. ANDREW. No; not necessarily. I did not mean to say that that would inevitably result, but I think it would take us off the gold standard. I think if it were adopted that vast numbers of people would withdraw gold or gold certificates from the banks, and the banks would fail, and that Europeans who have hundreds of millions of dollars in this country would withdraw their gold, and that the Treasury would fail, and that we should be left upon an inconvertible paper standard, dependent only upon the will of congressional majorities. In that event I fear that the temptation would be almost irresistible under existing circumstances to issue more money to help the unemployed, to balance the Budget, to build roads, to lend money to impoverished cities and States, and so on. It is the easiest way for a government to pay its bills, and it is a very tempting way to meet extravagant appropriations. That is why I fear, the step once taken, if it drove us off the gold standard, would plunge us on a career that might lead anywhere.

Mr. ESLICK. If it were to stop at this issue, it would only produce a reasonable rise in other values, in agricultural and industrial values, would it not?

Mr. ANDREW. I can not believe that it could happen without causing the failure of banks or without inducing European people to withdraw their money. They have felt that the standard of monetary stability in the United States was higher than anywhere else in the world, and they have lots of money, hundreds of millions of dollars, invested here or on balance. If they drew that back, we would pass off the gold standard, and after that no one can say what might follow.

Mr. ESLICK. Let me ask you one other question. With an estimated wealth of $250,000,000,000 and an indebtedness of $150,000,000,000 public and private in this country, what hope is there to pay these debts unless there is a material increase in circulation?

Mr. ANDREW. Now, if I may answer that as I see it—and I do not claim to be the final seat of authority on anything——

Mr. ESLICK. I take it it is more or less guesswork with all of us.

CAN PRICES BE RAISED?

Mr. ANDREW. Yes. But I will try to answer it as I see it. Professor Kemmerer, if you were here yesterday, explained quite clearly what is the generally accepted theory of the level of prices, how in our country the purchasing power which influences prices, is only in a very small proportion (he said about 10 per cent) in the form of currency and about 90 per cent in the form of credit or checking accounts. Most payments are made to-day by checks, in the United States, and in all the English-speaking countries. The price level depends primarily upon the rapidity with which these checking accounts revolve, upon their velocity of circulation.

I think the way to restore the price level in this country is to restore confidence, so that checking accounts and money will circulate again with the rapidity with which they used to circulate. The checking accounts of the banks, which influence prices in the same way as actual currency, used to circulate three years ago about seventy-eight times in a year. To-day they circulate at the rate of only about forty times in a year.

Now, the way to restore the price level, in my judgment, is to let confidence and hope recuperate, and not to disturb it. Then our people will begin to buy again, and checking accounts and money will function with their old-time velocity, and prices will tend to go back to their old level.

Mr. ESLICK. We have the same money standards that we had three years ago in this country.

Mr. ANDREW. Yes; exactly.

Mr. ESLICK. Now, there has been a perpetual loss of confidence.

Mr. ANDREW. No; I should rather say that it is a temporary disease.

Mr. ESLICK. What are you going to do to cure that disease with the present standards without adding some new blood or some new methods?

Mr. ANDREW. I should say that the way to treat a nervous disease is to let the patient rest quietly, and not try too many artificial stimulants. We have gotten into a morbidly sensitive and melancholic condition—all our people. They do not see things as they are. They are unduly apprehensive of the future. If you issue more fiduciary money, you only increase the fright, and if you scare people more, you make things worse.

Mr. ESLICK. Gold is the standard, is it not?

Mr. ANDREW. Yes.

Mr. ESLICK. Do you agree with Doctor Kemmerer that if the amount of gold in the world to-day could be doubled, it would be a detriment to the people rather than an aid?

Mr. ANDREW. No; I do not. I do not say it would be a detriment or an aid. It would benefit some and harm others.

Mr. ESLICK. If the people of this country or the world had $2 of gold to take the place of one, and gold is the standard, would not that necessarily aid the commerce of the world?

Mr. ANDREW. I think it would give something in the nature of a fillip to business throughout the world if that happened. But I can not feel the same way about a currency dependent in its amount upon the will of Congress. I would not disparage Congress, being a Member of it. But I do not believe that you could reestablish trust in the business world if the currency system and the amount of money in the country were left to the will of political majorities, because you have so many persistent appeals for help, first from one group and then from another. If Congress could easily provide financial assistance for one group or the other group, by simply printing paper money, we might too often yield to the temptation.

Mr. ESLICK. May I ask you what you define as fiduciary money?

Mr. ANDREW. I mean money that is not gold, that could not command in the market the value of gold except as it is redeemable in gold. I mean United States notes and Federal reserve notes and silver certificates and silver or copper coins.

Mr. ESLICK. In other words, it is not measured by gold.

Mr. ANDREW. Its substance has not the value of gold.

Mr. VINSON. Would you call national-bank notes fiduciary money?

Mr. ANDREW. Yes, surely.

Mr. DICKINSON. To what do you attribute the want of confidence in the United States? What brought about this want of confidence, in your judgment?

CAUSES OF THE PANIC

Mr. ANDREW. It seems to have been a reaction from a period of tremendous overoptimism and overexpansion in every field, not merely speculation in the stock market. Everybody three or four years ago was banking too much on the future, was buying not only from current earnings but from those expected or hoped for. The whole installment plan of buying was based on that. Women bought fur coats and jewelry expecting to pay for them two or three years hence Men built houses and bought automobiles and electric refrigerators and radios and everything else, not with what they had but with what they hoped to have. Cities and States, factories and firms of all sorts, mortgaged their future. They went too far and borrowed too much from the future and finally the bubble burst.

Mr. DICKINSON. Due in part to this speculation in stocks and the resultant crash—Professor Kemmerer thought that it was largely due to that.

Mr. ANDREW. I think that was one very influential factor, but the speculation was not only in securities. People were speculating in almost everything, thinking that they would have the income next year or the year following to pay for them; they speculated in real-estate developments, in houses, hotels, store buildings, factories, as well as in automobiles or personal luxuries.

Mr. LEWIS. Professor Kemmerer yesterday referred to the fact that the number of shares of stock on the New York Stock Exchange had jumped from 171,000,000 to 1,125,000,000 in the few years preceding this financial break. Would you call that fiatism in industry?

Mr. ANDREW. To an extreme degree. I do not like to say it, lest I be misunderstood or misquoted, but I think the big banking houses, affiliates, and brokers who were floating securities, both domestic and foreign, at inflated values were probably more responsible than anybody else in this country for the situation that exists to-day.

Mr. LEWIS. Fiatism then in private industry and private capital may be as dangerous as fiatism of the Government?

Mr. ANDREW. Yes. Our recent history proves it.

CHANGES IN CURRENCY SUPPLY

Mr. VINSON. I have listened very attentively to your idea about the insertion of new currency into our system. What would be your notion if the currency were contracted—fiduciary currency—at this time?

Mr. ANDREW. Were contracted?

Mr. VINSON. Yes. If it were withdrawn from circulation. You say it would be harmful to add any fiduciary currency to the system. Now, what would happen or what would be the effect if you withdrew fiduciary currency?

Mr. ANDREW. You mean by Government vote?

Mr. VINSON. Yes.

Mr. ANDREW. I think it would be unfortunate. I think the less the Government has to do with the quantity of currency in a country the better it is for the country.

Mr. VINSON. Who is going to have anything to do with it, Mr. ANDREW, if the Government does not manage it?

Mr. ANDREW. We have an organized banking system which was established by Congress, and one of its purposes was to make our currency responsive to the needs of business. It works more or less automatically. It is dependent to some extent upon the production and distribution of gold in the world, and to some extent upon the men who administer the banking system. It has not worked successfully all the time, but I should rather leave it as it is, than subject it to the changing will of political majorities. I do not mean political in the sense of Republican or Democrat.

Mr. VINSON. Most of us when we are sick look for a doctor?

Mr. ANDREW. Yes. Most people do.

Mr. VINSON. We do not like to let nature take its course. What we, as Members of Congress, including yourself, are trying to do is to find a prescription.

Mr. ANDREW. Yes; I wish that we might, but sometimes nature in her own quiet way overcomes disease more effectively than medicine.

Mr. VINSON. Mr. ANDREW, what is your personal view with respect to the cessation of the interest charge upon loans made to veterans?

REASONABLE CHANGES IN BONUS LAW

Mr. ANDREW. I think there ought to be some adjustment made. I have not studied it carefully enough to know just exactly what. I feel that the Government should not charge the veteran for his borrowings more than it has itself to pay for the money which it borrows on similar long-time loans. But I should not want to make it more profitable for the veteran to borrow than to hold on to his insurance.

I have talked in a very rambling way here, but I did want to say after Mr. LEA spoke this morning, that I agree with him in the feeling that the Government does not now owe to the veterans interest for the next 13 years on their certificates; that it is not exact to say, as many of the veterans have come to feel, that the Government owes them the interest for the next 13 years.

I will say in that connection, if a system can be worked out along the lines as suggested by Mr. LEA this morning, by which an option could be given to the veterans allowing them to receive in cash the original service basis of their certificates, plus the 25 per cent which was allotted for the period between the time they left the Army or the Navy and the date when the bonus certificates were issued, plus the compound interest up to the present time—I should favor allowing them the option of a final settlement in cash upon this basis.

Mr. VINSON. At what date would you compute it at compound interest?

Mr. ANDREW. Just as it is in the certificate to-day.

Mr. VINSON. The date of the issuance of the certificate?

Mr. ANDREW. Yes; because we added 25 per cent, which was approximately compound interest at 4 per cent, for the preceding years.

Mr. VINSON. There is some controvery as to just why that 25 per cent was added. I was not a member of the committee at that time, but some seem to think that it was added in order to compensate for the delay in securing the face value of the certificates.

Mr. ANDREW. I can not remember the motives of everybody at that time. It has been my understanding in the intervening years as I have stated it, but at any rate in actual fact it does do that very thing. It adds about 4 per cent compounded for five years, approximately.

CONGRESS AND THE VETERANS

As to the proposal before us to-day—for the immediate prepayment of future interest on the bonus certificates—if Congress does not indorse it, and I do not see how we can, ex-service men and their families should not feel that we are treating them ungenerously. It will simply mean that Congress has a more thoughtful comprehension of the real interests of the veterans and of the country as a whole than some of the veterans have themselves. They must also remember that our National Government is already spending more than a third of all the taxes it collects, or more than a billion dollars a year, for veteran relief. Congress is appropriating during the present year for the benefit only of those connected with the World War no less than eight hundred seventy millions, or an average of nearly $200 for every one of the more than 4,000,000 men who at one date or another enlisted in that war, and this takes no account of the loans extended to these veterans upon their certificates. The Nation has rightly shown and will continue to show its gratitude for the inestimable service rendered by these men in 1917–18. The vast majority of ex-service men appreciate this fact, and I am sure that they would not want us to accede to any proposal which they might make if in our earnest judgment it could not be granted without harm or peril to the country.

NAVAL APPROPRIATION BILL

The SPEAKER. The previous question has been ordered on the naval bill and all amendments to final passage. The question the Chair desires to propound now is whether a separate vote is demanded on any amendment?

Mr. AYRES. Mr. Speaker, I ask a separate vote on what is known as the Darrow amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The Clerk will report the Darrow amendment.

The Clerk read as follows:

On page 34, after line 4, insert as a separate paragraph the following:

"Naval Hospital, Philadelphia, Pa.: To continue construction of the public works authorized by the act entitled 'An act to authorize the Secretary of the Navy to proceed with the construction of certain public works at Philadelphia, Pa., and for other purposes,' approved February 12, 1931 (46 Stat. 1091), subject to the limit of cost fixed by such act, $1,000,000."

Mr. AYRES. Mr. Speaker, in view of the fact it has been some five or six days since the amendment was offered, I think it is nothing more than fair and just to the membership of the House that there be a little further explanation of the amendment, and I ask unanimous consent that there may be 10 minutes of debate, 5 minutes on each side, in which to offer an explanation of the amendment.

The SPEAKER. The gentleman from Kansas asks unanimous consent that there may be 10 minutes' debate on the subject of the Darrow amendment, 5 minutes to be controlled by himself and 5 minutes by the gentleman from Pennsylvania [Mr. DARROW]. Is there objection?

There was no objection.

Mr. AYRES. Mr. Speaker, I yield five minutes to the gentleman from Tennessee [Mr. BYRNS].

Mr. BYRNS. Mr. Speaker, this amendment involves a direct appropriation of $1,000,000 from the Treasury to begin construction of a naval hospital at Philadelphia, which will ultimately cost $3,000,000. If personal considerations weighed with me, I probably would not protest, because of my personal friendship for its author, but this is no time to begin new construction, especially when the Chief of Operations of the Navy Department says it is not necessary. This is no time to begin obligating the Government to new expenditures when we spent all day yesterday and all of the evening session last night considering how we could save some money for the Treasury and the people of the United States.

I simply desire to call the attention of the Members of this House to just what they are being asked to vote upon here, and that is a direct appropriation out of the Treasury for a purpose that the Chief of Operations of the Navy Department says is not necessary or needed at this time.

The adoption of this amendment, I wish every Member to understand, will add $1,000,000 to the naval appropriation bill as reported out of the committee and will impose an extra demand to that extent upon the Federal Treasury next year and an additional $2,000,000 in the succeeding year or two.

When asked about the need for this hospital, the Chief of Naval Operations stated to the naval subcommittee:

> I never wanted to build it myself. I have been fighting against it. I have been absolutely opposed to that.

And the members of the subcommittee will bear me out in the statement that the Secretary of the Navy indorsed the position of his chief naval adviser.

I admit this project has Budget support; but why? The item was omitted from the original Budget. Not until we were ready to write the naval bill did the recommendation come down. We had then passed a tax bill designed to aid in rehabilitating the Treasury; we had, after much study, reduced many of the appropriation bills to the utmost, and we were then engaged in endeavoring through the Economy Committee to find other ways in which to save, and in the face of all this and after all this the recommendation comes down, and it came down contrary to the Budget policy of refusing all appropriations for initiating new projects.

Mr. Speaker, there is hardly a man on this floor who has not been discriminated against by this exception to the general policy, which extended not alone to new projects but in many instances to continuing projects under way.

The Navy does not need this hospital at Philadelphia. If the Veterans' Administration needs a hospital in Philadelphia or in that general vicinity, then let us provide for it under the Veterans' Administration. It is not a proper naval expense.

And let me remind you that while the existing hospital at Philadelphia is of temporary construction, that we are at this time also housing patients in temporary hospitals at Annapolis, Md., Chelsea, Mass., Great Lakes, Ill., Norfolk, Va., Mare Island, Calif., Harris Island, S. C., Puget Sound, Wash., and Portsmouth, N. H. It is equally as desirable to house patients in the temporary hospitals at those places as at Philadelphia.

We did not relieve the situation when we had a balanced Budget. Why wait until to-day to begin, and why begin at Philadelphia, particularly when counseled against by the Navy Department? I hope the amendment will be defeated.

Gentlemen, if we are going to begin new activities, whether they be at Philadelphia or elsewhere, under present circumstances, there is no telling where we may end; and let us not put ourselves in the inconsistent position of sitting here all day yesterday and the balance of to-day and possibly to-morrow in an effort to save a little money for the people of the United States and at the same time appropriate $1,000,000 for some new construction which the Navy Department states is not needed. [Applause.]

Mr. DARROW. Mr. Speaker, my friend from Tennessee says that we have not commenced any new construction. Do I not recall that we passed a bill of $132,500,000 for road construction? However, the need for this appropriation is an emergent one. The Director of the Budget in sending his supplemental estimate said the need for this proposed construction has developed since the transmission of the Budget for 1933 and that its approval is recommended.

The reason the supplemental estimate was made was because, after careful inspection made there in the early part of March by the Navy Department, it was found that these temporary buildings, which can not in any way be compared with those mentioned by the gentleman from Tennessee, were so rapidly deteriorating that the sills were tumbling down, and Captain Dennis, of the Surgeon General's office, one of the naval officers who made the inspection, found that the patients when in the mess hall required umbrellas over them to keep them from getting wet. Not only was the roof leaking but the rain was driving through the sides and the buildings were about ready to tumble down.

The buildings that were enumerated at other places are of a much more permanent character. They are of as permanent a character as wood construction can be, while the buildings at Philadelphia are of flimsy construction and were built as an emergency during war times.

The danger of fire has greatly increased and should a fire start in one of these buildings the loss of life would be appalling, because the buildings are huddled close together and there would be little opportunity to save the patients.

This hospital takes care of the veterans as well as the Navy patients. There is no veterans' hospital for the care of this type of patients nearer than Hartford, Conn. It is a surgical and general hospital, and to compel these patients to occupy buildings of this character, both from the standpoint of their health and the danger of fire, seems to me not only a crime but a disgrace.

I submit that there are no buildings anywhere in the United States of such great emergency or comparable in any way to this situation, and the reason we are pleading for the appropriation at this time is because of the rapid deterioration and because everything seems to be on the point of tumbling down.

I hope the amendment will be sustained so that we will not subject these patients, both naval and veteran, to this great fire hazard, on account of which many of the patients may lose their lives. Let us give them a decent place in which to be housed.

This situation is not comparable in any way with the necessity for new buildings for other purposes. This is an acute emergency and the construction is urgently asked for by the American Legion and by all service men. I hope, my friends, you will support this amendment.

Mr. McCLINTIC of Oklahoma. Mr. Speaker, I ask unanimous consent to speak for half a minute on this naval question.

Mr. STAFFORD. Oh, Mr. Speaker, I do not think it is fair to the opposition. I object.

The SPEAKER. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. DARROW) there were 111 ayes and 122 noes.

So the amendment was rejected.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. AYRES. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to correct the totals.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. COLLINS. Mr. Speaker, I have a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. COLLINS. I am.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. COLLINS moves to recommit the bill to the Committee on Appropriations with instructions to report the same back forthwith with the following amendment: On page 25, line 19, before the semicolon, insert "*Provided further*, That the total number of enlisted men in the ratings of bandmaster, first musician, musician first class, and musician second class on April 18, 1932, shall be reduced by 355 by discontinuing new enlistments and reenlistments not continuous in such ratings and/or placing in such ratings men otherwise rated."

Mr. CHINDBLOM. Mr. Speaker, a point or order. My understanding is that action was taken on this question by an amendment passed in the House. That was stricken out by an amendment.

Mr. STAFFORD. Mr. Speaker, that is not a good point of order. The Speaker can not take cognizance of any action that has been taken in Committee of the Whole on the state of the Union except as reported to the House. The chairman of the committee reports only the facts as to amendments, and there was no report that any part of the bill had been stricken out.

The SPEAKER. The gentleman from Illinois makes the point of order that the motion to recommit attempts to reinsert language that was stricken out of the bill in the House by agreeing to an amendment reported from the Committee of the Whole. The rulings are uniform that you can not undo in a motion to recommit that which the House has just disposed of, so the point of order is well taken.

Mr. SCHAFER. Mr. Speaker, I have a motion to recommit. I move that the bill be recommitted to the Committee on Appropriations with instructions to report it back after further consideration with 10 per cent reduction in the total amount of the appropriation.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. SCHAFER moves to recommit the bill with instructions to the committee to report it back after consideration with a 10 per cent reduction in the total appropriation.

Mr. AYRES. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. SCHAFER) there were 20 ayes and 198 noes.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

On motion of Mr. AYRES, a motion to reconsider the vote whereby the bill was passed was laid on the table.

THE TARIFF BILL

Mr. O'CONNOR. Mr. Speaker, I call up House Resolution 195, a privileged resolution, from the Committee on Rules.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution the bill H. R. 6662, with the amendment of the Senate thereto, be, and the same is hereby, taken from the Speaker's table to the end that the amendment of the Senate be, and the same is hereby, concurred in.

The Senate amendment is as follows:

Strike out all after the enacting clause and in lieu thereof insert the following:

"That section 336 of the tariff act of 1930 is amended to read as follows:

"'SEC. 336. Recommendations for adjustment of duties: (a) Upon the request of the President of the United States, or upon its

own motion, or upon application of any interested party showing good and sufficient reason therefor, the commission shall investigate and ascertain the differences in the costs of production of any domestic article and of any like or similar foreign article, whether or not actually imported into the United States. If the commission finds it shown by the investigation that the duty imposed by law upon the foreign article does not equalize the differences in the cost of production of the domestic article and of the foreign article when produced in the principal competing country or countries, then the commission shall report to the President and to the Congress such increases or decreases in the duty upon the foreign article as the commission finds to be necessary in order to equalize such differences in the costs of production. Any such increased or decreased duty may include the transfer of the article from the dutiable list to the free list or from the free list to the dutiable list, a change in the form of duty, or a change in classification. The report shall be accompanied by a statement of the commission setting forth the findings of the commission with respect to the differences in cost of production, the elements of cost included in the cost of production of the respective articles as ascertained by the commission, and any other matter deemed pertinent by the commission.

"'The President, upon receipt of any such report of the commission, shall promptly transmit the report to the Congress with his recommendations, if any, with respect to the increase or decrease in duty proposed by the commission.

"'Any bill having for its object the carrying out, in whole or in part, of the recommendations made by the commission in any such report shall not include any item not included in such report; and in the consideration of such bill, either in the House of Representatives or in the Senate, no amendment thereto shall be considered which is not germane to the items included in such report.

"'(b) No report shall be made by the commission under this section unless the determination of the commission with respect thereto is reached after an investigation by the commission during the course of which the commission shall have held hearings and given reasonable public notice of such hearings, and reasonable opportunity for the parties interested to be present, produce evidence, and to be heard. The commission is authorized to adopt such reasonable rules of procedure as may be necessary to execute its functions under this section.

"'(c) In ascertaining the differences in costs of production under this section, the commission shall take into consideration, in so far as it finds them pertinent and practicable—

"'(1) The differences in conditions of production, including wages in terms of labor cost per unit of product, costs of materials, and other items in cost of production of like or similar articles in the United States and in competing foreign countries;

"'(2) Costs of transportation;

"'(3) Other costs, including the cost of containers and coverings of whatever nature, and other charges and expenses incident to placing the article in condition, packed ready for delivery, storage costs in the principal market or markets of the United States and of the principal competing country or countries, and costs of reconditioning or repacking wherever incurred;

"'(4) Differences between the domestic and foreign article in packing and containers, and in condition in which received in the principal markets of the United States;

"'(5) Invoice prices or values and/or wholesale selling prices in the principal market or markets in the principal competing country or countries, in so far as such prices or values are indicative of costs of production, provided such costs can not be satisfactorily obtained;

"'(6) Advantages granted to a foreign producer by a foreign government or by a person, partnership, corporation, or association in a foreign country;

"'(7) Any other advantages or disadvantages in competition which increase or decrease in a definitely determinable amount the total cost at which domestic or foreign articles may be delivered in the principal market or markets of the United States; and

"'(8) Definition of costs of transportation: Costs of transportation for the purposes of this section shall be held to include, in so far as applicable, freight charges and all other charges incident to transportation, including transit insurance, costs of loading and unloading, and port charges and landing charges. These costs shall be computed from the principal producing areas (in the United States and in the principal competing country or countries) that can reasonably be expected to ship to the principal consuming region or regions of the United States and shall be computed to such principal market or markets of the United States as may most nearly insure equal competitive opportunity to domestic articles and like or similar foreign articles in such region or regions. If this purpose may be best accomplished thereby, such costs on domestic articles and on like or similar foreign articles shall be computed to different principal markets of the United States.

"'(d) In determining costs of production in the United States and in the principal competing country or countries for the purposes of this section, the commission shall take into consideration the costs of production only of such establishments as are economically located and efficiently operated, and shall obtain such costs for a normal and representative period.

"'(e) In connection with its investigations as to differences in costs of production the commission shall inquire into the following matters and shall include in each report pursuant to this section a summary of the facts with respect to such matters:

"'(1) The efficiency and economic operation and location of the domestic industry under consideration;

"'(2) The conditions of such domestic industry with respect to profits and losses, the extent to which productive capacity is utilized, and the extent of unemployment;

"'(3) The extent to which adverse conditions of production may be due to foreign competition or to other specified factors;

"'(4) The extent to which adverse conditions of production may be remedied by adjustments in the tariff law, taking into consideration the substitution of articles used for the same purposes as the articles under consideration, and taking into consideration any other pertinent competitive factors; and

"'(5) The effects of any proposed increase or decrease in rates of duties on other domestic industries and on the export trade of the United States.'

"SEC. 2. All uncompleted investigations instituted prior to the approval of this act under section 336 of the tariff act of 1930 prior to its amendment by this act, including investigations in which the President has not proclaimed changes in classification or in basis of value or increases or decreases in rates of duty, shall be dismissed without prejudice; but the information and evidence secured by the commission in any such investigation may be given due consideration in any investigation instituted under the provisions of section 336 of the tariff act of 1930 as amended by this act.

"SEC. 3. Consumers' counsel: (a) There shall be an office in the legislative branch of the Government to be known as the office of the consumers' counsel of the United States Tariff Commission. The office shall be in charge of a counsel to be appointed by the President, by and with the advice and consent of the Senate. No person shall be eligible for appointment as counsel if such person has at any time acted in tariff matters before Congress or the United States Tariff Commission, either on his own behalf or as attorney, at law or in fact, or as legislative agent. The counsel shall be appointed for a term of four years and shall receive a salary of $10,000 a year. The counsel shall not actively engage in any other business, vocation, or employment than that of serving as counsel.

"(b) It shall be the duty of the counsel to appear in the interest of and represent the consuming public in any proceeding before the commission. In any proceeding before the commission in which the counsel has entered an appearance the counsel shall have the right to offer any relevant testimony and argument, oral or written, and to examine and cross-examine witnesses and parties to the proceeding, and shall have the right to have subpœna or other process of the commission issue in his behalf. Whenever the counsel finds that it is in the interest of the consuming public to have the commission furnish any information at its command or conduct any investigation as to differences in costs of production or other matters within its authority, then the counsel shall so certify to the commission, specifying in the certificate the information or investigation desired. Thereupon the commission shall promptly furnish to the counsel the information or promptly conduct the investigation and place the results thereof at the disposal of the counsel.

"(c) Within the limitations of such appropriations as the Congress may from time to time provide, the counsel is authorized (subject to the civil service laws and the classification act of 1923, as amended) to appoint and fix the salaries of assistants and clerks, and is authorized to make such expenditures as may be necessary for the performance of the duties vested in him.

"SEC. 4. International economic conference: That the President is respectfully requested to initiate a movement for an international economic conference with a view to (a) lowering excessive tariff duties and eliminating discriminatory and unfair trade practices, and other economic barriers affecting international trade, (b) preventing retaliatory tariff measures and economic wars, and (c) promoting fair, equal, and friendly trade and commercial relations between nations; but with the understanding that any agreement, treaty, or arrangement which changes any tariff then in existence, or in any way affects the revenue of the United States, must first be approved by the Congress of the United States.

"The President be, and he is hereby, authorized and requested, at as early a date as may be convenient, to proceed to negotiate with foreign governments reciprocal trade agreements under a policy of mutual tariff concessions. Such agreements shall not become operative until Congress by law shall have approved them.

"SEC. 5. Maintenance of competition among domestic producers and distributors: In effectuating the purpose of a tariff policy to encourage domestic industries by the imposition of duties upon imports from other countries it is also the purpose to protect domestic purchasers and consumers against the exaction of excessive or artificial prices in respect to any and all the articles, commodities, and things subject to such duties by the maintenance of full conditions of unrestrained competition among domestic producers and distributors. In order to assure the maintenance of such conditions of competition any citizen of the United States or the consumers' counsel established in this act shall be entitled to file a complaint in the United States Customs Court alleging that such conditions of competition do not prevail with respect to the production, distribution, or sale of any such dutiable article or commodity and setting forth the facts and circumstances supporting the allegations in such complaint which shall be verified by the oath of the complainant or others.

"Upon the filing of such complaint the said United States Customs Court shall have jurisdiction to hear and determine the truth and merit of such complaint and shall immediately cause public notice to be given by publication in the Treasury Decisions

of the Department of the Treasury and the Commerce Reports of the Department of Commerce to all persons and corporations or associations concerned in the domestic production, distribution, or sale of such article that it will hold a hearing on the questions of fact and law contained in such complaint upon a day to be named therein when relevant testimony and argument may be offered to determine whether such full conditions of domestic competition prevail and to what extent if any price-fixing agreements or practices, or production-limiting agreements or practices, obtain in the production, distribution, or sale of such article or commodity; and following such testimony and hearing the said court shall report its findings to the President.

"Upon the receipt of such findings, if it be shown thereby that the full conditions of competition contemplated by this act do not prevail with respect to the dutiable article, commodity, or thing described in such complaint, then it shall be the duty of the President within one month to issue a proclamation suspending the imposition and collection of the duty or duties levied in this act upon such article, commodity, or thing and declaring such duty or duties inoperative until and unless it shall be established before such court, and such court shall make findings to the effect that the full conditions of competition aforesaid do prevail and shall report such findings to the President, who shall then proclaim a cessation of the suspension of such duty or duties.

"The said court shall be governed by the preponderance of the evidence in making its findings and shall have power to make reasonable rules and regulations to govern its procedure in such cases: *Provided*, That nothing herein and no proceeding brought hereunder shall be held to weaken or otherwise adversely affect the laws of the United States applicable to conspiracies in restraint of trade or the enforcement thereof."

Mr. O'CONNOR. Mr. Speaker, does the gentleman from Indiana [Mr. PURNELL] desire to enter into any arrangement about time?

Mr. PURNELL. Mr. Speaker, I would like to have the gentleman yield me 30 minutes.

Mr. O'CONNOR. Mr. Speaker, I yield 30 minutes to the gentleman from Indiana [Mr. PURNELL]. I now yield such time as he may desire to the gentleman from Georgia [Mr. CRISP].

Mr. CRISP. Mr. Speaker, I apprehend that my friends on the other side will have much to say about gag rule. I think I have demonstrated, so far as I am individually concerned, that I favor this House considering measures under the general rules of the House, with liberality of debate and liberality of amendment. The bill that this rule deals with, the tariff bill, was considered in the House under the general rules of the House, with no limitation as to amendment, and the House, after the fullest and freest consideration, passed the bill and sent it to the Senate. It is back with one amendment, which contains three minor changes. I think I demonstrated with the tax bill that I believe in freedom of debate and freedom of amendment, and my friends on the other side of the House criticized me and said that I should have brought in a rule to consider that bill, which I stated I would not do. In this instance it was my wish to have the House consider the Senate amendment under the general rules of the House and to that end I made a unanimous-consent request to this House two weeks ago that it be so considered the next day by unanimous consent under the general rules of the House. I advised my distinguished friend, the Republican leader, Mr. SNELL, that I was going to make that request that afternoon, so that he would be present. I did make the request, and when I did so Mr. SNELL asked me some questions. I stated to him that the Democratic members of the Committee on Ways and Means had decided to move to concur in the Senate amendment, that the tariff is and ever will be a political question. I stated to him on the floor that if unanimous consent were not obtained to consider the bill under the general rules of the House, the alternative for me was to introduce a rule asking that the bill be considered and the Senate amendment concurred in. The gentleman from New York, clearly within his rights, objected to giving a consent order for the bill to be considered under the general rules of the House.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. CRISP. Yes.

Mr. SNELL. Is it the purpose of the gentleman to take the bill up and read it to-day?

Mr. CRISP. The adoption of this rule itself finishes the job. The adoption of the rule concurs in the Senate amendment and nothing else is left to be done. When my friend objected, I introduced a rule. I have just stated the effect of that rule. What is the situation, and what are you called upon to vote on?

The House passed this tariff bill, and, as we passed it, it contained a provision that when the Tariff Commission recommended, under the flexible clause, the lowering or raising of a rate, with the approval of the President, it was sent to Congress, and if, within 60 days, the Congress did not take action on the change recommended by the Tariff Commission, it became operative and effective and the law. The Senate amendment changes that by taking away that automatic power. The Senate amendment provides that when the Tariff Commission makes a report to change a rate and it is sent to Congress by the President it does not become a law until Congress takes affirmative action upon it.

Mr. CHINDBLOM. Mr. Speaker, will the gentleman yield?

Mr. CRISP. Yes.

Mr. CHINDBLOM. If I recall the incident, the matter the gentleman from Georgia is now discussing was put into the bill by way of an amendment put into the bill by the gentleman from New York [Mr. LAGUARDIA]?

Mr. CRISP. That is correct.

Mr. CHINDBLOM. And the gentleman from Georgia at that time stated that he had had some conferences with gentlemen on this side and that he accepted the amendment?

Mr. CRISP. The gentleman states it accurately. I did accept it and said so on the floor in open House. That, Mr. Speaker, is the fundamental change by the Senate amendment.

There are two other provisions—one that the President, as soon as convenient, shall enter into negotiations with the other nations of the world to negotiate tariff reciprocal trade arrangements, but it is also provided that before any of those agreements can take effect they must be approved by the Congress. The third and only other change made by the Senate is as to what is known as the Norris anti-monopoly amendment. That provides that where there has been built up a monopoly in this country on account of the tariff rates, any citizen or the consumers' counsel, can file a bill in the Customs Court and that court is to have a hearing upon it.

If that court determines it is a monopoly, then the President shall be notified and the President shall suspend all tariffs on those goods on which there is a monopoly until the monopoly ceases, and the customs court is the tribunal to determine after hearing when that monopoly ceases.

Those are the Senate changes. They are all incorporated in one amendment, and the adoption of this rule simply concurs in that amendment and sends the bill to the President for his approval or veto.

Mr. HARE. Mr. Speaker, will the gentleman yield?

Mr. CRISP. Yes.

Mr. HARE. After this petition is filed with the Customs Court, if that court finds a monopoly does exist, did I understand the gentleman to say that the President may suspend all tariffs on the particular goods in question?

Mr. CRISP. He shall suspend them.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. CRISP. Yes.

Mr. MICHENER. One of the changes the gentleman speaks of provides for this international conference. After this international conference has made a determination of what tariff rates are proper for America to adopt, then do the people of the United States have anything further to say about it, after our international friends have determined what is best for this country?

Mr. CRISP. I think all the rights of the American citizens are preserved. I will read the language to the gentleman:

The President be, and he is hereby, authorized and requested, at as early a date as may be convenient to proceed to negotiate with foreign governments reciprocal trade agreements under a policy of

mutual tariff concessions. Such agreements shall not become operative until Congress by law shall have approved them.

I think that answers the gentleman.

Mr. MICHENER. In other words, then, this international conference will determine what the tariff rates should be in the United States. Then, if Congress sees fit to approve what the international conference has done, we will have that privilege.

Mr. CRISP. Our negotiators, I think, are just as capable as those of the other countries in the world, and they will negotiate reciprocal, mutual tariff agreements. We will have just as much to say as to the tariffs of other countries as they have as to ours, but none of it is binding until our Congress has approved it.

Mr. RAGON. Will the gentleman yield?

Mr. CRISP. I yield.

Mr. RAGON. In answer to the gentleman from Michigan, I would like to say that in the plain terms of the bill on page 16, the provision is placed as to what shall be the outcome after the conference has decided, beginning on line 14:

But with the understanding that any agreement, treaty, or arrangement which changes any tariff then in existence, or in any way affects the revenue of the United States, must first be approved by the Congress of the United States.

Mr. CRISP. I think that is the same thing that I quoted from another section. Both of them, before they are effective, must be approved by Congress.

Mr. DALLINGER. Will the gentleman yield?

Mr. CRISP. I yield.

Mr. DALLINGER. Does the gentleman, from his long experience, know of a single case where a tariff bill has passed the House and been sent to the Senate and on its return from the Senate, not sent to conference?

Mr. CRISP. I can not answer the gentleman, but when we have determined to pass this bill and to assume all responsibility for it, it is futile to waste time and send it to conference.

Mr. SCHAFER. Will the gentleman yield?

Mr. CRISP. I yield.

Mr. SCHAFER. Is the gentleman hopeful that the American Government will get a better deal on this League of Nations' tariff proposition than we got with the foreign nations with reference to their paying their honest debts to this badly battered Treasury of ours?

Mr. CRISP. I am as much disappointed as the gentleman from Wisconsin that they have not paid, and as far as I am concerned I will never by my vote here agree to reduce those debts in a settlement [applause], and I am opposed to any further moratoriums. I would hope we would have better luck, and if we did not, then Congress would not approve any reciprocal tariff agreement.

Mr. TEMPLE. Will the gentleman yield?

Mr. CRISP. I yield.

Mr. TEMPLE. As I understand the language of the Senate amendment, when the negotiations with foreign countries have been completed and a treaty or agreement has been made Congress would have to ratify that treaty.

Mr. CRISP. Yes.

Mr. TEMPLE. Then we change the Constitution of the United States, which provides that the Senate shall ratify treaties. We change the Constitution of the United States by an act of Congress.

Mr. CRISP. Yes; and the Constitution also says that all revenue measures shall originate in the House of Representatives, and we are preserving that constitutional right.

Mr. STAFFORD. Will the gentleman yield?

Mr. CRISP. I yield.

Mr. STAFFORD. The very first act upon which the distinguished Speaker and myself were called upon to act upon our election to Congress was the Cuban reciprocity pact. A treaty had been negotiated between our Government and Cuba affecting the revenues, but the thought of President Roosevelt and the best thought of Congress was that it should be ratified by the Congress. Congress was convened on November 9, 1903, for that special purpose, and the Cuban reciprocity pact was approved.

Mr. CRISP. I thank the gentleman for his contribution.

Mr. Speaker, I am one of those who believe that the greatest contributing factor to the economic condition of the world to-day is constituted by artificial trade barriers and tariff barriers that have interfered with the exchange of commerce between nation and nation. [Applause.] No nation can live to itself alone. If we do not buy from other nations, they do not have the exchange to buy from us. Since we passed our last tariff bill high reciprocal tariffs have been enacted by other countries of the world, which makes a complicated situation for us, independently, to change our tariff rates. The sensible, the wise, the practical way is to have an international conference with the other nations of the world and see if common sense and reason can not prevail and those artificial trade barriers be adjusted so that each nation can fairly and legitimately do business with each other nation, at the same time protecting the rights of its own citizens as to labor costs. That and that only is what this bill does.

Mr. Speaker, I reserve the balance of my time. [Applause.]

Mr. PURNELL. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, for a pure, unadulterated, No. 1 example of Democratic gag rule, this is the best that was ever written. [Applause.]

Mr. CRISP. Will the gentleman yield?

Mr. SNELL. I will a little later.

And, when it is backed up by the statement of the distinguished gentleman from Georgia, that when the Democratic majority made up its mind to pass anything, it is futile to discuss it or debate it, that adds insult to injury, over anything that has ever happened before in this House.

I thought I knew something about preparing rules. I have brought in some here for which I have received some brickbats from the Democratic side of this House.

But if I ever brought one in here that provided that a bill should be passed without being read or discussed, or a single thing said about it, I want to apologize now. [Laughter.] I want to know what the liberal men on the Democratic side of the House are going to do with this resolution? I mean the men who have always so bitterly criticized every Republican rule ever presented. And the best part of it all is that the author of this rule is the distinguished gentleman from Georgia [Mr. CRISP], the real Democratic father of rules liberalization.

We have had several debates on the floor of this House during the last three or four years about liberalization of the rules of the House. The gentleman from Georgia [Mr. CRISP] and I have not always been on the same side. How many times, even within the last month, I have heard him make the statement that he believed in full, free, and impartial discussion on the part of every Member on every bill that was brought before the House. I have seen him stand here and heard him say: "I have bared my breast to all the shafts during the debate on this bill. I want every man to freely and fully discuss this bill, and I believe in the fullest right of discussion in all matters pertaining to legislation."

Just what has happened in the last two or three weeks that the gentleman from Georgia [Mr. CRISP] has turned such a complete somersault?

Why, the distinguished Speaker of the House just a few days ago came down to the floor and said: "Some of you took exception because I would not bring this bill here under a closed rule. I am opposed to closed rules." He ran up and down the aisle here and said: "I want free and open discussion on everything; that is what the Democrats stand for." [Laughter and applause.] Oh, how the mighty have fallen!

During all the years that we Republicans were bringing in rules here some of them were fairly drastic, but never anything as bad as this. Some of the younger Members on our own side of the House had begun to believe, after they had heard the distinguished gentleman from Georgia and a number of the other leading Democrats talk about the

liberality, the generosity, and the fairness of the Democratic Party, that perhaps we Republicans were too strict. Why, they even thought that some of the Democrats even meant what they said. But now we have an absolute and perfect example of what you fellows do when you get the power. [Laughter.] There will be no more trouble from the Members on our side.

Mr. CRISP. I am just wondering if my friend is perhaps a little bit jealous of the fact that we have found a quick and short way to do things.

Mr. SNELL. There is no quicker, shorter way than you have here.

Mr. CRISP. I agree with you. [Laughter.] When I attempt to do anything I do a good job. [Laughter.]

Mr. SNELL. The gentleman from Georgia has turned such a complete somersault that I am apologizing for him; that is all.

Mr. CRISP. I gave my good friend an opportunity to have this bill brought up under the general rules of the House, with no limitation as to debate or amendment, and my distinguished friend from New York himself prevented it.

Mr. SNELL. I will tell you why. Normally the bill should go to conference, and the gentleman knows it. That is the logical, normal way that we have always handled these bills, and I told you at that time I would not object to sending it to conference.

Mr. CRISP. Why should it go to conference when we are going to agree to the amendment?

[Here the gavel fell].

Mr. PURNELL. Mr. Speaker, I yield the gentleman from New York [Mr. SNELL] two additional minutes.

Mr. SNELL. It is not very often that my distinguished friend from North Carolina [Mr. POU] is inconsistent. I have the very greatest respect for the gentleman from North Carolina, and I have also for the gentleman from Georgia, as far as that is concerned. I am just sorry for them; I am sorry for what they are doing here to-day. The gentleman from North Carolina [Mr. POU] said yesterday, and I heard him say it, and he said it with a trembling voice and with much emotion, and I think he really meant it:

> I say no nation except a nation of hogs would repudiate such obligation. If they do repudiate it, I, for one, shall always be opposed hereafter to sending any American to sit in at any of their hypocritical, scheming conferences called for any purpose.

[Applause.]

Within one hour my good friend from North Carolina introduced this rule, which provides for sending men to Europe to negotiate in an international conference, and not even to consider foreign affairs but to consider domestic policies. If there is any inconsistency conceivable to the mind of man that has not been brought out, as far as the Democratic Party is concerned, in connection with this rule, I would like somebody to tell me what it is. [Applause.]

Mr. PURNELL. Mr. Speaker, I yield five minutes to the gentleman from Oregon [Mr. HAWLEY].

Mr. HAWLEY. Mr. Speaker, this legislation impeaches the ability of the American people to manage their own affairs. For a long period of years using our own wisdom we have grown in strength, in numbers, in wealth, and in all social advantages, so that under normal conditions our labor is paid the highest wages in the world, and our people have the best standard of living in the world. The pending bill is not an emergency measure. It contains the plan our Democratic opponents propose as a permanent policy.

This bill proposes that on matters we have heretofore regarded as peculiarly for us to decide, including import duties, competing nations are to have a voice in determining what conditions we should impose upon imports, how we should protect our labor, how we should provide for the development of our own industries. These involve the fundamentals of American civilization.

If this bill becomes a law and the policy it proposes is put into effect, then we will have tariff treaties with 50 or 60 nations of the world, and every session that the Congress holds for years to come will deal with the tariff question, and no industry, no development in this country, will be certain of the conditions under which it will operate.

In this bill our Democratic friends indicate that they are unable of their own wisdom to conduct the trade relations of this great country, but must invite competing nations to advise with them. It substitutes foreign interested advice for the nonpartisan consideration of rates by the Tariff Commission, for the Tariff Commission not only considers revisions of rates in the interest of tariff revenues, but when tariff bills are under consideration, the commission supplies valuable information by carefully considered reports and through its trained personnel. This bill practically nullifies the flexible provisions of the tariff.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. HAWLEY. I yield.

Mr. SUMMERS of Washington. Under this bill how shall we exclude Russian timber products?

Mr. HAWLEY. We can not do it. We have no treaty with Russia; we have no relations with Russia.

The bill provides expressly that no treaty shall be effective until approved by Congress in the form of legislation.

That emphasizes the statement I just made, that every session of Congress will be dealing with this question that intimately and necessarily affects our agriculture, labor, industry, trade, and commerce. Treaties will be made with nations that are growing agricultural products, and at one time we will have an agricultural tariff before the House; at another time we will be dealing with nations that are industrial in character and we will have an industrial tariff under consideration. The adjustment of the tariff duties between all the varying activities in the United States is important so that protection given in one instance shall not prove disadvantageous to others. How can this be effected under the proposed bill?

Let me picture the situation. Negotiations will be had, either in the League of Nations, where there may be a general meeting, or with individual countries. If any scientific tariff provisions are to be effected it will be necessary to reveal the intimate conditions of American production and labor in order to reach an agreement for any particular duty upon any particular item. Do we wish to lay before the governments of Europe or their representatives the industrial processes of our manufacturers and the measures we have adopted for the development of our country, and have them pass judgment on them; have them counsel us in these matters? These negotiations will stir up controversies with every country in the world, sooner or later, and result in endless dissensions.

[Here the gavel fell.]

Mr. PURNELL. Mr. Speaker, I yield the gentleman one additional minute.

Mr. HAWLEY. No country has a right to import goods into this country. It is a privilege; but this bill says to other nations, "We will ask you what the nature of that privilege should be, its extent, its conditions, and what rates of duties we ought to impose." Our tariff acts are general in character, levied without discrimination against any country. We will surrender that necessary control over our own affairs which is essential to the continuance and upbuilding of this country.

Shall we supplant this impartial system by a series of individual tariffs, necessarily involving inequalities, in the opinions of other nations?

Mr. KELLER. Will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. KELLER. I would like to ask, for information, whether we did not have a treaty or reciprocity with Canada?

Mr. HAWLEY. We have attempted that, but it has not proven a satisfactory method. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I yield five minutes to the gentleman from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. Mr. Speaker, my friend, the former chairman of the Committee on Rules, the distinguished gen-

tleman from New York, seemed to get a considerable amount of amusement out of his presentation of what he calls the inconsistencies of the gentleman from Georgia and the Speaker of the House, as well as of the Committee on Rules, in presenting this proposition.

From time to time we hear a great deal said here on the floor of the House about the activities of the Committee on Rules in bringing in so-called gag rules. Well, gentlemen, I am taking advantage of this opportunity—although I did not expect to participate in this debate—to restate, as I have done heretofore on one or two occasions, what I conceive to be the legitimate functions of the Committee on Rules. It is by its very nature a political or policy committee. Say what you please, in its last analysis that is what it is set up for and that is what it is expected, under our system of party government, to do.

I am not one of those who has to make any apology on the question of the so-called matter of the liberalization of the rules. I have been here long enough, gentlemen, to say in all candor to you that where a party is charged with the responsibility of government—with which the party in the majority in this House is supposed to be charged—it sometimes becomes absolutely necessary under the very mechanics of our legislative system to resort to the power with which the Committee on Rules is clothed of bringing in the order of business. As far as I am concerned, in this particular case, with reference to this rule, I have no apology whatever to make. I frankly admit it is a short, direct, and strong-armed method, if you want to call it that, of getting a vote upon this particular proposition, which the objection of the gentleman from New York made necessary, in order to register the will of the House as to whether or not we should adopt the Senate amendment.

Mr. SNELL. Will the gentleman yield?

Mr. BANKHEAD. I will be glad to yield.

Mr. SNELL. The only suggestion I have to make is that we ought to do this at a night session when we can not see it as long as we are not to hear it.

Mr. BANKHEAD. Speaking of night sessions, of course, does not throw any light upon the intelligence of this debate, as I see it.

There is the whole proposition, gentlemen. We are getting along in this session.

The party leadership on the majority side, as I understand it, is trying very definitely and very earnestly to get through the legislative program of the House, in its essential features, so we may adjourn this Congress not later than the 10th day of June. [Applause.] Our calendar is congested. We have bills here of a really controversial nature which ought to go to conference, but here, and I will frankly admit it, there is involved very largely a political issue. The Democratic Party is in favor of this tariff proposition and has so registered its vote.

Mr. SCHAFER. Will the gentleman yield?

Mr. BANKHEAD. No; I will not yield to the gentleman from Wisconsin, because I fear he will undertake to bring in the proposition of beer or some other matter which has no relation to this controversy.

Now, gentlemen, as practical legislators, and if you are willing to accept my theory of party responsibility and of the power and purpose of the Rules Committee, I say to you the thing to do is to get this proposition disposed of and disposed of quickly. What advantage would there be in sending the bill to conference? It would come back here just like the gentleman from Georgia [Mr. CRISP] brings it back here for a vote on the proposition of agreeing to the Senate amendments. Therefore, why should this great furor be made here by the distinguished gentleman from New York on this question of a gag rule?

You know all that we Democrats ever learned about gag rules originated in the brains of the Republican Party, going back to Tom Reed and Uncle Joe Cannon and that long line of legislative tyrants, and I speak with respect. We learned all we ever knew from them, and as my friend BLANTON says, from Phil Campbell and men of that sort. So being a party that is anxious to absorb, if it can, some knowledge of practical politics, and I frankly confess this is a matter of practical politics and of practical legislation, we say to you that here you have a chance to vote on the essential proposition, take it or leave it. That is all there is in this rule.

Mr. MICHENER. Will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. MICHENER. The gentleman says he has learned from experience that this is the best thing to do, and that the gentleman and his party learned that from the Republicans; has the fact that heretofore, as a party, when you have been in power you have been able to caucus and bind your members, and the further fact that you have insurgency now and can not bind your members, had anything to do with your change of policy?

Mr. BANKHEAD. The gentleman speaks of insurgency; he will not find any insurgency on this side on the tariff proposition.

[Here the gavel fell.]

Mr. PURNELL. Mr. Speaker, I yield four minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Speaker, sufficient reference has been made to the gag-rule proposition by the distinguished minority leader, with an attempt to reply by the gentleman from Alabama [Mr. BANKHEAD], but if there ever was "gaggism" pure and simple, we are having a demonstration of it to-day. The gentleman from Alabama has referred to Uncle Joe Cannon and Tom Reed. Those two sainted men would turn over in their graves at such a gag rule brought before the House they presided over as the Democratic Party is giving us here to-day. This rule "outgags" gag rule and legislates besides. The gentleman from New York [Mr. SNELL] innocently asked if the merits of this measure were going to be discussed or the bill read, and the gentleman from Georgia [Mr. CRISP] frankly told him, "No; we as Democrats are going to vote this thing through, and that ends it."

But the vote and adoption of the rule will not end it, gentlemen. For one reason, I approve of your rapidity of motion here to-day. Get it down to the other end of Pennsylvania Avenue just as quickly as you can, because it will come back with the stiffest veto that any of you gentlemen ever read, and then let us see you pass it over that veto. You have not got the votes and you can not do it, and you do not deserve to have the votes, because there is no merit in the legislation you are proposing here. [Applause.]

Talk about discussing the merits of this measure in the half hour that each side has here. How ridiculous. The bill you are asking to have passed without reading and without debate was adversely acted upon by the Senate Finance Committee and was substituted upon the floor. The entire procedure is contrary to the letter and spirit of the Constitution as the House, not the Senate, is authorized to originate legislation affecting our finances. You are trying to develop some political bunk out of pretending that you are trying to overcome the merits of the flexible provision of the tariff act. That is all there is in this measure, and you will not get anywhere in this effort, because the strong arm of the President of the United States will stand between your foolishness and the meritorious measure that is now on the statute books. Therefore, I think, perhaps we will give the gentleman from Georgia and his so-called broad-minded colleagues some credit. We want this measure sent to the White House just as soon as you men by your votes can get it there. We will stand against you to the last ditch, because it is not an American bill. It is not American doctrine to divide the responsibility of the employment of American citizens with a European bunch of conferees.

Mr. BLANTON. Will the gentleman yield?

Mr. TREADWAY. No; I can not yield, because the gentleman from Texas does not yield until he gets through with his statements, and that is what I am going to do with the four minutes I have now.

This is the situation, Mr. Speaker, and nothing else. We will be glad, as the Republican Representatives in this Congress, to meet you gentlemen on this issue within a very few

months, just as soon as the Chicago conventions are over. We will be glad to take up with you the merits of this bill which not a one of you knows the first thing about and which, until this morning, you could not find. I tried all day yesterday to get a copy of this substitute bill, but it was not available. If that is the way the Democratic Party wants to appeal to the country with respect to their method of doing business, we will be glad to meet you on that issue. [Applause.]

Mr. PURNELL. Mr. Speaker, I yield three minutes to the gentleman from Illinois [Mr. CHINDBLOM].

Mr. CHINDBLOM. Mr. Speaker, it would be interesting to know just what has happened on the Democratic side since this bill was originally passed in the House. The original proposition by the Democratic members of the Ways and Means Committee did exactly what the Senate substitute does with reference to the effect of the flexible provisions of the tariff. It killed those provisions and made them inoperative, except as to the making of reports to the President and to the Congress.

When the bill was before the House the gentleman from New York [Mr. LAGUARDIA], representing a group from both sides of the Chamber, offered an amendment under which a decision of the Tariff Commission would become effective in 60 days, if not rejected by Congress. The gentleman from Georgia [Mr. CRISP] accepted the amendment offered by the gentleman from New York. Now the Senate has taken out that provision, and the gentleman from Georgia says we must vote on the Senate amendment in the House without sending it to conference or even considering it under the general rules of the House. When he did offer to take up the Senate amendment in the House, without a conference, his party probably had not sufficiently ironed out their differences so that they could be certain of putting their plans through. Now they come in and say you must take the Senate proposal or leave it.

Mr. CRISP. Will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. CRISP. My friend from Illinois is not quite accurate. When I made the suggestion our differences were all adjusted. I knew that we could pass it. I then immediately dropped the present rule in the basket.

Mr. CHINDBLOM. If the gentleman wanted to proceed in the manner he first suggested, he could have dropped such a rule in the basket. He did not propose to do that. I think he rather welcomed the objection. I think he had in mind to do it this way, as this is the only way in which the majority can make all their Members willing to swallow the proposition.

The result of this act will be that hereafter the Tariff Commission will be spending appropriations making reports to the President and the Congress, and no action will be taken, because you know Congress will not at every session take up a tariff bill.

Now, further on in the bill you attempt to set aside the rules of the House and the Senate by providing that no amendment shall be offered to a bill which may be based on a report of the Tariff Commission, to say nothing about the provision to set aside the treaty-making power of the Senate of the United States. Go to it! [Applause.]

[Here the gavel fell.]

Mr. PURNELL. I yield one minute to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. Mr. Speaker, I have had recent occasion to make a study of the power on the part of the House in treaty making. If this bill should get by the President's veto, and in my judgment there is not the remotest chance thereof, I do not believe it could get by the Supreme Court. The provision that treaties shall be passed upon by Congress would, in my judgment, be contrary to the provision of the Constitution that the President "shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur."

The right of the House to have any share in the matter was first brought up by President Washington in 1796, when he refused the request of the House for certain papers relating to a treaty.

After a long discussion the House agreed to a resolution in the course of which it said:

> The House of Representatives do not lay claim to any agency in making treaties.

It went on to say, in substance, that if a treaty required a law to give it effect, the House should share. Since then more than this has been repeatedly claimed for the House on the ground that both the Constitution, with the laws of the United States and treaties shall be the supreme law of the land; and also that all bills for raising revenue shall originate in the House of Representatives. The conflict thus thought by some to be presented has produced many hours of discussion in each branch, and learned commentators have argued the question lengthily and vigorously. Committees of the House and even the House itself have asserted what at the moment was held to be its prerogative in the matter of treaties affecting customs duties. Nevertheless, the issue has never been brought to conclusion. After such study as I have been able to give to the question, my own judgment is that the Supreme Court would not sanction such power as this bill intends to give to the House.

There is, however, no doubt that the House is to share in legislation necessary to give a treaty effect. Whether the House is morally bound to pass such legislation is another question.

Mr. PURNELL. Mr. Speaker, I yield one minute to the gentleman from Minnesota [Mr. PITTENGER].

Mr. PITTENGER. Mr. Speaker, about all I can do in this minute is to register a protest against this free-trade gesture contained in this bill. It is reported that Nero did some fiddling while Rome was burned. I say to my free-trade friends that they are fiddling while American industry is facing disaster. With the copper industry down and out, with the oil industry down and out, with the manganese industry down and out, with the pulpwood and lumber products industry in this country facing a situation which it has never faced before, with importations from Soviet Russia and foreign countries flooding our markets—instead of considering this free-trade gesture you ought to take a leaf from Canada's book and put an embargo on that sort of stuff. [Applause on Republican side.]

Mr. PURNELL. Mr. Speaker, I yield the remainder of my time—eight minutes—to the gentleman from New York [Mr. CROWTHER].

Mr. CROWTHER. Mr. Speaker, once more we are in the graveyard of Democratic hopes, erecting a monument, a graystone monument to the memory as the "weasel tariff bill." The name plate on the casket was "Mr. Political Expediency." The epitaph on the base of the monument is indicative of the "shifting-sands" policy of my Democratic friends. It reads—

> Oh, protection, how we loved you—in 1928,
> But fickle minds and prejudice have changed our love to hate.

[Laughter.]

Of course, you are just going backward—not in the same spirit that Edward Bellamy was looking backward, but you are going back 15 years to No. III of the Wilson 14 points, which decided to demand the removal of economic barriers—just a journey back down the trail. That is the history of the Democratic Party as regards the tariff; never looking forward and rejoicing, always looking back and regretting. Do you remember the Wilson bill, which you wrote in the nineties? You then wrote a bill presumably for revenue only, but before they had ever completed the bill they found it did not supply the necessary revenue within $75,000,000, and what did you do? You added an income-tax rider to the bill that was afterwards declared unconstitutional by the Supreme Court.

This rider you added to provide that $75,000,000 which you were incapable of providing by tariff rates in the bill that you then prepared. It has been that way all through the intervening years, you have been most unfortunate in

your attempts to write tariff legislation. Then came the Underwood bill, that would have brought the country into just as bad a condition as we are in to-day, if it had not been for the World War. The war came upon us and saved the skin of the Democratic Party. It made everybody in the world dependent upon us for production. The manpower of the European nations was out on the field of battle, and we were supplying everything they needed from foodstuffs to textiles and war materials. And that is all that saved you in 1914, a year after the enactment of your so-called Underwood-Simmons bill, which the author said had no protection in it, not an ounce, and when he was challenged as to that statement he said that whatever protection it contained was "merely incidental."

Imagine our representatives from this country—the representatives of labor, of our textile manufacturers, of your shoe men, Mr. CONNERY, the gentleman from Massachusetts, and your oil men, Mr. RAGON, the gentleman from Arkansas, sitting in a conference with a Fiji Islander, a Hotentot, an Australian, and a Japanese, and everybody's representative in the world trying to come to some sort of conclusion as to American tariff rates. [Laughter.] There is no provision for interpreters when as a matter of fact for such an international conference you have to have about 40 interpreters provided for in the bill.

Mr. PARKS. Mr. Speaker, will the gentleman yield?

Mr. CROWTHER. No. The gentleman from Arkansas was strong for a tariff on oil, and he ought to be in favor of any good tariff bill. You have brought in a rule to gag us and force this ridiculous tariff bill upon us. I do not particularly object to the method because the party in power generally follows that procedure. I do not find fault with the method, but I do object to the impalatable dose. You did the same with your Underwood bill. You brought in what you called a liberal rule, but you caucused in this room every day on every schedule, and strict orders were given to defeat every amendment offered on the Republican side. That was just mock liberality and did not mean anything. All this talk about insurmountable tariff barriers and rates is just hokum—boloney. True, our imports are decreasing in dollar value, but in many instances volume is increased. We are suffering a double penalty, because of a depreciation of the currency of foreign countries—an ad valorem rate of 45 per cent against England and Japan is now only 30 per cent. You do not lose revenue on specific duties, except by the loss of volume, but on the ad valorem you lose every time an invoice is received. We lose at the spigot, which is the customs house, and we lose at the bunghole, because we are losing all of the labor in production and the wages that would be paid, if our own goods were produced to take the place of foreign merchandise.

When the glassworkers were down here a few weeks ago, they presented evidence to the Tariff Commission that one of the greatest hotels in New York had put out bids for glassware, for tumblers, for plates, for cake baskets, and all of the glass paraphernalia that goes into a hotel of that kind. Some American concerns put in bids at a very small profit above overhead in order to keep their men employed, and what happened? Czechoslovakia and Belgium were 15 to 18 per cent lower than the American bids. The foreign bids included tariff and the transportation, and the contract was given to Czechoslovakia and Belgium. Here in Washington and New York City the Sunday papers are filled with advertisements of imported rugs, while the carpet mills in the country are running two days a week.

How can you expect to keep American workmen employed and have regular American pay rolls if the people of this country are not willing to purchase the commodities that American workmen make here in the United States. [Applause.]

Mr. KUNZ. Will the gentleman yield?

Mr. CROWTHER. I yield.

Mr. KUNZ. Can the gentleman state whether or not the American workman buys imported rugs, or do the men of wealth buy them?

Mr. CROWTHER. Many of the imported rugs are now so cheap that the man of ordinary income can buy them. You can buy a Chinese rug, 9 by 12, as cheap as $175. We make a first-class rug, a wonderful rug, in this country for $100, and they will outwear the cheap oriental.

Mr. CONNERY. I just wanted the gentleman to know that I intended to vote against this rule.

Mr. CROWTHER. I am glad to know that.

I regret to find my colleagues on this side in this mood. By the passage of this bill you are not doing anything to help the situation. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. O'CONNOR. Mr. Speaker, I yield the balance of my time to the gentleman from Arkansas [Mr. RAGON].

Mr. RAGON. Mr. Speaker, I have been here with my genial friend the gentleman from New York [Mr. CROWTHER] for about eight or nine years, and I have about concluded the gentleman is for a protective tariff. [Laughter.] I think if the gentleman keeps on talking he will convince himself that he stands for that.

I want to discuss just what is contained as the subject matter of this rule. There are just three changes made by the Senate. One of them is the antimonopoly provision, another the elimination of the 60-day provision in the flexible clause, and the other is the authorization provision having to do with the international conference. I want to call the attention of the House to those three things for just a few moments. Personally I was for the 60-day clause, providing a rate made by the Tariff Commission should become effective if not acted upon by Congress within 60 days, but the Senate has seen fit to eliminate it. I would call attention to the fact that the bill is in exactly the same shape, as far as it relates to the flexible provision, as it was the day it came from the committee. Now, let us see if all this ranting about the international conference has any ground.

In the first place, one of our friends assured us that we need have no hesitancy in voting as we pleased upon this measure, because we have the bulwark of the President of the United States back of us, in that he will veto it as soon as it reaches him, and he insists that we get it through in a hurry.

An international conference on the tariff is not a new thing to us, understand that. Another thing I want you to understand is that this is in no wise a treaty, as was suggested by the gentleman from Massachusetts. We have been conducting international conferences upon the tariff, as a sort of stepchild to the League of Nations, for years, and our own Government has been sitting in upon those conferences unofficially. To-day you have negotiations with France emanating from the State Department in Washington.

What does this provision seek to do? It simply seeks to get the nations of the earth together around the table and see how the tariff has affected the world's economic condition, and if it has, whereby an exchange of opinion may not bring about a lowering of the tariff or an increase of the tariff for this nation or that nation, as the case may be. It simply initiated a movement for better understanding of trade relations and trade understanding among the nations of the earth.

Then what do we have? Under the provisions of this bill our conferees come back here and make a report, and that report is acted upon by the Congress of the United States. My friend the gentleman from New York, Doctor CROWTHER, says that they will meet us in a few months upon the tariff question. If there is anybody on God's green footstool that ought not make an issue of the tariff this fall, it is the Republican Party. If their memories are no longer than to recall what happened to them in 1928 as a result of the Smoot-Hawley bill, then I invite them again to a hospitable grave in 1932.

They say they have a bulwark in the White House against this tariff measure. They say this is the graveyard of Democratic hopes. Well, in God's name, if this is the graveyard of Democratic hopes, then deliver the American people from the cyclone of this Republican prosperity. [Laughter and applause.]

The gentleman from New York [Mr. CROWTHER] turned his face toward the American flag in 1930, when they passed the Smoot-Hawley bill, and with his hands uplifted, almost

praying into its sacred folds, he said it would be but a short time until prosperity would be restored to this country, and yet he has the unmitigated nerve to stand here to-day, after having made that statement, and give unlimited praise to the passage of the Smoot-Hawley bill with multiplied millions in this country begging for work. Yes; they have a bulwark in the White House, because at the time he signed the Smoot-Hawley bill there were lying on his desk the signatures of over a thousand economists in this country, which came from the great universities, beseeching him as President of the United States, to veto that bill. You bet he is a bulwark. [Applause.]

Oh, yes. They say he is a bulwark. At the time he affixed his signature to that document, carrying to the people the burden of the Smoot-Hawley bill, lying upon his desk was the solemn protest of 33 sovereign nations of this earth, asking him not to disturb trade conditions in this country, but to veto that bill, but the Republican bulwark in the White House deafened his ears not only to the cry of the American economists but also American business interests and the farming interests of this country and signed that bill. Yes; he was a bulwark when he signed the Smoot-Hawley bill. He was a bulwark against normal prosperous conditions in this country. He was a bulwark against the employment of more than 8,000,000 men. Yes; he has been a bulwark against the peaceful and prosperous pursuits of millions of men in many countries. He has undoubtedly been the greatest and most expensive bulwark against a healthy and prosperous international trade relation the world has ever known. Yes; he is a bulwark. [Applause.]

The SPEAKER. The time of the gentleman has expired. All time has expired.

The question is on the passage of the resolution.

Mr. CRISP and Mr. PURNELL asked for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 202, nays 171, not voting 58, as follows:

[Roll No. 58]

YEAS—202

Allgood	Disney	Kemp	Pou
Almon	Dominick	Kennedy	Prall
Amlie	Doughton	Kerr	Ragon
Arentz	Douglas, Ariz.	Kniffin	Rainey
Arnold	Douglass, Mass.	Kunz	Ramspeck
Auf der Heide	Doxey	Kvale	Rankin
Ayres	Drewry	LaGuardia	Rayburn
Bankhead	Driver	Lambeth	Reilly
Barton	Elizey	Lamneck	Rogers, N. H.
Beam	Eslick	Lanham	Romjue
Black	Evans, Mont.	Lankford, Ga.	Rudd
Bland	Fernandez	Larsen	Sabath
Blanton	Fiesinger	Lichtenwalner	Sanders, Tex.
Boehne	Fitzpatrick	Lindsay	Sandlin
Boileau	Fulbright	Lonergan	Schneider
Boland	Fuller	Lozier	Schuetz
Brand, Ga.	Fulmer	McClintic, Okla.	Shallenberger
Briggs	Gambrill	McCormack	Shannon
Browning	Garrett	McDuffie	Sinclair
Brunner	Gasque	McKeown	Sirovich
Buchanan	Gavagan	McMillan	Smith, Va.
Bulwinkle	Gilbert	McReynolds	Smith, W. Va.
Burch	Gilchrist	McSwain	Somers, N. Y.
Busby	Gillen	Major	Spence
Campbell, Iowa	Glover	Maloney	Stafford
Cannon	Goldsborough	Mansfield	Stewart
Carden	Granfield	Martin, Oreg.	Sullivan, N. Y.
Carley	Green	May	Sutphin
Cartwright	Greenwood	Mead	Swank
Cary	Gregory	Miller	Sweeney
Christgau	Griffin	Milligan	Tarver
Clark, N. C.	Griswold	Mitchell	Taylor, Colo.
Cochran, Mo.	Haines	Mobley	Thomason
Cole, Md.	Hall, Miss.	Montague	Tierney
Collins	Hancock, N. C.	Moore, Ky.	Underwood
Condon	Hare	Morehead	Vinson, Ga.
Cooper, Tenn.	Hart	Nelson, Mo.	Vinson, Ky.
Corning	Hastings	Norton, Nebr.	Warren
Cox	Hill, Ala.	Norton, N. J.	Weaver
Crisp	Hill, Wash.	O'Connor	West
Cross	Howard	Oliver, Ala.	Whittington
Crosser	Huddleston	Oliver, N. Y.	Williams, Mo.
Crump	Jacobsen	Palmisano	Williams, Tex.
Cullen	James	Parker, Ga.	Wilson
Davis	Johnson, Mo.	Parks	Wingo
Delaney	Johnson, Okla.	Parsons	Withrow
DeRouen	Johnson, Tex.	Patman	Woodrum
Dickinson	Jones	Patterson	Wright
Dickstein	Karch	Peavey	Yon
Dies	Keller	Pettengill	
Dieterich	Kelly, Ill.	Polk	

NAYS—171

Adkins	Darrow	Knutson	Schafer
Aldrich	Davenport	Kopp	Seger
Allen	Doutrich	Lambertson	Seiberling
Andrew, Mass.	Dyer	Lankford, Va.	Shott
Andrews, N. Y.	Eaton, Colo.	Lea	Shreve
Bacharach	Eaton, N. J.	Leavitt	Simmons
Bachmann	Englebright	Lehlbach	Smith, Idaho
Bacon	Estep	Loofbourow	Snell
Baldrige	Evans, Calif.	Lovette	Snow
Barbour	Foss	Luce	Sparks
Beck	Frear	McClintock, Ohio	Stalker
Beedy	Gibson	McFadden	Stokes
Bohn	Gifford	McGugin	Strong, Kans.
Bolton	Golder	McLaughlin	Summers, Wash.
Bowman	Goodwin	McLeod	Swanson
Brand, Ohio	Goss	Maas	Swick
Britten	Guyer	Manlove	Swing
Buckbee	Hadley	Mapes	Taber
Burdick	Hall, Ill.	Martin, Mass.	Taylor, Tenn.
Butler	Hall, N. Dak.	Michener	Temple
Cable	Hancock, N. Y.	Millard	Thatcher
Campbell, Pa.	Hardy	Montet	Thurston
Carter, Calif.	Haugen	Moore, Ohio	Tilson
Carter, Wyo.	Hawley	Mouser	Timberlake
Cavicchia	Hess	Nelson, Me.	Tinkham
Chase	Hoch	Niedringhaus	Treadway
Chindblom	Hogg, W. Va.	Nolan	Turpin
Chiperfield	Holaday	Overton	Wason
Christopherson	Hollister	Parker, N. Y.	Watson
Clague	Holmes	Partridge	Weeks
Clancy	Hooper	Perkins	Welch, Calif.
Clarke, N. Y.	Hope	Person	Welsh, Pa.
Cole, Iowa	Hopkins	Pittenger	White
Colton	Horr	Pratt, Ruth	Whitley
Connery	Houston, Del.	Purnell	Wigglesworth
Cooke	Hull, William E.	Ramseyer	Williamson
Cooper, Ohio	Jenkins	Ransley	Wolcott
Coyle	Johnson, S. Dak.	Reed, N. Y.	Wolfenden
Crail	Johnson, Wash.	Reid, Ill.	Wolverton
Crowther	Kading	Rich	Wood, Ind.
Culkin	Kahn	Robinson	Woodruff
Curry	Kendall	Rogers, Mass.	Yates
Dallinger	Kinzer	Sanders, N. Y.	

NOT VOTING—58

Abernethy	De Priest	Hornor	Nelson, Wis.
Andresen	Dowell	Hull, Morton D.	Owen
Bloom	Drane	Igoe	Pratt, Harcourt J.
Boylan	Erk	Jeffers	Selvig
Brumm	Finley	Johnson, Ill.	Steagall
Burtness	Fish	Kelly, Pa.	Stevenson
Byrns	Fishburne	Ketcham	Strong, Pa.
Canfield	Flannagan	Kleberg	Sullivan, Pa.
Celler	Free	Kurtz	Sumners, Tex.
Chapman	Freeman	Larrabee	Tucker
Chavez	French	Lewis	Underhill
Cochran, Pa.	Garber	Linthicum	Wood, Ga.
Collier	Harlan	Ludlow	Wyant
Connolly	Hartley	Magrady	
Crowe	Hogg, Ind.	Murphy	

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Byrns (for) with Mr. French (against).
Mr. Drane (for) with Mr. Wyant (against).
Mr. Bloom (for) with Mr. Burtness (against).
Mr. Lewis (for) with Mr. Connolly (against).
Mr. Tucker (for) with Mr. Free (against).
Mr. Boylan (for) with Mr. Hartley (against).
Mr. Linthicum (for) with Mr. Murphy (against).
Mr. Stevenson (for) with Mr. Underhill (against).
Mr. Collier (for) with Mr. Pratt (against).
Mr. Steagall (for) with Mr. Finley (against).
Mr. Canfield (for) with Mr. Brumm (against).
Mr. Wood of Georgia (for) with Mr. Erk (against).
Mr. Crowe (for) with Mr. Dowell (against).
Mr. Harlan (for) with Mr. Fish (against).
Mr. Kleberg (for) with Mr. Andresen (against).
Mr. Chapman (for) with Mr. Kelly of Pennsylvania (against).
Mr. Celler (for) with Mr. Hogg of Indiana (against).
Mr. Flanagan (for) with Mr. Ketcham (against).
Mr. Jeffers (for) with Mr. Strong of Pennsylvania (against).
Mr. Igoe (for) with Mr. DePriest (against).
Mr. Abernethy (for) with Mr. Morton D. Hull (against).
Mr. Chavez (for) with Mr. Freeman (against).
Mr. Owen (for) with Kutrz (against).
Mr. Summers of Texas (for) with Mr. Garber (against).
Mr. Fishburne (for) with Mr. Selvig (against).
Mr. Ludlow (for) with Mr. Cochran of Pennsylvania (against).
Mr. Larrabee (for) with Mr. Magrady (against).
Mr. Hornor (for) with Mr. Johnson of Illinois (against).

Mr. NELSON of Wisconsin. Mr. Speaker, I was in the hall talking to my colleague and did not hear my name called.

The SPEAKER. The Chair does not think the gentleman qualifies.

Mr. NELSON of Wisconsin. Mr. Speaker, I did not understand the ruling of the Chair.

The SPEAKER. This is the first time the present occupant of the chair has had to rule on this question. The

Chair has consulted the Parliamentarian and is advised that the Member in order to qualify must answer the question: "Was the gentleman in the hall listening when his name was called" in the affirmative. The gentleman made the statement that he was in the hall, but that he was talking to his colleague when his name was called.

Mr. NELSON of Wisconsin. I was here listening, except temporarily when I was talking to my colleague.

Mr. SNELL. Mr. Speaker, I think the Chair is going pretty far in this ruling.

The SPEAKER. If the gentleman will say he was in the Hall listening when his name was called, the gentleman will qualify.

Mr. NELSON of Wisconsin. I was listening all the time except that moment perhaps.

The SPEAKER. Then the gentleman was not listening when his name was called.

Mr. NELSON of Wisconsin. I would have voted "no," so let it go at that.

The SPEAKER. The Chair wants to be absolutely fair. When he asked the gentleman if he was in the Hall listening when his name was called he must answer "yes"; otherwise he does not qualify.

Mr. CONNOLLY. Mr. Speaker, I wish to vote "no." I was in the telephone booth in the cloakroom when my name was called.

The SPEAKER. The gentleman does not qualify.

The result of the vote was announced as above recorded.

On motion of Mr. CRISP, a motion to reconsider the vote by which the resolution was passed was laid on the table.

LEGISLATIVE APPROPRIATION BILL

Mr. McDUFFIE. 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. 11267) making appropriations for the legislative branch of the Government 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. 11267, with Mr. WARREN in the chair.

The Clerk read the title of the bill.

Mr. BLACK. Mr. Chairman, I offer a perfecting amendment.

Mr. BANKHEAD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BANKHEAD. I would like to inquire the status of the parliamentary situation when we adjourned last night.

The CHAIRMAN. The gentleman from Massachusetts [Mr. McCORMACK] offered an amendment to strike out certain sections. Debate has been closed and that amendment is now pending. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Page 4, line 20, after the word "enacted" insert "*Provided*, That such employees shall be paid in addition to their regular salaries the equivalent salary for the added half day's work."

Mr. DOUGLAS of Arizona. Mr. Chairman, I make the point of order that the amendment is designed to increase the expenditures of the Government rather than to decrease them. It is therefore not germane to the bill or to the title now under consideration.

The CHAIRMAN. The gentleman from New York is recognized on the point of order.

Mr. BLACK. Mr. Chairman, the bill provides for an additional half day's work by Federal employees. My amendment provides that because of the half day's work additionally imposed upon Federal employees they shall be paid for that half day's work a sum equivalent to the half day's work. I think my amendment is absolutely germane to the section.

The CHAIRMAN (Mr. WARREN). The Chair is ready to rule. The whole purpose and tenor of the amendment offered by the gentleman from Alabama [Mr. McDUFFIE] is to effectuate economies in government. The amendment offered by the gentleman from New York [Mr. BLACK] would provide for an increase in expenses, and consequently of appropriations, were it attached to this bill.

The Chair, therefore, sustains the point of order.

Mr. BLACK. Mr. Chairman, I move to strike out paragraph (a) of section 105.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

Mr. DYER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DYER. When the committee recessed last evening there was a point of order pending, at the time the gentleman from Alabama moved that the committee rise. I am sure the Journal will show that there was a point of order pending at the time.

The CHAIRMAN. Will the gentleman state what point of order was pending?

Mr. DYER. The point of order that was made was that debate upon the amendment offered by the gentleman from Massachusetts had been exhausted.

The CHAIRMAN. And the Chair sustained the point of order before the committee rose.

Mr. DYER. The RECORD does not show that fact. The Journal may show it, but the RECORD does not.

The CHAIRMAN. The Chair will again sustain it, as he did last night. Debate is closed on the amendment offered by the gentleman from Massachusetts. The gentleman from New York now offers an amendment, which the Clerk will report.

Mr. DYER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DYER. If debate is closed on the amendment offered by the gentleman from Massachusetts, would not the regular order be a vote upon that amendment?

The CHAIRMAN. The amendment offered by the gentleman from New York, as the Chair understands, is a perfecting amendment. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Page 4, line 14, strike out paragraph (a).

Mr. BLACK. Mr. Chairman, the law giveth and the law taketh away—cursed be the name of the law. That should be the text for this bill.

For years by law we have been building up for the Federal employees a salary schedule that meant a livable status, and overnight by this bill we would reduce them to a condition akin to slavery. We cut them in salaries 11 per cent, and then force an extra one-half day's work on them without pay, in effect giving them a 20 per cent cut.

President Hoover, in his speech of acceptance at Palo Alto, promised workmen plenty of leisure. That promise he has kept too well as far as the jobless are concerned. As far as the Federal employees are concerned, he would take away the little leisure they have.

The Government by this bill is adding to the fallacy of no work, no play, by stating it no work, no play, no pay.

Yesterday it pained me to hear that distinguished humanitarian, WILL WOOD, insist on doing away with the half holiday on Saturday, but he has always been against luxuries.

One time he thought Hoover was a luxury. Luxury is complimentary compared to what WOOD really thinks his semi-Democratic chief is to-day. But WILL WOOD is game; he would prove Old Nick himself was Sir Galahad if he had the Republican nomination.

The two major parties in the face of the depression are as strong as a corporal's guard. This bill, representing the combined effort of the White House and Capitol to coax the prosperity mouse from around the corner is not even a good piece of cheese.

This bill proves that there is a world of difference between economics and economy. What a chance there is for a third party! With the Federal employees and taxpayers singing, "Why don't you take all of me," with the Republicans crooning, "Deficit stay away from my door," and the Democratic leaders acting like "Minnie the Moocher, kicking the gong

around," what a chance for a liberal party with a wet anthem, "My country, 'tis of thee, sweet land of liberty." [Laughter and applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. McCORMACK].

The question was taken, and a division was demanded by Mr. McCORMACK.

Mr. McCORMACK. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. DOUGLAS of Arizona and Mr. McCORMACK.

The committee divided; and there were—ayes 141, noes 118.

So the amendment was agreed to.

Mr. RAMSEYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RAMSEYER: Strike out all of sections 101, 102, 103, 104 of Title I of the McDuffie amendment and insert in lieu thereof the following:

TITLE I—FURLOUGH OF FEDERAL EMPLOYEES

FURLOUGH PROVISIONS

SECTION 101. During the fiscal year ending June 30, 1933:

(a) The days of work of a per diem officer or employee receiving compensation at a rate which is equivalent to more than $1,500 per annum shall not exceed five in any one week, and the compensation for five days shall be ten-elevenths of that payable for a week's work of five and one-half days: *Provided*, That nothing herein contained shall be construed as modifying the method of fixing the daily rate of compensation of per diem officers or employees as now authorized by law: *Provided further*, That where the nature of the duties of a per diem officer or employee render it advisable, the provisions of subsection (b) may be applied in lieu of the provisions of this subsection.

(b) Each officer or employee receiving compensation on an annual basis at the rate of more than $1,500 per annum shall be furloughed without compensation for one calendar month, or for such periods as shall in the aggregate be equivalent to one calendar month, for which latter purpose 24 working days (counting Saturday as one-half day) shall be considered as the equivalent of one calendar month: *Provided*. That where the nature of the duties of any such officer or employee render it advisable, the provisions of subsection (a) may be applied in lieu of the provisions of this subsection.

(c) The compensation paid any officer or employee to whom this section applies shall, notwithstanding the provisions of this section, be an amount not less than an amount calculated at the rate of $1,500 per annum.

SEC. 102. No officer or employee shall be exempted from the provisions of subsections (a) and (b) of section 101, except in those cases where the public service requires that the position be continuously filled and a suitable substitute can not be provided, and then only when authorized or approved in writing by the President of the United States.

SEC. 103. All rights now conferred or authorized to be conferred by law upon any officer or employee (whose compensation is at a rate of more than $1,500 per annum) to receive annual leave of absence with pay are hereby suspended during the fiscal year ending June 30, 1933.

DEFINITIONS

SEC. 104. When used in sections 101, 102, and 103 of this act:

(a) The terms "officer" and "employee" mean any person rendering services in or under any branch or service of the United States Government or the government of the District of Columbia, but do not include (1) officers whose compensation may not, under the Constitution, be diminished during their continuance in office; (2) Senators, Representatives in Congress, Delegates, and Resident Commissioners; (3) officers and employees on the rolls of the Senate and House of Representatives; (4) carriers in the Rural Mail Delivery Service; (5) policemen and firemen of the District of Columbia; and (6) commissioners of the United States Shipping Board, members of the Federal Farm Board (except the Secretary of Agriculture), members of the International Joint Commission, United States section, or members of the Board of Mediation.

(b) The term "compensation" means any salary, pay, wage, allowance (except allowances for subsistence, quarters, heat, light, and travel), or other emolument paid for services rendered, but does not include (1) retired pay included within section 106; (2) payments out of any retirement, disability, or relief fund made up wholly or in part of contributions of officers or employees; (3) compensation the amount of which is expressly fixed by international agreement; or (4) compensation paid under the terms of any contract in effect on the date of the enactment of this act if such compensation may not lawfully be reduced.

COMPENSATION REDUCTIONS IN SENATE AND HOUSE OF REPRESENTATIVES

SEC. 105. During the fiscal year ending June 30, 1933:

(a) The salaries of the Vice President, the Speaker of the House of Representatives, Senators, Representatives in Congress, Delegates and Resident Commissioners are reduced by 10 per cent.

(b) The allowance for clerk hire of Representatives in Congress, Delegates, and Resident Commissioners is reduced by 8.3 per cent.

(c) The rate of compensation of any person on the rolls of the Senate or of the House of Representatives (other than persons included within subsection (a), if such compensation is at a rate of more than $1,500 per annum, is reduced by 8.3 per cent. This subsection shall not apply to session employees or to persons whose compensation is paid out of sums appropriated for clerk hire of Representatives in Congress, Delegates, and Resident Commissioners. As used in this subsection the term "compensation" shall have the meaning assigned to such term in section 104(b).

(d) This section shall not reduce below $1,500 per annum the rate of compensation of any person to whom this section applies.

RETIRED PAY

SEC. 106. During the fiscal year ending June 30, 1933, the retired pay of judges and the retired pay of all commissioned, warrant, enlisted, and other personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, Lighthouse Service, and the Public Health Service, if such retired pay is at a rate of more than $1,500 per annum, shall be reduced by 8.3 per cent. This section shall not reduce below $1,500 per annum the rate of retired pay of any person to whom this section applies.

RURAL CARRIERS' EQUIPMENT ALLOWANCE

SEC. 107. During the fiscal year ending June 30, 1933, payments for equipment maintenance to carriers in the Rural Mail Delivery Service shall be three-eighths of the amount now provided by law.

GOVERNMENT CORPORATIONS

SEC. 108. In the case of a corporation the majority of the stock of which is owned by the United States, the holders of the stock on behalf of the United States, or such persons as represent the interest of the United States in such corporation, shall take such action as may be necessary to apply the provisions of sections 101, 102, and 103 to offices, positions, and employments under such corporation and to officers and employees thereof.

Mr. RAMSEYER. Mr. Chairman——

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield for a moment?

Mr. RAMSEYER. Yes.

Mr. McDUFFIE. Mr. Chairman, I ask unanimous consent that all debate on this substitute be closed within one-half hour.

Mr. COCHRAN of Missouri. Mr. Chairman, I object.

Mr. SNELL. I did not understand the request.

Mr. McDUFFIE. The request was that we use 30 minutes in discussing this substitute.

Mr. RAMSEYER. Let us make the request plain, and I want the gentleman from Missouri to listen. This is not to shut off amendments or to shut off debates on amendments. The request is in the nature of having so much time for general debate on this proposition.

Mr. COCHRAN of Missouri. The unanimous-consent request refers only to the gentleman's amendment and not to any amendments thereto.

Mr. RAMSEYER. That is correct.

Mr. COCHRAN of Missouri. If that is the case, I withdraw the objection.

Mr. LAGUARDIA. Is the gentleman's request for 30 minutes on the substitute offered by the gentleman from Iowa alone?

Mr. McDUFFIE. That is the request. If that is not satisfactory to the gentleman from Iowa, and the gentleman feels he must have 30 minutes' general debate on this item alone, I am perfectly willing to agree to it. However, gentlemen, we can not be too lenient in debate here if we hope to get through with this bill this week.

Mr. RAMSEYER. There are requests for more time from several Members on this side, and I am wondering if we can not make it 30 minutes to the side, with the Chair to control the time, of course—30 minutes for the amendment and 30 minutes opposed to the amendment.

Mr. McDUFFIE. That does not include any debate on any other amendments?

Mr. RAMSEYER. No; in other words, we would have one hour of debate on this substitute.

Mr. McDUFFIE. It seems to me that is quite a long time.

Mr. SNELL. As a matter of fact, we need more time. This is the main provision in the bill.

Mr. McDUFFIE. Some people think otherwise.

Mr. SNELL. It is one of the main provisions in the bill, and we must have some time to discuss it.

Mr. McDUFFIE. That may be true in the opinion of the gentleman from New York, but some people think there are other important provisions in the bill.

Mr. SNELL. I said it was one of the main provisions in the bill, or I meant to say that, anyway.

Mr. McDUFFIE. I wonder if we could not make it 40 minutes.

Mr. WILLIAMSON. Mr. Chairman, I want 10 minutes, if I can get it, to discuss this matter. I have not taken up any time in this debate.

Mr. McDUFFIE. We are quite anxious to hear from the gentleman from South Dakota.

Mr. SNELL. We have requests definitely for 35 minutes over here.

Mr. McDUFFIE. We have requests for one hour and a half over here definitely; but if we are going to accede to all requests, we will be here until Christmas.

Mr. SNELL. But the general understanding when we started was that while we would only have two hours on the bill in general debate, when we came to the amendments there would be reasonable time allowed to discuss them.

Mr. RAMSEYER. The gentleman understands that under the 5-minute rule if some one objects, the debate is limited to 10 minutes. I hope the gentleman will accede to my suggestion. On the next four or five titles I am almost sure there is going to be very little demand for general debate.

Mr. McDUFFIE. Very well; we will go along with the gentleman. The request, Mr. Chairman, is that we have one hour of general debate on this amendment.

The CHAIRMAN. The gentleman, of course, means one hour of debate under the 5-minute rule.

Mr. McDUFFIE. Yes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. LAGUARDIA. Mr. Chairman, reserving the right to object, I am not, of course, going to object, but so there may be no misunderstanding, the gentleman from Missouri [Mr. COCHRAN], as I understand, has an amendment to the substitute which he intends to offer; is that correct?

Mr. COCHRAN of Missouri. That is true.

Mr. LAGUARDIA. That will take some time for discussion, and I have an amendment that, as I understand it, is not included.

Mr. McDUFFIE. No. Let us have an understanding. I want to keep faith with my colleagues, but I thought we might dispose of this within an hour.

Mr. RAMSEYER. I do not know how many amendments are to be offered, but they are of such a character that they have to be explained and answered. This is the main amendment, so far as I know; and as far as I know there will be 30 minutes on this amendment, and the rest of the discussion will be on amendments to the amendment.

Mr. McDUFFIE. That will mean 20 minutes to 4 before we take up anything further. I am willing to proceed, for we all want to be fair. The gentleman will realize that if we do not limit debate we can not finish the bill this week or the week after.

Mr. RAMSEYER. After the hour there will be only five minutes to each amendment on a side. An hour is not a very long time considering that the provisions affect a million Government employees—in fact, all the employees in the country.

Mr. BRITTEN. Reserving the right to object, the gentleman realizes that one hour is not a long time. If it is divided into four parts it is only 15 minutes for four Members, two on each side. That is a very limited debate for an amendment as important as this.

Mr. McDUFFIE. It is not my desire to unduly limit the discussion of the staggering plan of the President. I want to keep faith, and I think, Mr. Chairman, I will ask unanimous consent that we have an hour—thirty minutes on each side.

The CHAIRMAN. The Chair understands that this one hour is exclusively on the amendment proposed by the gentleman from Iowa. Is there objection?

Mr. BRITTEN. Reserving the right to object, do I understand that the time will be divided equally between those for and those opposed to the amendment?

The CHAIRMAN. It will be entirely within the province of the Chair, and the Chair as far as possible will try to divide the time equally between those favoring and those opposed to the amendment. Is there objection?

There was no objection.

Mr. RAMSEYER. Mr. Chairman, I addressed the House last night on this proposal, and I am not going to take over five minutes now. I merely want to explain to you in a general way what this amendment does.

The bill (H. R. 11597) was offered as an amendment by the gentleman from Alabama [Mr. McDUFFIE]. The first title of the McDuffie bill is "Compensation reduction of Federal employees." The first four sections of the bill have to do with the 11 per cent pay cut proposal.

Now, there are other sections in the title that are not related directly to the pay-cut plan. My amendment strikes out the first four sections and inserts in lieu thereof the furlough plan.

These are the first four sections of the bill, and I move to strike them out and insert in lieu of these sections the furlough plan, and cut out of the committee print those portions which are foreign to the furlough plan.

The furlough plan, section 101 of the bill, relates to per diem employees, and it establishes the principle of the 5-day week. The pay is in proportion to the reduction in time. That is paragraph (a) of section 101. Paragraph (b) of section 101 deals with the compensation of annual employees, and they are virtually placed on a 5-day week, in that for one month in the year they are given a furlough without pay. So it establishes the principle of the 5-day week in the Government service.

Mr. McDUFFIE. Of course, it can not apply to the legislative branch. We have to leave that system and go to the pay-cut system.

Mr. RAMSEYER. Certainly. This amendment does not affect any employee who receives less than $1,500. No employee will be affected who receives compensation at the rate of less than $1,500 per annum.

Mrs. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. RAMSEYER. Yes.

Mrs. ROGERS. Am I correct in assuming that if this furlough plan is not adopted many of the employees of the Government would be dismissed?

Mr. RAMSEYER. There is no question about that; if the appropriation bills keep on being cut as they have been in the Senate, it will throw many Government employees out on the street without jobs. This plan, as I explained last night, will save many employees that I am sure will be without jobs if the furlough plan is not adopted.

Mr. McDUFFIE. Will the gentleman tell us why?

Mr. RAMSEYER. Because the time is reduced, and it furnishes opportunity for substitute workers, as I pointed out, in the Postal Service. Section 104 of my amendment is devoted to definitions and compensation. Section 105 has to do with the salaries of Members of the House, Resident Commissioners, and so forth, and they are reduced a flat 10 per cent. The clerks and employees of the House and Senate are reduced 8.3 per cent—in other words, one-twelfth—and it puts them on the same basis as the Government employees. The retired pay is taken care of in section 106, and the persons who receive retired pay, except persons who contributed to the fund from which they draw retirement pay, are cut 8.3 per cent, or one month. Section 107 has to do with rural carriers, and section 108 with employees of corporations whose stock is owned by the Government, and employees there are put under the furlough plan.

Mr. Chairman, under leave to extend my remarks, I submit for printing in the RECORD the following statement:

WHY THE FURLOUGH PLAN SHOULD BE ADOPTED

1. It maintains the standard of living established by the Government among its own employees, with the mere temporary concession on their part that they are to take their holidays without pay. It does not permit private industry to use the pay cut to Federal employees as an excuse for further bearing down on the standards of living of the Nation. Federal employees have not

been increased in the ratios of private industry and private occupations. The greater security of Federal employment is perhaps some compensation. Private business and industry should not be given the lead and the moral background by the Government for pay cutting which is unwarranted and uneconomical to the whole community.

2. Under the persuasion of the Government private industry early in the depression undertook to stagger employment in order that all employees might receive some income and should be held from the obligation of the local communities to provide for their destitution. The Government, having asked this service of industry, makes a poor showing to-day to be dismissing its employees right and left without doing for them the same service of dividing the amount of work which remains among the total number of its employees. For the Government to thrust 60,000 to 80,000 people into the pool of unemployment and at the same time appropriate money for public works in aid of unemployment is unjust and illogical. The inhumanity and sheer malevolence of increasing the burden of the local communities with a vast number of Federal Government employees will bring upon the Federal Government not only the censure of these communities but the just claim from them that it should provide for the destitution created by this unnecessary action.

3. There is bound to be a great reduction in our governmental expenditures. The President's Budget when sent to Congress provided for $369,000,000 reduction. Our Appropriations Committees are engaged in making further reductions. These reductions will all be expressed in the dismissal of employees. You can not reduce Government functions without reducing Government personnel, but in order to meet this situation the President has made the humane suggestion that the remaining work in the Government should be divided amongst the whole governmental staff in order that there should be no increase in destitution at the hands of the Government.

4. As a matter of fact, it is reported by administration officials that in order to work the administration's furlough plan it will be necessary to take on some minor number of substitutes and provide them with at least part-time employment. So the plan proposed not only prevents increase in destitution in the country; it actually diminishes the amount of dependency which our local communities are compelled to support. We would call the attention of the Members to the fact that appropriation bills which have been passed by this House carry for public works and maintenance some $440,000,000. The only justification for this public-works program is that we should create employment; yet here on the one hand we propose to dismiss a vast number of Government employees and on the other hand hire other people with Government money.

5. The plan as proposed produces as great economy as the straight pay cut. In fact, it provides something more. Therefore it has a greater advantage from the point of view of expenditures.

6. If this Nation is to recover from this depression, it can not make progress by deliberately increasing destitution on one hand and by lowering the standards of income of the people on the other. It is true we must reduce the expenditures of the Government, and here is a statesmanlike plan by which we avoid the major difficulties which the problem presents to us.

7. To any student of American life, there must be a realization that the vast speed with which we have mechanized our people has contributed to this depression in the amount of unemployment that has arisen through the rapid application of labor-saving devices. One of the soundest methods proposed for aid in recovery from this depression is to decrease the number of hours so as to spread the area of employment. The President, in proposing the plan that the Government should adopt a 5-day week or the equivalent thereof is setting up the flag of leadership by the Federal Government in a most important change in our economic system. It is one in support of which every labor leader in the United States should rise. It is one to which every single person who hopes for the ultimate recovery of America must give thought and attention. It is the business of the Government in the conduct of its affairs to establish the moral and economic standards of leadership for the country as a whole. This whole idea of the straight pay cut, the dismissal of thousands of Government employees is the most medieval and heartless action ever proposed by any government that claims to have the enlightenment of the American Government.

The provisions of sections 101 to 104, inclusive, in the substitute draft of Title I are designed to secure a reduction in the pay roll of the Federal Government in the most equitable way possible and with the least injury to the Government service and the interests of the public. They were designed to afford practically equivalent treatment to different groups of employees who, for practical reasons, it seemed necessary to handle on a different basis.

On construction and manufacturing projects where the bulk of the pay roll is on a per diem basis the most practicable solution seemed to be the adoption of a 5-day week, cutting off the Saturday morning work and correspondingly reducing pay—that is, by one-eleventh. The one-eleventh was arrived at on the basis that the employee now works 5½ days, or 11 half days, and that cutting off one-half day of work would be cutting off one-eleventh of the time worked and a corresponding reduction of pay would be one-eleventh of the pay now received.

In the majority of the office groups where the work involves more or less contact with private concerns and individuals, the closing of the office on Saturday morning throughout the Government service did not appear to be practicable, but approximate equality of treatment would be afforded by providing for furlough without pay for one calendar month or for such scattered periods as would be in the aggregate equivalent to one calendar month, for which purpose a calendar month would be considered 24 working days (counting Saturday as one half day).

The provision that all rights to annual leave of absence with pay be suspended during the fiscal year ending June 30, 1933, is an integral part of this proposal, the practical effect of the whole plan being the substitution of a furlough without pay for annual leave with pay, so far as annual employees are concerned.

Rural mail carriers would be exempted from the application of all of these provisions, and in place of them the allowance for equipment maintenance would be reduced during the fiscal year ending June 30, 1933, to three-eighths of that now provided by law. Provision is made that this shall not apply to employees receiving $1,200 per year or less and that no employee shall be reduced below that figure.

The estimated saving under this plan has been calculated on the following basis: From the total pay roll of $1,315,690,000 there have been deducted the amounts of the pay rolls for the following employees:

Pay of employees receiving $1,200 per year or less	$228,000,000
Policemen and firemen in the District of Columbia	5,331,000
Postal Service employees (estimated separately)	520,363,000

A total of $753,694,000, which leaves a balance of $561,996,000. As information is not available regarding the number of per diem employees receiving $1,200 a year or less, a split of this $561,996,000 between per diem employees and annual employees could not be made, and consequently the amount to be multiplied by one-twelfth and the amount to be multiplied by one-eleventh in computing the saving is not known. However, multiplying the entire sum by one-twelfth gives a figure of $46,833,000, which is a smaller amount than would be obtained if one-eleventh were applied to that portion of the pay roll covering per diem employees, and this smaller figure has been used for the sake of conservative estimating.

The Postmaster General has estimated with regard to Postal Service employees that after making allowance for necessary substitutes to take the place of employees furloughed without pay in order to maintain the Postal Service, the reduction in pay roll accomplished by this plan would amount to $24,568,465.

Adding the $46,833,000 and the $24,568,465 gives a total saving of $71,401,465, exclusive of the reduction of vehicle maintenance allowances to rural mail carriers, which is estimated at $10,312,500. As this latter is a part of the plan submitted, and in lieu of the provisions for furloughing or 5-day week, it should be added to the $71,401,465, making a total estimated saving of $81,713,965.

Information is not available to estimate accurately the savings on the legislative branch of the Government, but allowing for a few necessary substitutes it is believed that the total savings would amount to at least $83,000,000.

WM. R. WOOD.
WILLIAM WILLIAMSON.
C. W. RAMSEYER.

Mr. CONNERY. Mr. Chairman, I rise in opposition to the amendment, and ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CONNERY. Mr. Chairman, I have taken five minutes at this time to announce that if the House votes down the Ramseyer amendment I expect to ask recognition of the Chair to move to strike out Title I. In other words, now that we have fixed up the Saturday-afternoon proposition, have put a $2,500 exemption in, I think we ought to do a good job and not cut anybody's wages in the Government.

I would like to call the attention of the House to the following: The Chestnut Farms Dairy, a milk concern in the city of Washington, I am reliably informed, have given out notices to their employees that beginning with the 1st of April their employees are to take an 11 per cent cut. Here we have the significant 11 per cent cut patterned after Congress. We have the 15 per cent cut of the Steel Corporation, but this is the first time that we have had an 11 per cent, showing that all of the industries now are watching us here, and that as soon as we put through this 11 per cent they are going to put a general 11 per cent cut through in every industry in the United States.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. WILLIAMSON. But there is an exemption, of course, in the Government cut of $1,000, and the cut applies only on amounts above that sum, while in industry they do not get any exemption.

Mr. CONNERY. Oh, we have a $2,500 exemption; but I am against any pay cuts for reasons that I have already told the House. I believe this is just an invitation to private industry to cut and slash again and again. I have listened to the debates in this House, and no one has convinced me yet of the wisdom of cutting Federal employees' pay. If we do, and it is followed by cuts in industry all through the United States, where are the people going to get any money to buy the manufactured and farm products and bring back prosperity?

Mr. WILLIAM E. HULL. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. WILLIAM E. HULL. If these cuts keep going through the Senate of 10 per cent, that will turn the men entirely out, and why not pass this so that we can keep those men at work.

Mr. CONNERY. They can keep them at work if they want to. Why do not they start public construction; why not give the people work in the United States instead of cutting the Federal wages, and putting Washington on the dole system just like every other city in the United States.

Mr. WILLIAM E. HULL. What I am trying to bring before the House is this: That if they make 10 per cent cuts in the Senate and we adopt them here, it will throw 30,000 men out of employment in the Mail Service; but if we pass this amendment, we will have something to keep those men at work.

Mr. CONNERY. If we show the other body that we do not intend to have any cut, it will make a great deal of difference. Let us consolidate the Army and the Navy. What about the $7,000,000 that the House cut out for the Rogers-Clark monument, and the Indian affair claims that do not need to be put into effect at the present time? We cut it out in the House and the Senate put it back again—$7,000,000. It came back to the House, and the House sent it to the President without any conference. If that is economy, then show me.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. LAGUARDIA. And will happen if the Senate cuts 10 per cent, as in the Interior appropriation bill, and this House goes through with it. There will be nothing left for the employees. That is the danger that we have to avoid, and that has happened on the Interior appropriation bill. That is already passed, and the President has signed it with an arbitrary 10 per cent reduction.

Mr. CONNERY. And with no chance to find out what happened to the $7,000,000 economy plan. You talk about the 10 per cent. Why not save money at the expense of something that does not need to be done at this time and not take it out of already underpaid Government workers? Why do we not put some men to work? Why do we not start public construction and let the people have money to pay the butcher, the baker, and the candlestick maker, and start prosperity again, and not be catering and pandering to the propaganda of the big-moneyed interests? It was said last night, "The eyes of the Nation are on us." I was home last week and I told them about the eyes of the Nation, and I told them I was not going to cut anybody's salary, including the salaries of Congressmen, and I told them why, and they said, "You are right." I will take my chances.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WILLIAMSON. Mr. Chairman, I rise in favor of the amendment.

I ask unanimous consent to proceed for 10 minutes, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. WILLIAMSON. Mr. Chairman, I want to call to the attention of the committee some matters that I think will be of interest to all the Members in connection with the President's proposed staggering plan.

In 1913 the total tax burden in the United States, including local, State, and Federal, was $2,187,000,000, or 6.4 per cent of the national income. In 1923 it was $7,234,000,000, or 10.1 per cent of the national income. In 1930 the total tax load was $10,251,000,000, or 14.4 per cent of the national income. This meant a per capita tax in 1913 of $22.60 and in 1930, $83.21.

In addition to this, local, State, and National Governments incurred indebtedness during the years 1913 to 1930 totaling $30,200,000,000, which must be added to the taxes collected to make up the staggering total cost of government for the period.

That overwhelming expenditure, together with the inability of the people to carry the tax load, has focused the attention of the country on the absolute necessity for economy in governmental expenditures. Governments can not continue to go on and spend 25 per cent of the national income. Such extravagance is bound to be repudiated at the polls. It is intolerable, and means confiscation, and in the end socialization of all tangible property.

Now, there is only one way to remedy this situation, and that is to cut the overhead in local, State, and National Governments. On yesterday this committee cut the savings of $57,000,000, which the committee plan carried in the reduced salary schedules for the fiscal year of 1933, to a point where the saving is now only $9,104,000. That means that yesterday's action cut from the amendment approximately $48,000,000.

This morning Members struck from the amendment the half-holiday provision. That reduces the saving an additional $9,000,000. That means, Mr. Chairman, that so far as Title I of the committee amendment is concerned, there is little saving left.

There is one matter which I think the Members have overlooked, and that is the fact that if the Senate continues with its 10 per cent reduction program for all appropriation bills which it is the general understanding that it intends to do, there will be thrown out of employment from seventy to eighty thousand people who are now in the Government service. In other words, it is simply a question of whether we will stagger the employees or whether we will put from seventy to eighty thousand of them upon the streets with no chance to get employment. That is the issue that faces this committee and Congress.

Permit me to call your attention to what will happen under these cuts. The Interior Department was referred to last night by the gentleman from Idaho [Mr. FRENCH]. The Interior Department has been cut to a point which will result in throwing some 2,000 employees upon the streets by July 1 in that department. In the Department of Agriculture, under the cuts contemplated, we will lose a total of 4,470 employees. The Commerce Department will lose 2,591; the Justice Department 900; the Labor Department 616; the Navy Department 9,000.

In the Post Office Department, in which all of us are interested probably more than any other, 41,792 people will have to be discharged. The Treasury Department will lose 6,172 people; the State Department, 456; the War Department, 7,600; the District of Columbia, 1,283; the Veterans' Administration, 4,000. The total loss in the Government service, if the 10 per cent reduction by the Senate prevails, according to the estimates made by the Bureau of the Budget, sent here this morning, will be 81,743 men and women. The estimates made by the Budget are, of course, approximations, based upon what the Senate has so far done and the announcement of the leaders as to policy. It is clear, however, that a very serious situation has been developed from the

standpoint of the Government employee. It is about as certain as that night follows day that the cuts in the appropriations will be made in the Senate, and it is equally certain that such cuts will be approved by the House. There will be a chance under the furlough plan to take care of that situation by putting employees on a 5-day week, and what is equivalent to it for those who are paid upon an annual basis. It means that per diem will be paid in full for five days in place of five and one-half days, as now. Employees paid on an annual basis will be furloughed for 30 days without pay or for 24 working days, including half holidays. That is all there is to the furlough plan when stripped of the technical language of the amendment.

Mr. McDUFFIE. Will the gentleman yield?

Mr. WILLIAMSON. I yield.

Mr. McDUFFIE. Who is going to do the work of the employees who are furloughed for 30 days?

Mr. WILLIAMSON. Well, the gentleman knows that they take 30 days' leave now, and the average leave to-day is 28 days, which is more than the furlough plan provides for. They are not doing the work now. It means they will do just as much work as they are doing now but will be paid only for the time they work. We will save the difference between five days and five days and a half in pay and one month's pay of every employee in the Government service.

This saving will make it possible to meet the Senate reductions without dismissing thousands of men now in the service. At the same time there will be a substantial reduction of force by death, resignation, and retirement, as no new appointments can be made except when indispensably necessary.

Mr. McDUFFIE. The plan contemplates doing away with all annual leave?

Mr. WILLIAMSON. It does not do away with the annual leave. They get it, but they get it without pay.

Mr. McDUFFIE. Then they are away two months?

Mr. WILLIAMSON. No, no. We have not provided for anything of the kind. It makes it compulsory to take the regular annual leave of 30 days without pay. They now get paid for that time. By denying pay for leave some $75,000,000 will be saved under the Ramseyer amendment.

Mr. BRITTEN. Will the gentleman yield for a question?

Mr. WILLIAMSON. I can not yield now. I only have 10 minutes.

It seems to me there can not be any question as to the wisdom of adopting the amendment of the gentleman from Iowa [Mr. RAMSEYER]. There is nothing left of the pay-cut plan. In other words, there is not going to be any saving of consequence in the pay-cut plan as it now stands. Because it represents little saving, it does not afford a basis for absorbing Senate slashes except by wholesale dismissals. The furlough plan will largely cushion these reductions and enable the Government to function.

It means, in other words, a staggering plan which will keep these people at work on a part-time basis and save many of them from becoming public charges.

Now, let us look at the rural-carrier situation and see what is going to happen there. If the appropriations in the Senate are cut as contemplated and approved by the House, it means a loss of 8,000 and a corresponding curtailment of service. Eighteen thousand carriers will be stricken from the lists in the cities. Your village carriers will have to be reduced by 1,000 and railway postal clerks by 2,200. Unless this plan is adopted, you are going to take out of employment a vast army which will be thrown upon the communities of the Nation. Unable to find employment under present conditions, many of them will become objects of charity. You can save these men and prevent the demoralization of the Government service by accepting the President's furlough plan. I hope the amendment is adopted. [Applause.]

Under leave to extend I append the following tables, which have been prepared by the Budget and which are self-explanatory. They are as accurate as available data make possible:

Estimated number of employees who will have to be discharged if the present Senate policy of reducing appropriations 10 per cent below the amounts passed by the House of Representatives prevails and savings effected by the furlough system or pay cut are not available to apply in absorbing in part at least such reductions

Department	Permanent	Temporary	Prospective temporary [1]	Total
Agriculture	1,598	2,872		4,470
Commerce	1,785	278	528	2,591
Interior	723	145	1,135	2,003
Justice	900			900
Labor	616			616
Navy	9,000			9,000
Post Office [2]	41,792			41,792
Treasury	6,000	80	92	6,172
State	456			456
War	5,800	1,800		7,600
District of Columbia	957	326		1,283
Veterans' Administration	4,000			4,000
Interstate Commerce Commission	289			289
General Accounting Office	245	5		250
Public Buildings and Grounds	200	38	83	321
Total	74,361	5,544	1,838	81,743

[1] Includes those who would be taken on if reductions were not made.
[2] See details on following sheet.

Statement showing number of regular employees in the Postal Service and the estimated number of employees who would be dropped under the proposed 10 per cent reduction in appropriations for the fiscal year 1933

Branch of service	Estimated number to be dropped	Present number of regular employees
Post Office Department	145	1,459
Inspection service	67	664
First and second class postmasters		4,688
Third-class postmasters		10,800
Fourth-class postmasters		32,870
Assistant postmasters	1,609	2,776
Clerks, etc., first and second class offices	9,910	76,520
City letter carriers	[1] 18,417	53,014
Village carriers	1,008	1,008
Rural carriers	[2] 8,000	41,597
Railway postal clerks, etc	2,200	21,211
Motor vehicle service	344	3,818
Mail-bag repair shops	42	421
Miscellaneous	50	238
Total	41,792	251,075

[1] Reduced to substitute roll.
[2] This number will be dropped altogether. In addition, approximately 9,000 will be placed on triweekly, instead of daily, service.

Mr. COX. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, my feelings about this whole problem are that the membership of this House has not given this Economy Committee the support it is entitled to. [Applause.] This is a nonpartisan committee set up by this House to do a particular piece of work. The committee came in with its recommendations as embodied in the committee bill.

Speaking for myself, I was in favor of the committee program. The action of the House last evening amounted to a rejection of the committee's plan, so far as economy legislation effecting the reduction of salaries of Federal employees is concerned.

The amendment now before the committee represents the minority views of the Economy Committee. As I see it, since this group, when the committee program was under consideration, fell in line and gave full and unstinted support, good sportsmanship, if not good faith, demands that we on the Democratic side who are earnestly and sincerely endeavoring to bring about economy legislation, give our support to the Ramseyer amendment and, if possible, bring about its adoption. [Applause.] This is the last opportunity this committee will have to express itself upon the question of economy as it relates to the reduction of the salaries of the Federal employees. There is no economy in this regard in the action taken by the committee last evening.

I fear that in the consideration of this entire problem we have so focused our consideration upon the interest of the Federal employee that we have forgotten the millions throughout the country who are unorganized and have no one to whom to look to serve the general welfare, and, therefore, their personal welfare, except Members of this House.

There was never a time in the whole history of the world when the burdens of government rested so heavily upon the backs of the people as at this very hour. Debts, national and private, are pressing us down into the very slough of despond, upon the brink of which we are now lingering. There are those who are entitled to look to this House for representation other than the Federal employees.

I want to say to those of you who possibly have not had occasion to visit back in the States in recent weeks or months, that there is a feeling of hostility growing up in the hearts of the people against the Federal employees. The interests of the Federal employees themselves demand that this body take some action toward the readjustment of salaries in behalf of reinstating them in the confidence and the esteem of the people. It is a sorry employee or officeholder who is not willing to make some reasonable sacrifice for his Government.

The one thing that is essential to good legislation is public confidence, and just so certainly as you break down this effort to bring about a readjustment of the pay of Federal employees and officeholders you are going to have an unfavorable reaction against yourselves and call in question the patriotism and integrity of Congress. [Applause.]

[Here the gavel fell.]

Mr. BACHMANN. Mr. Chairman, I ask unanimous consent that the time of the gentleman be extended for five minutes. I think that this is good information for the House.

Mr. WELSH of Pennsylvania. Mr. Chairman, I object.

Mr. McDUFFIE. Mr. Chairman, I can but agree with practically everything that has been said by the gentleman from Georgia. I feel, in view of the attitude I have always assumed on this committee, that I should rise here now and plead for the Government employees, many of whom, though overworked and underpaid according to some gentlemen, and fine ladies and gentlemen they are, have found time to-day from their duties to crowd these galleries today. I have tried to help them, and they prefer the committee plan.

The gentleman is correct when he says that unless something is done in a reasonable way to effect economies by the reduction of public salaries now, the day may come in this country when this Congress will have to do what it does not now wish to do, and that is to cut until it really hurts.

Now, I have no objection to the President's plan because it is the President's plan. I object to it on principle and because it will work a hardship on those in the lower grades. Under that plan the poorer-paid employee is cut, in some cases, five times as much as he is cut under the committee's plan. The $1,200 man, for instance, gives up $22 under the committee's plan. We agreed to it, we accepted it, and the committee brought it here in this bill; but I want to say to you that if you desire to adopt the President's plan and accept his plan, though greatly tempered now, it is perfectly agreeable to this committee. We want something done to effect economy; but I feel I should keep faith with my first position in connection with the Government employees and argue in their behalf, because, under this plan, you are doing an injustice to the men in the lower brackets.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. WILLIAMSON. In the amendment the amount has been raised from $1,200 to $1,500.

Mr. McDUFFIE. That is quite true. The $1,500 man under our plan would give up $55, while under your plan he gives up $125, and for the $1,600 man the same proportion applies, and he gives up only $66, while under your plan it would be $133.30.

I am trying to impress you, gentlemen, with the fact that you can make a reasonable cut and that you ought to do it under the plan originally presented by this committee rather than make those in the lower brackets suffer as much as you will make them suffer under this plan.

But be that as it may, gentlemen, let me say this to you: Personally, and, I think, speaking for the committee, we have no qualms as to what you might think about this whole program. It is not a personal matter with us. Yesterday afternoon the Committee of the Whole was apparently stampeded, and you cut $55,000,000 or $58,000,000 from the plan we have brought to you, unmindful, as the gentleman from Georgia said, of those inarticulate masses who can not speak to you through highly propagandized organizations and long telegrams.

This afternoon—and I think sometimes you have not given it much serious thought—you took $9,000,000 more from this program.

What are you going to do with this program? Are you going to kick it out entirely and tell the country you are not for economy, even though in our program we do not impair the efficiency of this Government in any way by such a program if adopted?

Now, stop and think about that, will you, gentlemen? It is your responsibility even more than it is ours now. What are you going to do about it? Are you going to follow the suggestion of the gentleman from Massachusetts, who said that the way to bring prosperity is to get more employees and pay them a higher salary?

Mr. GILBERT. Will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. GILBERT. As suggested, though, by the gentleman from Georgia, your plan having been emasculated, what else is there for us to do but accept the President's plan if we want a reduction? [Applause.]

Mr. McDUFFIE. Possibly nothing else. If this House sees fit to do it, then it is your responsibility.

So far as carrying out the principle which they are trying to inject at the suggestion of the President and Mr. William Green, the president of the American Federation of Labor, this staggering plan is not in reality the principle of a 5-day week. You do not carry it through with this plan, because when you get to the legislative branch of the Government you are bound to use the pay-cut system.

[Here the gavel fell.]

Mr. MAPES. Mr. Chairman, having had some experience a few years ago on the Joint Committee for Reorganization of Executive Departments, I feel like extending my sympathy to the gentleman from Alabama [Mr. McDUFFIE] and his committee and commiserating with them. I want to say for one, out of that experience, that I think this Economy Committee on the whole has done a great piece of work and deserves the commendation of the House for it. The members of the committee have worked day and night for the limited length of time they have had to consider a matter of such magnitude and complexity as they have had before them, and I think they have done a very commendable piece of work. It is a thankless job at best.

If Congress, under pressure of the public mind as it exists at the present time with respect to reduction of expenses, will not pass an economy program of some kind, then there is no hope of its ever doing so in normal times. For one, I feel like overlooking some of the things in the committee report which I would like to have changed and accepting it and voting for it in order to accomplish something toward reducing Government expenses.

Mr. Chairman, there is no economy program, no program of reorganization of executive departments in the world that some employee somewhere in the Government will not object to; and unless this Congress is willing to assume some responsibility of putting one through, there will never be any reorganization or any economy program adopted. Now, so much for that. When I took the floor, I had no intention of saying what I have said, but I feel that in justice to the Economy Committee it ought to be said.

I am in favor of the substitute amendment to Title I, otherwise known as the furlough or staggering plan of the administration, as offered by the gentleman from Iowa [Mr. RAMSEYER]. It also contains a provision for a 10 per cent reduction of the salaries of the Members of Congress, and I am in favor of that. I think our salaries should be reduced at least to that extent during this emergency.

I have never felt that those in the Government service as a whole were overpaid, and I am a firm believer in the policy that the Government should pay those who work for it enough so that men without means or independent incomes can afford to engage in Government service or adopt a Government career, live decently and independently without being forced or tempted to accept favors from special interests or others to whom they should not be under obligation. A plutocracy is the only other alternative.

At the same time the country at present is in a terribly depressed condition. Millions of our fellow citizens are out of work entirely or working part time only. Industry is either shut down or doing business in the red. Under these conditions it seems to me only fair that those of us in the Government service should be willing to accept a temporary reduction in our salaries. In fact we should welcome it.

It seems to me, too, that those of us who favor either the furlough plan of the administration or the McDuffie plan as reported by the Economy Committee, one or the other, are the real friends of the employees of the Government and not those who oppose the adoption of either plan. Everyone here knows that the appropriations for the next fiscal year are going to be materially reduced below what they have been during the last few years. It is also known that the fixed charges of the Government are such that they can not be materially reduced, and, therefore, that the burden of the reduction will fall very heavily upon the employees. It is estimated that unless the furlough plan is adopted or the salaries of the employees are reduced, it will be necessary to discharge as high as 80,000 to 100,000 employees of the Government.

I have had a typical illustration in my home city of how this reduction program which the country is demanding and Congress is adopting works. The Secretary of the Treasury stated before a committee of the Senate last week that if the Senate applied its program of reducing the Treasury appropriation 10 per cent below what was carried in the bill as it passed the House, it would be necessary to close all the internal-customs district offices or ports of entry in the United States. Grand Rapids has such an office. It more than pays its way. There are two men in the office who have been in the Government service upwards of 35 years. If the office is closed, these men will be turned out into the street. In the last three days I have had from 20 to 25 telegrams and letters from importers in my home city, who use this service, protesting against the discontinuance of this office. If the furlough plan is adopted, a great many such employees will be continued in the service who might otherwise lose their positions entirely.

The havoc that will be raised in the Post Office Department, unless some such plan is adopted, is beyond description. If the furlough plan is adopted, it will allow more employees to be kept in the service and will help to take care of the substitutes who have been kept out of work almost entirely for the last year or two.

I am not greatly impressed with the argument that the example set by the Government will have a bad effect upon industry. Industry has not been able to keep men employed in many instances at any price, and everyone would prefer to have work five days in the week rather than none at all. The furlough plan has been adopted by industry so as to keep as many people at work as possible on part time. Why should not the Government do the same temporarily? It has the advantage of not reducing the basic wage scale and, as stated by the gentleman from Iowa [Mr. RAMSEYER] yesterday, as he closed his very able presentation and explanation of the amendment—

> The furlough plan saves more money for the Treasury, and at the same time makes it less necessary to discharge employees. It is more economical and beyond question more humane.

And again, as stated in the statement signed by the three Republican members of the Economy Committee—

> You can not reduce Government functions without reducing Government personnel, but in order to meet this situation the President has made the humane suggestion that the remaining work in the Government should be divided amongst the whole governmental staff, in order that there should be no increase in destitution at the hands of the Government. As a matter of fact, it is reported by administration officials that in order to work the administration's furlough plan it will be necessary to take on some minor number of substitutes and provide them with at least part-time employment. So the plan proposed not only prevents increase in destitution in the country; it actually diminishes the amount of dependency which our local communities are compelled to support.

I prefer the Ramseyer substitute, but if it is not adopted, I shall support the original text of Title I.

[Here the gavel fell.]

Mr. KUNZ. Mr. Chairman, I have listened with a great deal of attention to the remarks of some of the members of the committee. I commend the action of the Committee on Economy. There is no doubt in my mind but what a great deal of that time has been devoted to facing this crisis that we are about to meet; but I agree more with the gentleman from Iowa, from whose State the keynoter of the Republican Convention will come, and when he said yesterday that we are not prepared to meet this crisis, I believe he is right.

The Committee on Economy met, the facts were presented to them, as they were, but the truth of the matter was not known to them, nor is it known to the Members of this Congress as it is known to the people of this country.

Let us face the issue as it is. I remember the last words spoken by our late lamented Speaker when he said to you and to me and to the country that Providence alone knows what the future will bring forth. He then had a feeling in his heart and in his conscience that the world was going wild, and what is the situation we have to-day? The people of the country have no confidence in the Congress.

We talk about economy. You come in here with a bill and ask that the wages of the employees of the Government be reduced 11 per cent. I have none that I am interested in. It is immaterial to me whether the employees of the Government get large salaries or small ones; but I want to say to you, as a humanitarian, and I know that you and every one of you feel as I feel, you do not want the employee of the Government to deprive his child of an education, nor do you want the employee of the Government to deprive his wife of what is coming to her, and if you will only look about the city of Washington about a week before pay day, you will find that in the delicatessen stores of the city of Washington nearly every employee on a small salary is running a bill that has to be paid on pay day out of the salary they are now receiving. What will they do if you reduce that salary? Those who have families of four or five children, those who want to educate their children and elevate them, what are they going to do if you deprive them of that which belongs to them?

We are now called upon to balance the Budget for the mistakes of the Republican Party. Five hundred million dollars was appropriated for the Farm Loan Board, for what? They purchased nonmillable wheat, and only a few days ago I saw a news item where 50,000 sacks of this was shipped to destitute families. The purpose of the appropriation was to help the farmer. It did; it put him out of business. Wheat prices were to be maintained. After the money was spent, the price of wheat immediately dropped, and the explanation coming from the administration was that the world market governed the price and they overlooked a few billion bushels when they wanted the appropriation. All they wanted it for was to pay high salaries and spend the taxpayers' money. Then came the Reconstruction Finance Corporation, another $2,000,000,000 item. For what? To pay salaries up to $16,000 and other salaries higher than the civil-service rates that are now asked to be "whitewashed." These appointments are made from the administration's friends to build up a political machine. Where is the money going? Not to help the people at large. If so, where are the results? No; it goes to Morgan, Kuhn, and Loeb, and others in the wealthy class to protect their

loans. The Missouri Pacific Railroad Co. and its subsidiaries received $27,100,000 to pay off the interest owed and for materials already used, this money going to an already bankrupt railroad in order that the vested interests of the country would get theirs, and to the devil with the people. Again, another movement of the administration was when billions of dollars' worth of foreign bonds were sold into this country with the approval of the Treasury and State Departments. Those facts are proven daily in the Senate hearings.

The Secretary of the State Department, Mr. Stimson, who is now enjoying a steamer trip at an additional expense of $300,000 to the Government, to be at Geneva with a view of disarming the world, testified before the Ways and Means Committee that the State Department had knowledge that these bonds were being floated, but it was a private transaction. Look at the market price of these bonds to-day. They were paid for in good American dollars, cent for cent, and now they are practically worthless. After exploiting the people of the country the gentleman on the avenue now wants to suck the blood out of the Federal worker, who has given his life's work to the Government, to save a paltry $67,000,000; this brought about in such a way as to imply that those who can pay and who have made the profit are now broke. What did the "greatest Secretary of the Treasury since Hamilton" do? Through the Treasury Department word went out to the banks of this country to accept the bonds of foreign governments as collateral in preference to first mortgages on property of the various States of the Union, and when the hoax was perpetrated on the American public, he went out with his examiners and said to the banks "write off those bonds" at the present market price. That is the main reason for the failure of any number of banking institutions in this country; and his Reconstruction Finance Corporation is now bolstering up the banks, with the money of the taxpayers of the country, in order that the international bankers along with the superintellectuals in banking in this country may be paid off at the expense of the American people. With all this waste of the peoples' money, they now come forth with the proposition to cut the Federal employees of the Government. Where does this information emanate from? From the paid propaganda of the vested interests. If the Federal salaries are slashed, it will be the opening wedge for a general reduction in wages throughout the United States.

There are two ways out of this depression. One way is to put a tax on beer. Since the advent of prohibition this country has lost in revenue $10,500,000,000. In addition to that, $300,000,000 has been thrown away in a vain attempt to enforce this unenforceable law, with the actual result that there has been a large increase in the consumption of liquor in this country over the 1919 basis. Where in the history of civilization was there ever such an economic folly? In addition to the economic burdens pressed upon the backs of our people we have experienced the greatest period of criminality in the history of the Nation; respect for law and official authority has been uprooted, and we have become a nation of hypocrites by preaching the virtue of temperance and making liquor in our homes. Were it not for this "noble experiment," we would not now be facing the tremendous deficit of over $2,000,000,000.

The second avenue out of this depression is to call a conference of the nations of the world and stabilize the price of silver as a world medium of exchange. With France and America on the gold basis and the rest of the world dealing in silver, it is up to America to find an outlet for the 40 per cent surplus of goods in this country.

The other nations of the world can not buy from us and settle their trade balance in silver; and if they can not buy, inasmuch as practically all the gold of the world is cornered by the United States and France, we will continue to maintain a surplus of goods in this country. With no money to purchase goods from us, and if they had the money with the present tariff rates so high that it is practically an embargo on goods manufactured abroad, this country can not sell our goods to foreign nations if they can not sell us.

It is unfair and unjust to place an additional burden on the backs of the Federal employees. If there ever was a supurb example of double taxation, it would be in case the appropriation bills of the departments were cut, then a reduction in wages, along with the income tax at the end of the year.

Why, one gentleman said yesterday that every corporation had reduced wages time and again. Yes; I heard a report to-day that the carpenters had been reduced from $11 a day to $8 a day. Have you an employee to-day in any department of the Government who is receiving $11 a day? If there is, you could reduce his pay; but you are to reduce the pay of men working for $125 or $150 a month.

[Here the gavel fell.]

Mr. OLIVER of Alabama. Mr. Chairman, the gentleman who has just spoken may have personal reasons for feeling that the people have no confidence in Congress. I feel there is no justification for a statement like that.

This Economy Committee richly deserves the thanks of Congress. I am unable to recall when a task more difficult and unpleasant has been placed on any committee, nor can I recall when any committee has responded with finer courage, finer loyalty, and finer devotion to the public service. [Applause.]

Personally, I favor what is known as the McDuffie plan in reduction of salaries, but I agree with the gentleman from Georgia [Mr. Cox] that the time has now come when those who feel as I do should lend hearty indorsement to the proposal submitted by the President. [Applause.]

The thing that has commended the study and preparation of this bill by the Economy Committee has been the splendid nonpartisan spirit shown by its members throughout their deliberations on the many important matters considered. I like the fine spirit that the President manifested toward the committee and the splendid and considerate attitude shown by the chairman of that committee to the President's suggestions.

I am not in accord with all the recommendations submitted by the committee in its report, but permit me to say this in the short time remaining, that no member of the Appropriations Committee will say that we have not too many employees on the pay roll of the Government. No one will deny that some are overpaid. Probably some may be underpaid, but so long as you retain too many on the pay roll, as pointed out by some of the learned Senators, you can never hope to adjust Government pay on a fair basis to those who are deserving.

I am astounded that gentlemen will rise and claim we are seeking to do an injustice to those now on the pay roll of the Government. There are no persons so fortunate and none so secure in their positions as those drawing pay from the Federal Government, whether they are drawing less or more than a thousand dollars, and the time it seems to me is at hand when everyone interested in the Government should be willing to make some reasonable contribution out of what he receives from his Government to help in this hour when we are striving to balance income and expenses.

I never indulge in personal recriminations in discussing differences as to matters before the committee or before the House. I recognize the right of every Member to differ from me—conceding to all sincerity and honesty as to their opinions and judgments. My one hope is that during the remainder of this session every proposal seeking to increase an appropriation will be followed by a yea-and-nay record vote, and that likewise every proposal that seeks to reduce the expenses of Government will be followed by a like record vote. This is one time when the people who sent us here have the right to know how their Representatives have voted on all items affecting Government expenses. Believing that Members are actuated by conscientious convictions, I hope that all votes on the many important provisions of this bill will be yea-and-nay record votes when the same is reported back to the House. [Applause.]

Mr. LUCE. Mr. Chairman, the pending proposal can be stated simply. The question is whether it is better that 400,000 employees of the United States shall work 6 days

in the week and 80,000 be idle or that 480,000 shall work 5 days in the week and everyone be employed. The figures may not be precise, but they well enough show the question. Shall 400,000 employees of the United States work 6 days and 80,000 be added to the ranks of the unemployed, or shall you give them all employment through some part of the week, five-sixths of the week, 5 days in the week? Let every man realize the full import of his decision on this motion. If he votes against this motion, he votes that 80,000 of his fellow citizens shall be thrown on charity, if they have not resources of their own. It is estimated that there are four and a half of our people to every family, so that if it be that 80,000 are thrown out of employment, your vote in the negative will have disclosed you as willing to affect adversely the sustenance, to some extent the very life, of 360,000 human beings. Your vote "no" against this amendment will tell the country you believe it is better that every person who has the good fortune to stay on the pay roll shall enjoy all of the emoluments now his or hers without one penny of sacrifice and that there be turned over to the mercies of charity some part of those who number 80,000, together with their wives and their children. There may be cases where other members of the family are employed, some who can for a time exist on their savings, but it is not an exaggeration to say that, including the members of the families without resources, at least 200,000 of your fellow beings will be reduced to penury and want if this motion should not in the end prevail. It contemplates, to be sure, that there shall be some sacrifice by those now employed. Do they know what their complaint means?

God forbid that they know what they are doing when they throng our offices, or themselves send or incite others to send their telegrams and letters by the thousands, begging us to keep them secure to the last dollar of money and the last hour of work while one man of every six in this country is out of a job. When poverty swarms through the land, when fear stalks in every street, these protected and sustained employees of the Government are pouring on us a deluge of appeals to save them from the slightest sacrifice while their associates to the number of 80,000 are to be thrown out on the pavement, to be deprived of their livelihood by legislation, not in this bill but in the appropriation bills already passed, and by those remaining, as it is expected they will be when they reach the President for signature. The mischief has been done or may be done, but not by this bill. This motion presents not a choice between one method and another, but a choice between the method herein proposed and what the Congress has already done in its appropriations, and what it is expected it will do.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Yes.

Mr. McDUFFIE. As to the result of a cut, assuming it will go through both Houses, how accurate are the figures now being quoted by the gentleman?

Mr. LUCE. I take the figures as just read by the gentleman from South Dakota [Mr. WILLIAMSON]. I rely on his accuracy in the matter.

Mr. WILLIAMSON. They are supplied by the Budget, and it is the best estimate they can get.

Mr. McDUFFIE. Does the gentleman know how they figured it?

Mr. WILLIAMSON. They figured upon the theory that the Senate would reduce 10 per cent below the House.

Mr. LUCE. I am sorry that I can not yield any more time. It makes no difference as to your vote whether it is 80,000 or 70,000 or 60,000 or 50,000. A vote against this motion is a vote to throw many thousands of Americans on charity.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. HARE. Mr. Chairman, I noticed in this morning's press reports where President Hoover in Richmond yesterday at the governors' conference urged that greater economy be demonstrated in carrying on the work of the States. I want to bring to the attention of the House and the Nation what my own State did in the legislature which has just adjourned. The State recognizes the necessity for decreased governmental expenditures, just as much as the Congress recognizes it. I want to give the figures showing just what our legislature has done with reference to reduction of salaries of State employees. According to figures furnished me by a member of the judiciary committee of the House of Representatives of the Legislature of South Carolina, salaries up to and including $1,000 are reduced 10 per cent; salaries ranging from $1,000 to $1,250 are reduced 15 per cent. Those ranging from $1,250 to $1,600 are decreased 16⅔ per cent; those from $1,600 to $1,800 will receive a reduction of 20 per cent; those from $1,800 to $2,100 are reduced 25 per cent; those from $2,100 to $2,400, 26 per cent; from $2,400 to $2,700, 27 per cent; from $2,700 to $3,000, 30 per cent for the next year. Those receiving over $5,000 have been decreased 33⅓ per cent.

These men back home realize the necessity for a decrease in governmental expenditures, and they tell me it costs just as much for a man in my State to live, whether he is carried on the pay roll of the State or whether he is carried on the pay roll of the Federal Government.

The school-teachers of my State, who are charged with the responsibility and duty of training the future citizenship of this country, are required to work on an average salary of a thousand dollars or less a year, have had to take a reduction of 12½ per cent in their salaries in order for the State to meet its budget. If employees in the various States are required, on account of this depression, to take reduction in salaries, I am convinced there is grave necessity for a reduction of expenditures in the Federal Government, because the people who pay the taxes to run the State government must pay the taxes to run the Federal Government.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. HARE. I am sorry, but I do not have time. I have only five minutes.

There are 6,000 or more of these teachers who will have their salaries reduced 12½ per cent, and even then they are not paid promptly with money, but in many cases paid only with scrip. Why? The taxes have not been collected. Why? The people are not able to pay them. The States can not go out and levy taxes like this great Federal Government of ours.

There can be no doubt but what the States are expecting the Government to decrease Federal expenditures somewhat in proportion to the decreases already made in many of the State, county, and municipal governments. Personally, I do not favor all the provisions of either one of the plans suggested—the McDuffie plan or the Ramseyer plan. I think instead of having a flat reduction on all salaries the decreases should be graduated. That is, they should be in proportion to the amount of the salary drawn somewhat similar to the figures I have already recited as having been approved by the legislature of my State. In other words, I think as the salaries increase from the lower brackets there should be an increased reduction. I am satisfied if these reductions are fair and reasonable, there will be no objection on the part of the Federal employees. As a matter of fact, practically everyone who has conferred with me with reference to these reductions has indicated that he is willing to take a fair and reasonable reduction provided such reductions were uniform and do not discriminate in favor of one against another. For example, I do not think it will be fair to reduce the salary of rural letter carriers in the same proportion as other Federal employees and then in addition take away their allowance and maintenance. I believe their salaries, however, should be reduced in the same proportion as others whose salaries are similar.

I disagree with the gentleman from Massachusetts [Mr. CONNERY], who says there should be no reduction in salaries.

I realize there will be some hardship, but governmental revenues are decreasing every day, and I know if there is no reduction in the outgo and there is a gradual and constant decrease in the income that sooner or later there will be governmental bankruptcy. I think it was Poor Richard who said, in effect, that if you continue to take meal from the barrel without putting any in, you will soon come to the bottom. The same principle will apply to a government. The only way it is possible to increase income is to increase the taxes, and they are so high now that people can not stand to be further burdened. In my opinion, you will never balance the Budget until governmental expenditures are drastically reduced. A little reduction here and there will not amount to anything. Big items must be reduced by lopping off big sums.

The CHAIRMAN. The gentleman from Arizona [Mr. DOUGLAS].

Mr. DOUGLAS of Arizona. Mr. Chairman, it is true that whatever plan may be adopted with respect to compensation of Federal employees, certain injustices will be effected. Still, since one of the plans has been, in large part, emasculated, there is but one thing left for us to do, namely, to analyze fairly and honestly the substitute which has been offered.

It should commend itself to us for several reasons. First, because it inaugurates, in principle, at least, the 5-day week. I think almost every Member of the House will agree with the statement that eventually, by reason of the technological advances which have been made during the course of the last decade, this country must go to a shorter work week than any we have heretofore experienced. The second reason why this plan should commend itself to us is that if certain changes are made in the language of the substitute, it offers a medium by which those who would otherwise be thrown out of employment as an incident to the cuts which the Senate has made and contemplates making may be absorbed. This substitute, then, finally resolves itself into a cut imposed upon the salaries of Federal employees by reducing the time for which they are paid, so that two things may be accomplished: First, the absorption of those who would otherwise be thrown out of employment, and, secondly, effecting economies consistent with a reasonable policy of retrenchment.

For these reasons, Mr. Chairman, I favor the substitute. I shall support it. [Applause.] This is no time for any of us to participate in partisan politics, to take pride in authorship, to reject one plan because it may not have been ours, to go into great detail in considering the minutia of certain plans which perhaps did not originate with one or the other of us. This is a time, Mr. Chairman, when we must face our responsibilities, when we must reduce expenditures in Government, when we must discharge our duties here as Members of this House, regardless of where the credit may fall or the responsibility be placed. [Applause.]

Mr. BRITTEN. Will the gentleman yield for a question?

Mr. DOUGLAS of Arizona. Yes; I yield.

Mr. BRITTEN. I have a very high regard for the gentleman's opinion and his intelligence. I would like to ask the gentleman this question seriously: If the Ramseyer plan is amended so as to place an exemption above or below $2,500, which of the two plans would the gentleman then prefer?

Mr. DOUGLAS of Arizona. That is a difficult question to answer. On the face of it, I would favor the substitute which has been offered by the gentleman from Iowa [Mr. RAMSEYER] but reserve, however, the right to change my mind after more mature consideration. On the face of it, however, that is my answer.

[Here the gavel fell.]

Mr. WOOD of Indiana. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. WOOD of Indiana. I wish to discuss the pending motion.

The CHAIRMAN. All time has expired.

Mr. COCHRAN of Missouri. Mr. Chairman, I offer an amendment to the amendment.

The CHAIRMAN. The gentleman from Missouri offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. COCHRAN of Missouri to the amendment offered by Mr. RAMSEYER:

On page 1, line 9, strike out "10/11" and insert in lieu thereof "21/22."

On page 2, line 5, strike out the words "without compensation" and insert "with compensation at one-half the rate of compensation of such officer or employee."

On page 2, line 24, strike out the word "all" and insert "except as provided in Sec. 101 (b) all."

On page 4, line 18, strike out the figure "8.3" and insert in lieu thereof the figure "5."

On page 4, line 23, strike out "8.3" and insert "5."

On page 5, strike out lines 15 to 17, both inclusive, and insert: "annum, but not more than $2,500 per annum shall be reduced by 5 per cent, but not below a rate of $1,500 per annum; if more than $2,500 per annum, such retired pay shall be reduced by 10 per cent but not below a rate of $2,375 per annum."

On page 6, line 17, strike out "3/8" and insert "3/4."

Mr. RAMSEYER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. RAMSEYER. The second paragraph of the amendment, if I understood correctly, changed the word "without," in the fifth line of page 2, to the word "with," making it read "with compensation." Following the ruling the Chair made a while ago, this being an economy bill and the amendment raising the expenditure, the amendment would be subject to a point of order.

Mr. LAGUARDIA. Mr. Chairman, I would like to be heard on the point of order if there is any doubt in the Chairman's mind.

Mr. COCHRAN of Missouri. Mr. Chairman, I want to be heard if there is any doubt in the Chairman's mind.

Mr. RAMSEYER. Mr. Chairman, I withdraw the point of order.

Mr. COCHRAN of Missouri. Mr. Chairman, I am opposed to the amendment offered by the gentleman from Iowa. I think the amendment in its present form is cruel, to say the least. The amendment I offer still provides for the 30-day furlough plan, but it requires the Government to pay the salary for 15 days while the employee is forced to take 15 days leave without pay.

Looking at the amendment alone, if one does not understand the situation, he no doubt would be warranted in criticizing a Member who declines to support it. You can not, however, consider this amendment alone. You must consider at the same time other provisions in the bill affecting the Government employee's salary. There are in this bill, as I have repeatedly stated, no less than six provisions, each of which reduces the salary of the Government worker. Would you reduce the salary of a man receiving the maximum salary in the Postal Service over $500? Would you take $500 away from a man receiving $2,000? A legitimate salary reduction is one thing, but a wholesale salary reduction is another. If you stopped with this amendment, you could pass it without trouble by a large majority; but you do not do so. In this title and the next title you find provisions, six in all, each and every one taking something from the pay of the Government clerk. If a business man reduces the wages of his employees, he reduces the wages and stops. But here you reduce the salary and further reduce it in six separate instances. No matter who the business man is that wants salaries reduced, I am sure if he fully understood this situation he would not give it his approval. He would say, "Reduce the salaries, and stop there."

Why, when this proposition was originally offered it provided to take one month's pay, in some instances $33, from the pay of the enlisted men in the Army and Navy, and anywhere from $45 to $65 from the annual pay of the charwoman who receives about $450 or $650 a year. Now, who, I ask, would approve of such a reduction?

The first amendment was to exempt those receiving $1,000 and over. Then an amendment to reduce those receiving $1,200 and over, and now we have the President's plan, the Ramseyer amendment, changed again so that all those

who receive $1,500 and over are affected. This last change was made since the amendment was printed. I did not know it was changed until a few minutes ago.

Now, for the benefit of some of you gentlemen who have not studied this proposition very carefully, and especially those coming from the rural sections, let me tell you substantially what it does to your rural carrier. The average pay of your rural carrier is $2,017. He is required to furnish an automobile, to keep that automobile in repair, to supply the gas to run it, and to replace it from his own funds when it is worn out, for which he receives an average of $383 a year in the form of an allowance based upon mileage.

Under the provisions of the Ramseyer amendment, and I take the average pay for allowance, the carrier is only to be allowed three-eighths of the present amount that is being paid for the upkeep of his automobile and its replacement when it is worn out, or $144, a loss of $239, which is equal to 10 per cent of his pay as well as his allowance; and, plus that, he loses his annual leave, for he gets no leave. This is a saving to the Government, for if the rural carrier receives annual leave some one must deliver the mail and be paid for it.

Under my amendment he will lose $96 of his present allowance, but he also loses his annual leave, as I have not changed that. Ninety-six dollars and loss of all vacation is rather a fair contribution for one man getting on an average of $2,017. Remember it costs him money to run his car.

There are 27,895 employees getting $1,500 a year; 31,000 getting $1,600 per year; 21,000 getting $1,700 per year; 42,000 getting $1,800 per year; and 33,000 getting $1,900 per year. Each and every one in the groups I have mentioned will lose one full month's pay under the Ramseyer amendment. He also suffers other losses, the postal clerks being hit six times.

I meet the situation which the gentleman from Arizona mentions.

I do not disturb the 30 days' annual leave, but I cut the amount that will be deducted from the pay. Under my amendment the employee loses 15 days' pay, under the Ramseyer amendment 30 days' pay.

They have changed this amendment so often, I can not intelligently inform the House how much it will save, but it will be about $40,000,000. If the Government employees contribute $40,000,000 toward the deficit, it appears to me they will be doing their part. But, aside from this, as I said before, when you get to Title II there you will find numerous provisions that further affect the salary of the Government employee. Think of what you will do in Title II to the employees when you vote on my amendment.

Mr. WILLIAMSON. Will the gentleman yield for a question?

Mr. COCHRAN of Missouri. I should not yield; my time is limited; but I will yield to the gentleman.

Mr. WILLIAMSON. I will say to the gentleman that I will get more time for him. I would like to know what his amendment means. That is the reason I want to ask the gentleman this question. Is the effect of the gentleman's amendment to cut the savings of the Ramseyer amendment in two?

Mr. COCHRAN of Missouri. Absolutely; that is the effect of my amendment, to cut the savings of the Ramseyer amendment in two. If the Ramseyer amendment will not turn the employees of this Government out in the street, as he says, and I hope he is right, then my amendment will not, because I provide for 30 days' furlough with one-half pay, while the Ramseyer amendment takes one month's pay and provides for 30 days' furlough.

Mr. Chairman, just as sure as we are here today, a shorter workday for all who work is coming. It must come to provide employment for the millions idle the past few years. I have stated time and again that five days of work a week for all is just around the corner.

Machinery, time-saving devices, has brought about a condition that must be remedied; and if you do not do away with the machines, then you must provide, and business must provide, for a 5-day week.

It is true as the gentleman says the 30-day furlough plan will mean that tens of thousands will not be turned out on the streets without positions. That is why I do not disturb the 30-day furlough plan.

I want as many to remain at work as it is possible to retain. Over 100,000 Government employees are going to lose their jobs as it is. Why increase the number? This Congress before it adjourns is going to reduce Government expenditures between six hundred and nine hundred million dollars. I think the taxpayers will be satisfied with such a record. I certainly hope the members of the committee will give some thought to the other amendments in this bill which are going to affect employees besides the salary proposition when they vote on my amendment. [Applause.]

[Here the gavel fell.]

Mr. WOOD of Indiana. Mr. Chairman, I rise in opposition to the amendment proposed by the gentleman from Missouri. The gentleman has frankly stated that if this amendment is adopted it means cutting in two the proposal offered by the gentleman from Iowa.

I have not been in accord with the proposed reduction. This committee had as many ideas as there were members on it with reference to the pay cut.

In passing I wish to say that the gentleman from Alabama [Mr. McDUFFIE] has sacrificed more in opinion in order to save the Government money than anybody on that committee. [Applause.]

I was in favor of a straight pay cut, but that is passed. We can not talk about that any more. If the program is carried out as now proposed, there will be but a saving of $10,000,000 under this pay cut, and the proposal which was carried this afternoon reduces it $9,000,000 more, leaving $1,000,000. Who among you is prepared to go home to your people and say that in this period of distress you were only willing to cut $1,000,000 off the pay roll of the United States that totals more than a billion dollars?

Now, I want to emphasize what was said by the gentleman from Massachusetts when he said that unless the program now before us, as embodied in the amendment offered by the gentleman from Iowa [Mr. RAMSEYER] is adopted, 80,000 people will be turned out on the streets. That is just half the equation. If the Ramseyer proposal is adopted, in addition to keeping these 80,000 people employed, it will save $65,000,000 to the Treasury of the United States. So it helps both ways.

We have all promised our people to reduce governmental expenses. If we are going to do it, now is the time. We will never have such another opportunity.

Yesterday, speaking on the rule, I said that unless the program proposed by this committee is adopted, there would be no economy voted by this Congress. Some one said, "How do you know?" The best evidence as to how I know has been given by the action of this House on yesterday and to-day in striking out more than $60,000,000 that should have been saved to the Government. There is not a single item in this bill but what will receive just as much opposition as is now being proposed against the salary cut.

Mr. BYRNS. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BYRNS. I do not understand the logic of the gentleman and other gentlemen who have spoken when they assume that the committee plan has actually been eliminated. I want to call the gentleman's attention and the attention of the committee to the fact that when we get back into the House we will have a roll call on it.

Mr. WOOD of Indiana. I wish to say that there is no discord between the gentleman from Tennessee and myself; and I wish to say further that from the beginning of the consideration of this bill to this very hour, there never has been a semblance of political bias in the consideration of any of these questions, and, as he says, opportunity will

be afforded when we get back in the House to correct the mistakes that have been made.

Mr. BYRNS. We have the right to vote on these amendments under the rule, so that this question is not eliminated by any means.

[Here the gavel fell.]

Mr. McDUFFIE. Mr. Chairman, I think we have had enough debate on this proposition. I make that point of order.

The CHAIRMAN. The gentleman from Alabama makes the point of order that debate is closed on the amendment offered by the gentleman from Missouri, and the Chair sustains the point of order.

Mr. LaGUARDIA. Mr. Chairman, I offer an amendment to the substitute offered by the gentleman from Missouri.

The CHAIRMAN. The Chair thinks that an amendment to the substitute would certainly be in the third degree.

Mr. LaGUARDIA. Oh, no.

The CHAIRMAN. The gentleman would have the right, after the substitute offered by the gentleman from Missouri is voted down, to then offer an amendment to the amendment offered by the gentleman from Iowa.

Mr. LaGUARDIA. Will the Chair bear with me just a moment? Under the rule the amendment brought in by the Committee on Economy is considered as an original bill under the 5-minute rule. The gentleman from Missouri has offered a substitute—the Chair is right.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. COCHRAN].

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. COCHRAN of Missouri. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. COCHRAN of Missouri and Mr. RAMSEYER.

The committee divided; and the tellers reported that there were—ayes 118, noes 172.

So the amendment was rejected.

Mr. LaGUARDIA. Mr. Chairman, I offer an amendment. On page 2 of the Ramseyer amendment, line 17, strike out "$1,500" and insert in lieu thereof "$2,500."

The Clerk read as follows:

Amendment by Mr. LaGUARDIA: Page 2 of the Ramseyer amendment, line 17, strike out "$1,500" and insert "$2,500."

Mr. LaGUARDIA. Mr. Chairman, I am sure if the House had fully understood the meaning of the Cochran amendment, it would have been adopted. The Cochran amendment would have given us the opportunity of establishing a 5-day week basis without putting all of the burden on the shoulders of the employee.

Under the rule, the Cochran amendment having been voted down, I offer my amendment to raise the limit to $2,500, so as to permit us to inaugurate the 5-day week, thereby setting an example to industry and commerce of the necessity of shortening the working day and the working week.

A great deal has been said in the course of this debate about balancing the Budget of the Government. The only way and the only time that the Government's Budget will be balanced is when the family budget of a hundred million American families will be balanced. As long as you have unbalanced family budgets, you are going to have an unbalanced Government Budget.

Mr. WILLIAMSON. If the gentleman will permit, how is the gentleman going to take care of all the employees who will be thrown out of work by reason of the Senate reduction? There are bound to be a lot of people thrown out on the streets by reason of that action.

Mr. LaGUARDIA. I am one who voted against the Department of Interior 10 per cent reductions when it came from the Senate, and I have a right to talk about it; but I am sorry that many of my colleagues on this side of the aisle closed their eyes and were stampeded into voting for it. I will also add that all the facts, the destructive results of such a vote, was called to the attention of the House. Of course, we can not have any semblance of government or normal functioning of the departments if the House blindly cuts 10 per cent, and then again submits another bill and blindly votes to reduce salaries. I repeat—I have said it so many times I know I may be becoming tiresome—this wage reduction is not a question which affects the Government employees at all. The Federal employee wage cut is only incidental to the whole wage-scale question and the standard of living in this country. Again, let me repeat at the risk of becoming tiresome, within a very few days we shall be called upon to consider a bill brought in by the Committee on Banking and Currency permitting the inflation of currency in order to increase commodity prices of 1926. How can we, I appeal to your common sense, talk about reducing salaries and increasing commodity prices at the same session of Congress. [Applause.]

Gentlemen, please listen to the amendment I have offered. It eliminates from the reduction of the furlough plan salaries of $2,500 and it permits the staggering system so much talked about by the President of the United States.

In his message of December 3, 1929, he said:

> I have therefore instituted systematic, voluntary measures of cooperation with the business institutions and with State and municipal authorities to make certain that fundamental business of the country shall continue as usual that wages shall not be reduced and therefore the purchasing power shall not be reduced.

Again in that message he says:

> I am convinced that by these measures we have reestablished confidence, that wages should remain stable.

Again the President in his message to the governors appealed for the stabilization of wages.

I submit, gentlemen, we can not blindly and without consideration simply vote down the salaries and the standards, and I will say to the gentleman from Alabama that I know he is sincere, I know he has worked hard, but I appeal to the gentleman that this does not stop at the Federal employee. This is going to spread throughout the country.

Every day I receive letters from employers urging a cut of Federal salaries and frankly stating that they expect to reduce the pay of their employees as soon as the salaries of Government employees are reduced.

I say this is not the kind of criterion on which we should base legislation. Gentlemen, this bill may be jammed through by the shameful propaganda that is being spread around the country, but it is wrong, it is unfair, and it is economically unsound.

Mr. RAMSEYER. Mr. Chairman, I explained fully to you the situation when I was before you last night. I appeal to you now to help hold this furlough plan intact. If you are against the plan, if you are against both plans, you can vote against them in the final wind-up; but what we are trying to do now is to hold this economical and humane plan intact.

If you raise the exemption to $2,500, it means that you exempt most everybody; in the Postal Service you exempt practically all. Very few would be left.

I want to appeal especially to the Members of this House who are not from the large cities; and the attack on the bill last night and to-day comes from Members representing the large cities—they do not understand our problems in the rural regions.

Mr. LaGUARDIA. And you do not understand ours.

Mr. RAMSEYER. I want to remind Members from the country districts of the situation back home. Taxpayers in every county in the Middle West have held meetings protesting against public expenditures, including salaries. How many clerks outside of the Government service, in Iowa and Illinois and Missouri, are getting as much as $1,500 a year? How many in Alabama? We are up against the serious situation, and we want to meet it in the most economical and humane way possible.

Of the two plans, I favor this furlough plan. We did not succeed in preserving the other plan from emasculation yesterday. The intention was to have both plans in good shape when the final showdown came and then have them voted upon. That is to give you the choice between two

well-worked-out plans. The furlough plan is the more humane and has greater saving. The Cochran amendment, if adopted, would double the number of unemployed.

Mr. COCHRAN of Missouri. Oh, I did not say that.

Mr. RAMSEYER. The gentleman misunderstands me. I did not say you said it. I say that cutting in two the leave without pay would mean that many more would be thrown out of employment. The Government would be unable to retain them. Here is a humane plan. Many industries have put it into effect already. Here is an establishment that has not got enough work for men to work six days a week, not for all of them, and adopts a 5-day week to take care of all of them. By the 5-day plan we retain more in employment with less pay for each employee, but the number of unemployed is reduced.

Now, gentlemen, help us to preserve this amendment. If you are against it, help us anyway. If you are against the pay cut at the close, step up like a man and vote against it. But do not emasculate one plan to-day and then emasculate the other plan to-morrow, which is merely to destroy. This is a time for constructive action, and we ought to do our best to meet this unusual situation that confronts us. [Applause.] We can do it by carrying out this plan, which is humane and economic.

Mr. O'CONNOR. Will the gentleman yield?

Mr. RAMSEYER. I yield.

Mr. O'CONNOR. The gentleman is enthusiastic, and has been talking about the city and the country. Why did he put the rural free delivery carriers in the preferred class?

Mr. RAMSEYER. The rural carriers in my amendment are not in a preferred class.

Mr. O'CONNOR. And only save an infinitesimal amount.

Mr. RAMSEYER. The rural carriers are getting more of a cut than the city carriers.

[Here the gavel fell.]

Mr. McDUFFIE. Mr. Chairman, I make the point of order that all debate is exhausted under the rule.

The CHAIRMAN. The point of order is sustained. The question is on the amendment offered by the gentleman from New York.

The question was taken, and the amendment was rejected.

Mr. MEAD. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. MEAD: Page 2, line 17, after the word "of," strike out "$1,500" and insert "$2,400."

The CHAIRMAN. The gentleman from New York is recognized for five minutes.

Mr. MEAD. Mr. Chairman, yesterday the House made its decision with regard to wage cuts. We determined after considerable debate, calm deliberation, and mature judgment that there should be no pay cuts to the employees of the Federal Government whose salaries were $2,500 or less. To-day we come in and reverse that decision, and not only that but instead of inflicting a pay cut of $150 we double that amount, for this substitute is no more and no less than a pay cut of $300 on the average Federal employee and the postal worker. Many arguments have been advanced for and against this proposition. I shall discuss the arguments made in favor of it.

It is said that it gives work to substitutes. Then, also, that it saves money for the Government, that it gives more work and at the same time saves more money. Then, that it will keep 80,000 men at work, make their employment more secure, and at the same time they say we are threatened by reason of the appropriation program of the Senate with the absolute dismissal and discharge of vast numbers of employees in the service. It certainly can not do all these things.

If it is held that it will save $15,000,000 or $20,000,000 in the Post Office Department alone, and then the Appropriations Committee at the other end of the Capitol cuts $80,000,000 from the Post Office appropriation bill, how are you going to put more substitutes to work, and how will you save the men involved in this bill? You do nothing by this proposal except to cut $300 from every employee of the postal department, and you go down as low as $1,500 in order to reach the lower-paid worker. Why, it is a severe blow to the rural letter carriers, because while we exempted them on yesterday, we cut their equipment pay to-day by $300. This is a wage reduction, nothing else. This will disturb the differential that exists in the Postal Service to-day. This bill will destroy the service, for by it you give the Postmaster General authority to work a railway mail clerk as a postal laborer and at the same time to work a postal laborer as a railway mail clerk. It will create chaos in a well-organized, well-balanced service of the Government, and I believe, if we were within our rights in voting an exemption up to $2,500 yesterday, to save $150 for the employees of the Federal service, we certainly are doubly right if we vote against this substitute proposition, which will penalize every man in the service double that amount. This substitute amendment should go out of the bill, if we are fair with ourselves and consistent with our previous actions. We will vote down the furlough plan. [Applause.]

The committee, on page 12, section 207, has recommended the suspension of the night-work pay differential, as well as overtime pay and higher pay for Sunday and holiday work. Postal employees do not receive pay for Sunday or holiday work, except for the last three Sundays in the year when Christmas work prevents lay-offs. Instead of pay they are granted compensatory time off for Sunday and holiday work. It is not known therefore, to what extent, if any, this provision will affect postal employees.

But the suspension of the night-work pay differential will adversely affect 50,000 clerks, railway mail clerks, and other employees. To them it means a double penalty—they will lose their 10 per cent night-work pay and, in addition, the pay reduction provided in the bill. This is manifestly unfair, grossly discriminatory against a group that has the least desirable assignment in the Postal Service—namely, night work.

It is inconceivable that Congress will knowingly penalize the postal night workers—the hardest-worked group in the service—by a 21 per cent pay reduction as against a smaller reduction for higher-paid groups enjoying better assignments. No postal employee is on night work from choice. It is an obvious injustice to make him the victim of a double penalty, as is proposed in the bill.

The committee has added this language to section 207:

In so far as practicable, overtime work and night work shall be performed by sustitutes in lieu of persons who have performed a day's work during the day during which the overtime work or night work is to be performed, and work on Sundays and holidays shall be performed by substitutes in lieu of persons who have performed a week's work during the same week.

Apparently this is intended as a sop to the substitutes who were thrown out of work by the drastic reduction in the appropriation bill. Having taken their work away, we make a gesture toward restoring some of it. I say "gesture" because this language is meaningless as far as the Postal Service is concerned. I ask the committee to point out how a single substitute, over and above those now occasionally employed at night, can be put to work as a result of this provision?

Is it intended to lay off a regular clerk working nights to employ a substitute? Night work in the Postal Service is largely mail distribution performed by trained, skilled distributors. These men do not work also during the day. Their 8-hour tour in most instances is entirely at night. Now, is it intended to displace them by substitutes? I ask the committee to enlighten the House on this point. Please inform us how night work can be performed by substitutes to any greater extent than at present. In my judgment, this language as it relates to night work is meaningless so far as the Postal Service is concerned.

The language is superflous also, so far as overtime in the Postal Service is concerned, because existing law reads:

That in cases of emergency, or if the needs of the service require, and it is not practicable to employ substitutes, special clerks, clerks and laborers in first and second class post offices, and carriers in the City Delivery Service can be required to work in

excess of eight hours per day, and for such overtime service they shall be paid on the basis of the annual pay received by such employee.

Please note that under the law at present regulars can not be employed on overtime in the Postal Service if it is practicable to employ substitutes. So this provision in its relation to postal overtime is a restatement of the present law and will not help the postal substitutes.

The third proposition, namely, that substitutes be employed on Sundays and holidays, will help the substitutes to some extent. But it will not result in an economy. The Post Office Department has administrative authority now to employ substitutes on Sundays and holidays in lieu of regulars. This practice was recently discontinued by the department because of its cost. It is cheaper to employ the regular and give him time off later at a slack period than to employ a substitute. That is the department's practice. At any rate, how are you to provide work for regulars with an $80,000,000 cut in the annual supply bill?

Mr. McDUFFIE. Mr. Chairman, I move that all debate upon the Ramseyer amendment and all amendments thereto close in five minutes.

The motion was agreed to.

Mr. WILLIAMSON. Mr. Chairman, the very same reasons exist for voting down this amendment that existed for voting down the previous amendment. The result of this amendment will be that out of a total pay roll of $1,315,000,000, only the sum of $300,000,000 will be affected with pay cuts. In other words, less than 10 per cent of the employees will be affected by the cut if this amendment should be voted into the bill.

Mr. CHINDBLOM. What will be the saving?

Mr. WILLIAMSON. The saving if this amendment goes into the bill will be less than $20,000,000. I called attention a while ago to the fact that unless this staggering plan is adopted by Congress you are going to lose 18,000 city letter carriers, 9,000 second-class clerks in the post office, 8,000 rural carriers, and 1,609 assistant postmasters. If you adopt this amendment, you will reduce that loss by less than 10 per cent. It would be most unfortunate to force 70,000 employees out upon the street, most of whom can be saved under the staggering plan. Not only can they be saved, but the service which they render, which I am sure you do not wish to destroy, can be continued. I know of no service rendered by the Government that is more appreciated than the delivery of mail for rural and urban communities. Service to the folks back home should be some inducement to the plan proposed by the President.

The basic pay will not be destroyed and the principle of the 5-day week will be recognized by the Government.

The amendment should be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

Mr. BRITTEN. Mr. Chairman, I believe there is a minute and a half or two minutes time yet remaining. I would like to use that in order to offer an amendment.

The CHAIRMAN. The gentleman has the right to offer an amendment, but he can only consume that time by unanimous consent. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman is recognized for one and one-quarter minutes.

Mr. BRITTEN. Mr. Chairman, my amendment is to amend the amendment now on the Clerk's desk so as to read $2,000 rather than $2,400.

The CHAIRMAN. The Chair thinks that would be in the third degree. The time of the gentleman has expired.

The question is on the adoption of the amendment offered by the gentleman from New York [Mr. MEAD].

The question was taken; and on a division (demanded by Mr. MEAD) there were—ayes 96, noes 146.

So the amendment was rejected.

Mr. COOPER of Ohio. Mr. Chairman, I offer an amendment, which I send to the desk.

Mr. McDUFFIE. Mr. Chairman, I make the point of order that all debate has been closed.

The CHAIRMAN. That does not prevent any Member from offering an amendment.

The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. COOPER of Ohio: Page 4, line 15, strike out "10 per cent" and insert in lieu thereof "20 per cent."

The question was taken; and on a division (demanded by Mr. McDUFFIE) there were—ayes 35, noes 144.

So the amendment was rejected.

Mr. BRITTEN. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. BRITTEN:

Page 1, line 7, strike out "$1,500" and insert in lieu thereof "$2,000."

Page 2, line 14, strike out "$1,500" and insert in lieu thereof "$2,000."

Page 2, line 17, strike out "$1,500" and insert in lieu thereof "$2,000."

Page 3, line 5, strike out "$1,500" and insert in lieu thereof "$2,000."

Page 4, line 22, strike out "$1,500" and insert in lieu thereof "$2,000."

Page 5, line 14, strike out "$1,500" and insert in lieu thereof "$2,000."

Page 5, line 16, strike out "$1,500" and insert in lieu thereof "$2,000."

Mr. McDUFFIE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McDUFFIE. I would like to know whether or not the Chair will continue to recognize Members to offer amendments. We could probably have 50 more amendments offered, and it seems to me we have pretty well gotten an expression of the House. I suggest to the Chair that amendments might be offered until 5 or 6 o'clock.

The CHAIRMAN. That would be absolutely in the province of the committee so long as the amendments are germane.

Mr. BLANTON. And not dilatory.

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Illinois [Mr. BRITTEN].

The question was taken; and a division was demanded by Mr. BRITTEN.

Mr. BRITTEN. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed Mr. BRITTEN and Mr. RAMSEYER to act as tellers.

The committee divided; and the tellers reported there were ayes 148 and noes 143.

So the amendment offered by Mr. BRITTEN was agreed to.

The CHAIRMAN. The question is on the adoption of the substitute amendment offered by the gentleman from Iowa, as amended.

Mr. STRONG of Kansas. Mr. Chairman, I have an amendment on the Clerk's desk.

The CHAIRMAN. The gentleman was not on his feet seeking recognition. The amendment comes too late.

Mr. STRONG of Kansas. I sent it to the desk.

The CHAIRMAN. The gentleman did not ask for recognition. I am sure if the gentleman had observed, the Chair waited before he put the motion on the Ramseyer substitute, and looked around the Chamber to see if any other Members desired to offer amendments.

The question is on the adoption of the substitute amendment offered by the gentleman from Iowa, as amended.

The question was taken; and on a division (demanded by Mr. O'CONNOR) there were—ayes 151, noes 125.

Mr. O'CONNOR. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. O'CONNOR and Mr. RAMSEYER to act as tellers.

The committee again divided; and the tellers reported there were ayes 159 and noes 176.

So the substitute amendment offered by Mr. RAMSEYER was rejected.

Mr. McREYNOLDS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McREYNOLDS: Page 2, line 17, as amended, after "$2,500," strike out the period, insert a comma, and add "up to and including $3,500; 15 per cent of the amount thereof up to and including $5,000; 20 per cent up to and including $7,500; and 25 per cent in excess of $7,500."

Mr. McREYNOLDS. Mr. Chairman, I am sure that we all appreciate the great efforts that have been made by the Economy Committee in trying to reduce the expenses of the Government. I want to cut down expenses, discard useless departments, and combine departments wherever economy can be effected, and cut the salaries as they should be cut. This country is in a distressful condition; people are demanding reduction in expenses of the Government, and I am endeavoring to do my part.

I have opposed the reduction as proposed by the committee wherein it was 11 per cent of $1,000. I feel that the reduction should not go in the lower brackets, but that the greater reduction should go in the higher brackets.

You have already established a $2,500 exemption. To carry that out and to save expense my amendment makes 11 per cent applicable up to $3,500, inclusive; from $3,500 to $5,000, 15 per cent; from $5,000 to $7,500, 20 per cent; and over and above that amount 25 per cent. You must remember in making these reductions that you have a $2,500 exemption.

Let me call your attention to what this means. Under the present plan you would pay out $110 on a salary of $3,500. On a salary of $5,000 under the present plan there would be a reduction of $250; under the plan proposed in my amendment the reduction would be $335. On a salary of $7,500 under the plan proposed in my amendment the reduction would be $835, whereas the reduction under the present plan is $550. There being a $2,500 exemption, this increase would take from a $10,000 salary the amount of $1,460; $12,000 salary, $1,460, and so on. It follows out the idea embodied in the income tax law.

Mr. JONES rose.

Mr. McREYNOLDS. I yield to the gentleman from Texas.

Mr. JONES. The gentleman has answered the question I had intended asking. I have prepared an amendment providing a $2,000 exemption, then beginning with a 5 per cent reduction on that part of the salary between $2,000 and $3,000, 10 per cent between three and five thousand, 15 per cent between five and eight thousand, and 20 per cent on that part between eight and ten thousand and over. I agree with him that such cuts as are made should be larger in the higher brackets. This is the program that I shall support. As the gentleman's amendment is similar, I shall support it in this emergency.

Mr. McREYNOLDS. This merely makes an increase in the higher brackets, and that is where it ought to be. We ought to preserve and protect the man in the lower brackets, and we can do it in this way. The amendment will raise millions of dollars more if you are going to keep in the $2,500 exemption.

Mr. GARBER. Will the gentleman yield?

Mr. McREYNOLDS. I yield.

Mr. GARBER. What is the total amount of the saving under the gentleman's amendment?

Mr. McREYNOLDS. I have not those figures.

Mr. SIROVICH. Will the gentleman yield?

Mr. McREYNOLDS. I yield.

Mr. SIROVICH. Does the distinguished gentleman know that there are only 4,000 people drawing salaries greater than $5,000?

Mr. McREYNOLDS. If there are more than 4,000 the saving will be that much greater.

Mr. SIROVICH. There are but 4,000.

Mr. McREYNOLDS. They will be reduced under this plan. It is not fair to attack the man drawing a small salary. You can not deal with him as an individual, but you must deal with him as of a class. You know, and I know, that the greatest portion of these Federal employees live in cities and their living expenses are high. Under the present distressing conditions in the country they support many more people than those in their own families. Here in Washington I understand that many are aiding in supporting their relatives in the various States.

Mr. WOOD of Indiana. Will the gentleman yield?

Mr. McREYNOLDS. I yield.

Mr. WOOD of Indiana. Is it the gentleman's purpose to save money for the Government or to protect the employees?

Mr. McREYNOLDS. The purpose is to save money for the Government.

Mr. WOOD of Indiana. It would not save $15,000,000.

Mr. McREYNOLDS. That is better than you have left under this title in this bill.

What I would have preferred, and the amendment that I intended to offer, would have provided for no exemption, but it would have commenced something like $2,500 with a graduated scale, reaching 20 per cent in the higher brackets; and this method would have saved for the Government something like forty-five millions, so I am advised. However, that question has been settled and an exemption has been voted, and it is for that reason that I am asking this House to place a greater percentage reduction on the higher brackets. According to my ideas it is right, it is just, and it will save many millions of dollars to this Government; and I trust that this amendment can be adopted.

[Here the gavel fell.]

Mr. KELLER. Mr. Chairman, I rise in opposition to the amendment. If it were necessary to cut salaries, as we are talking about doing here, I would be for it. It not only is not necessary but it is absolutely unnecessary. It is bad economy; it is bad morals; and it is bad politics. The interest of the people of the cities and the interests of the people of the country in the United States are one and the same. [Applause.] It is not true to say that because a man lives in a country district he shall take a different view of the needs of the situation. I appeal to those of you who, like myself, are from a district containing very small cities, to consider that our interests are exactly the same as the interests of people who live in New York, Chicago, and every other great city in America. We are putting ourselves in a position where, in effect, we are saying that prosperity in the cities brings poverty in the country, or that prosperity in the country brings poverty in the cities. Any man who knows the simple A, B, C's of economics knows that is not true. The people of the cities and the people of the country will prosper together or suffer from poverty together.

From the very beginning we started at this thing backward.

Some gentlemen here seem to be amused at the present situation, but let me say to them that they are going to answer some questions this fall. They are not going to be able to get away with this when they go back home and face an old hard-headed farmer, and I am going to face my farmers, too. You may go back and say, "We have saved $150,000,000 or $300,000,000." Then the farmer will say to you, "How much have you saved for me? Did you save my home? Did you enable me to pay my taxes? Did you enable me to get good prices for my produce?" Then he will ask you again, "How much did you say you saved for me?"

If you will take your pencils, gentlemen, and count how much you have saved for these farmers you will find you are not saving for them a single, solitary dollar. I am preparing a table which will astound the gentlemen who really believe they are helping the farmers by this supposed economy.

Mr. BACHMANN. Will the gentleman yield?

Mr. KELLER. I yield.

Mr. BACHMANN. Does the gentleman favor this $2,500 cut or exemption in salaries?

Mr. KELLER. I am not going to vote for any cut in any man's salary anywhere or at any time. [Applause.] It is all wrong economically; absolutely wrong.

Mr. KVALE. Will the gentleman permit an observation in his time?

Mr. KELLER. I will.

Mr. KVALE. To those Members of Congress who would like to know what the farm organizations and farm people think about pay cuts, I refer them to the RECORD of Tuesday,

March 29, in which appear letters inserted by the gentleman from New York [Mr. LAGUARDIA] from national farm leaders on this subject. They do not favor pay cuts.

Mr. KELLER. I thank the gentleman. I want to call your attention also to the fact that farm prices, commodity prices, and employment invariably go together. When employment starts downward commodity prices start downward. They go together. They go up, they run along together, and they go down together. If any man dares to go outside and debate this question with me where we can have time to talk things over as they ought to be, I will be able to put questions to him which he will be unable to answer. I should be glad to debate this subject before any farmer or labor audience with any man who believes our present program is at all defensible.

Mr. CONNERY. Will the gentleman yield?

Mr. KELLER. Certainly.

Mr. CONNERY. The gentleman is a member of the Committee on Labor, and he knows that this morning the contractor who has the contract for the Boulder Dam came in and said that as a result of the Interior Department appropriation bill cut, 3,200 men are to be completely turned out of work and the United States Government is to lose money during the next year on that project.

[Here the gavel fell.]

Mr. GOSS. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Tennessee [Mr. MCREYNOLDS].

The CHAIRMAN. The gentleman from Connecticut offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. Goss to the amendment offered by Mr. MCREYNOLDS: Strike out all of the amendment down to and including the word "and" where it occurs the last time.

Mr. GOSS. Mr. Chairman, I call the attention of the committee to the fact that the amendment offered by me will give the Members of the House an opportunity to express to the country whether they are willing to cut their own salaries in the higher brackets. This is the only purpose of the amendment.

Mr. KVALE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Connecticut to the amendment.

Mr. Chairman, I am not going to tax the patience of the committee at this late hour. I will try to finish in two minutes.

I want to say that I am grateful to the gentleman from Illinois [Mr. KELLER] for the courage he demonstrated in the face of the discourtesy on the part of the committee, and I subscribe to every word he uttered.

I also wish to state at this time my firm conviction that it is not only an unwise and an ill-considered and an untimely, but an almost criminal policy on the part of the Congress at this time to reduce wages and to set such an example for business and industry throughout the country that inevitably will mean for every million dollars we save here in pay cuts, a billion dollar loss in purchasing power to the Nation at a time when we need purchasing power increased and restored.

I have my own views about reducing the salary of Members of Congress. I feel I do earn the net $5,000 annually that perhaps remains from my salary after I pay the necessary expenses incident to my work and after I try to conduct the cost of my own campaign independently. I have added cause for resentment when it comes to cutting the clerk hire, to making cuts in the stationery allowances that are now inadequate, and otherwise penalizing and crippling this legislative body and making it impossible for poor men or men of modest means to aspire to this office. [Applause.]

I think the constituents back in the country and at the crossroads, after they think this over, will doubt that Congress to-day is doing them any service by seeking such economies.

I feel these things deeply. As I study them I feel them more intensely. I am profoundly convinced that we are at the crossroads to-day, and that upon the action we are about to take when the debate on this measure is concluded will rest, not the dollars and cents we save for the taxpayers, but there will rest something far greater and of far more consequence—that which the gentleman from New York [Mr. LAGUARDIA] and others have referred to—the very economic stability of the country and the recovery from the doldrums that we are now so unhappily in.

I hope the amendment of the gentleman from Tennessee will be rejected.

Mr. BACHMANN rose.

Mr. DYER. Mr. Chairman, I make the point of order that debate has been exhausted on the amendment.

The CHAIRMAN. The point of order is sustained.

Mr. LAGUARDIA. Mr. Chairman, I ask unanimous consent to proceed for five minutes on the question of congressional salary. I have some figures here of interest.

Mr. McGUGIN. Mr. Chairman, reserving the right to object, if the same consideration is given to some one else for five minutes in favor of the amendment, I shall not object; otherwise I object.

The CHAIRMAN. The gentleman from Kansas objects.

Mr. McREYNOLDS. Mr. Chairman, I would like to know just what is the last amendment to the amendment.

Mr. PATTERSON. Mr. Chairman, I ask unanimous consent to have the McReynolds amendment, as well as the Goss amendment to the amendment, read so that we may know where we are.

The CHAIRMAN. The Clerk will again report the amendments.

Mr. McGUGIN. Mr. Chairman, I ask unanimous consent that the gentleman from New York [Mr. LAGUARDIA] may proceed for five minutes out of order and that following the gentleman from New York, I may proceed for five minutes out of order.

Mr. McDUFFIE and Mr. PARKS objected.

The Clerk again read the Goss amendment and the McReynolds amendment.

Mr. PATTERSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PATTERSON. Does the McReynolds amendment carry the same reduction of congressional salary that the gentleman from Connecticut proposes in his amendment?

Mr. GOSS. Yes; I will say to the gentleman.

The CHAIRMAN. The question is on the amendment of the gentleman from Connecticut to the amendment of the gentleman from Tennessee.

The question was taken; and on a division (demanded by Mr. Goss) there were—ayes 31, noes 162.

So the amendment to the amendment was rejected.

Mr. LAGUARDIA. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Tennessee—in the McReynolds amendment strike out "$7,500" and insert "$17,500."

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA to the amendment offered by Mr. MCREYNOLDS: Strike out "$7,500" where it occurs and insert in lieu thereof "$17,500."

Mr. McDUFFIE. A point of order, Mr. Chairman. That amendment appears to me to be a dilatory amendment.

Mr. LAGUARDIA. It is not. I have a statement to make in reference to congressional salaries.

Mr. McDUFFIE. I can not see where $17,500 will apply here.

Mr. LAGUARDIA. We have our ambassadors.

Mr. SCHAFER. And the attorney for the Farm Board gets $17,500.

Mr. LAGUARDIA. Mr. Chairman, the reason I have taken this time is because there is so much misrepresentation and misapprehension on the part of a great many people in this country as to the high salaries of the Members of Congress and the luxurious life they are supposed to live here in Washington.

I do not blame the people for such misapprehension, when we have Members in the House, born with silver spoons in their mouths, who do not know the real value of

a dollar, who vote every opportunity they have against the best interests of the working people, who get up here and make a grand-stand play by advocating a reduction of their colleagues' salaries.

The other day grandiloquent gestures were made, offering or suggesting amendments to reduce salaries of Members of Congress.

In order to get an accurate picture of the family economics of the average Member of Congress, I prepared a questionnaire which I sent to about one-half of the membership of the House taken at random. From the replies received I believe a fairly good cross-section of the average Congressional-family budget was obtained.

The additional burdens of the office, its obligations, and the expenses entailed by reason of maintaining two homes, are not generally known by the public and, though known by the critics of Congress, are entirely ignored. The information from the questionnaire indicates that the average rental paid by a Member of the House in Washington, D. C., is $138.81 a month. In addition to that, Members maintain their homes in their States, and the figures show that the average cost of maintenance is $1,002 a year, either for rent or taxes and upkeep of the home—a total of $222.31 per month for housing.

Much criticism has been made of the congressional mileage allowance. Yet the results of my questionnaire show that the average Member spends $399.41 a year for traveling expenses over the mileage allowance he receives from the Government. This includes, it should be added, money spent for traveling in his district and State during campaigns and between sessions.

Those Members of Congress who have children of school age (above the primary grade) report that the average additional cost of educating them is $547 per family per year higher by reason of the temporary and shifting residence in Washington.

I asked about the additional drain on congressional salaries by reason of contributions, donations, assessments, charities, and so forth, and found that the average was $900 a year.

The average annual cost of entertaining constituents in Washington is $440.61, and anyone familiar with conditions in Washington must know this is not an exaggerated figure. The amount represents the average Member who fulfills his political and social obligations modestly and necessarily, without splurge or extravagance.

While nearly all Members of Congress belong to some fraternal organization, very few are Members of so-called exclusive clubs, where initiation and annual dues are high.

In their answers my colleagues estimated their additional personal and family expenses due to official position and residence in Washington to average $374.65 a year.

Almost without exception, Members of Congress spend $300 or $400 per year above their stationery and postage allowances. It is a popular misconception that the franking privilege covers personal campaign mailing expenses. That is not true. A Representative's term is two years. He must meet a primary or election every other year, which entails large stationery and mailing expenses.

Mr. SIROVICH. How about food?

Mr. LAGUARDIA. I have not taken food into consideration. I have only taken the additional expenses imposed upon Members of the House by reason of their official position and residence in Washington. Any additional cost of food or clothes and local obligations would be included in the amount of $374.65 which I have previously quoted as being the additional personal and family expenses due to the official position and residence in Washington.

In addition to this, there are the campaign incidentals, apart from postage and traveling, which form a large drain. The conditions in different parts of the country and in different districts, as well as political local conditions, are so different that it is difficult to strike a fair mean average. The fact remains, nevertheless, that either in one form or in another there is this additional expense.

It is true that we have men of large fortunes who entertain lavishly here, but I have not taken such individuals into consideration as it would bring the incidental expenses above the average. As I stated before, some of these men are the very ones who are now shouting the loudest to reduce the salaries of the colleagues who come to Washington not for the social whirl but on a mission of civic duty for their constituents, for their State, and for their country.

It was not so long ago that many Members of Congress were falling so far behind in their normal expenses that many had to leave Congress and abandon their legislative work. The salary was increased by reason of the necessity of enabling Members of the House and Senate at least to make their family expenses and to live in some semblance of decency.

The matter of congressional salaries has always been under discussion. It is not so much as to what salary is paid an individual Member that is the cause of this constant criticism and these perennial attempts to reduce congressional salaries as it is the desire in some quarters to see either men of large fortunes only able to run for such office or to put in small men who would be susceptible to outside influences in legislating. It was not so long ago, before the popular election of Senators, that the United States Senate was nothing but a rich man's club. Before the popular election of Senators it was nothing unusual to see the presidents of large railroad corporations sitting in the United States Senate. Had it not become an American adage to say: "He can afford to be a United States Senator," or "He can afford to be a United States ambassador"? The American people soon learned that there were other qualifications than a vast fortune necessary for a United States Senator. For that reason the Constitution was changed and the popular election of Senators provided. The purpose of this drive and constant criticism of Congress and the attempts to reduce salaries is in keeping with the old policy of the special interests to control legislation.

Legislation has become a highly specialized work. It requires experience. It requires constant study of conditions and constant application to our legislative work. The demands on the legislator are constantly increasing. The number of problems in matters coming before Congress increases every year. I know that of the membership of this House the vast majority is unable to attend to any private business during the session of Congress.

I think it is only fair for the people to know that we live seven months in the year in Washington and we must maintain a residence in our home town; that we have certain obligations that go with our official duties, that we must devote all our time to those professional duties. Let us put an end to this demagogy. [Applause.]

Mr. COOPER of Ohio. Mr. Chairman, a short time ago I offered an amendment to reduce the salaries of Members of Congress by 20 per cent. I offered that amendment in all sincerity and good faith. I am not one of those silver-spoon, silk-stocking aristocrats, to whom the gentleman from New York [Mr. LAGUARDIA] referred a few moments ago. I live in one of the greatest industrial districts in the United States. I have just spent a week or 10 days in my home city. I find in that industrial district that about 20,000 workers are unemployed to-day. We have our soup houses and our bread lines. There has been a tremendous reduction all the way down the line in wages. In the office forces of our steel companies they have made reductions in the salary of the employees 40 per cent. The union men who had always worked under the union scale in that community have voluntarily accepted reductions, and I believe if Congress is going to take the position that it must reduce the salaries of Federal employees, there was nothing better it could do than to reduce its own salaries first. I know a Congressman is not getting paid too much, but these are critical times, and everybody in this country to-day has to make some sacrifice. It is going to take a lot of heroic sacrifice to get back to the position where we want to be.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Ohio. Not now. I voted for the Ramseyer amendment, and I tell you why. I voted for it because it established the principle of a shorter work week and a shorter work day.

In the district in which I live at the present time, if the steel plants were working 100 per cent capacity, we would still have 10,000 men unemployed. Why? We have expanded beyond all our dreams in industrial development with labor-saving devices and improved machinery, and 1 man working at an open-hearth plant in the steel plant to-day can produce in 12 hours the same tonnage that 20 men produced in the same length of time 25 years ago. One of our pipe mills can produce the same tonnage in one day that it took a week to produce 25 years ago. How are we going to remedy that? We have to establish a shorter work day and a shorter work week. I do not believe that employees are working too long hours to-day, but, in order to give these men employment, we must try to regulate our production to our capacity to consume; and we have to shorten the work day and the work week in order to spread this employment out over a wider, broader field.

I voted yesterday for the $2,500 exemption. I hesitate to reduce the salaries of the Federal employees in the lower brackets, but I take this moment to say to this House that when I introduced that amendment calling for a 20 per cent cut in the salaries of Congressmen I did it in all sincerity and honesty, because, as far as I am personally concerned, I am willing to make that sacrifice; and it would be a sacrifice to me to reduce my salary, but, in order to relieve the present situation and lighten the great burdens of taxation which weigh on the backs of the American people to-day, I am willing to do it. [Applause.]

Mr. LAGUARDIA. Mr. Chairman, I withdraw my pro forma amendment.

Mr. McDUFFIE. Mr. Chairman, I move that all debate upon Title I do now close.

The CHAIRMAN. Is the gentleman moving that all debate on the title and all amendments thereto do now close?

Mr. BACHMANN. Mr. Chairman, before that motion is put will the gentleman yield for a question?

Mr. McDUFFIE. Yes.

Mr. BACHMANN. Will the gentleman advise the House whether it is his intention now to continue without recess, or to have a recess from 6 o'clock to 7.30 o'clock, so that the Members can have time to get dinner.

Mr. McDUFFIE. My intention is not to have a recess, but to continue until 10 o'clock or 10.30 o'clock this evening.

Mr. SIROVICH. Then we all ought to walk out. There are some Members here who are sick.

Mr. DELANEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DELANEY. Will the closing of debate on this title within a short time prevent us from offering further amendments to the title?

The CHAIRMAN. It will not.

Mr. BROWNING. But it will cut off debate.

The CHAIRMAN. The question is on the motion of the gentleman from Alabama that all debate upon Title I and all amendments thereto do now close.

The question was taken; and on a division (demanded by Mr. BROWNING) there were—ayes 161, noes 42.

Mr. SCHAFER. Mr. Chairman, I demand tellers.

Tellers were refused.

So the motion was agreed to.

Mr. SIROVICH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SIROVICH. There are many Members of Congress who have been worked to death. We are sick and tired of it. We have been working in our committee rooms, and I know that Members would like to have a recess for an hour or an hour and a half.

The CHAIRMAN. That is not a parliamentary inquiry.

Mr. BLANTON. Mr. Chairman, I rise to prefer a unanimous-consent request. The gentleman from Tennessee [Mr. BROWNING] has been trying to the best of his ability to get the floor on a bona fide amendment.

The CHAIRMAN. The gentleman from Tennessee will have a right to offer his amendment.

Mr. BLANTON. I ask unanimous consent that the gentleman have two minutes in which to present his amendment.

Mr. SNELL. Mr. Chairman, I object.

Mr. SIROVICH. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. The question is on the motion of the gentleman from New York that the committee do now rise.

The question was taken.

Mr. SIROVICH. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. SIROVICH and Mr. McDUFFIE to act as tellers.

The committee again divided; and the tellers reported there were—ayes 136, noes 55.

So the motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. WARREN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 11267, the legislative appropriation bill, had come to no resolution thereon.

Mr. McDUFFIE. Mr. Speaker, I move that the House stand in recess until 7.30 this evening.

Mr. SIROVICH. Mr. Speaker, I move that the House do now adjourn until to-morrow at 12 o'clock noon.

The SPEAKER. The gentleman from New York moves that the House do now adjourn until to-morrow at 12 o'clock noon.

The question was taken; and a division was demanded by Mr. SIROVICH.

Mr. SIROVICH. Mr. Speaker, I ask for tellers.

Tellers were ordered.

The SPEAKER appointed Mr. SIROVICH and Mr. McDUFFIE to act as tellers.

The House divided; and the tellers reported there were—ayes 118 and noes 157.

So the motion was rejected.

RECESS

Mr. McDUFFIE. Mr. Speaker, I move that the House now stand in recess until 7.30 p. m.

The motion was agreed to; accordingly (at 5 o'clock and 45 minutes p. m.) the House stood in recess until 7.30 o'clock p. m.

EVENING SESSION

The recess having expired, the House was called to order by the Speaker pro tempore, Mr. RAINEY.

Mr. JOHNSON of Washington. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER pro tempore. The gentleman from Washington makes a point of order that there is no quorum present. Evidently there is not a quorum present.

CALL OF THE HOUSE

Mr. McDUFFIE. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 59]

Abernethy	Clague	Foss	Igoe
Aldrich	Clark, N. C.	Freeman	Jeffers
Andresen	Cochran, Pa.	Garber	Johnson, Ill.
Andrews, N. Y.	Collier	Garrett	Kemp
Baldridge	Crowe	Golder	Kendall
Beck	Crump	Goldsborough	Kleberg
Bloom	Culkin	Griffin	Kurtz
Boland	Dallinger	Griswold	Larrabee
Boylan	Davenport	Hall, Miss.	Larsen
Brand, Ohio	Douglass, Mass.	Hancock, N. C.	Lea
Britten	Dowell	Harlan	Lewis
Brumm	Drane	Haugen	Lovette
Burtness	Erk	Hogg, Ind.	Ludlow
Canfield	Estep	Holmes	McLaughlin
Cavicchia	Evans, Mont.	Hornor	McSwain
Celler	Finley	Horr	Magrady
Chapman	Fish	Hull, Morton D.	Martin, Oreg.
Chavez	Fishburne	Hull, William E.	Miller

Murphy	Selvig	Sumners, Tex.	Whitley
Norton, Mrs.	Smith, Idaho	Sweeney	Williams, Tex.
Owen	Smith, W. Va.	Swing	Withrow
Parsons	Steagall	Tinkham	Wolfenden
Partridge	Stevenson	Treadway	Wood, Ind.
Peavey	Stokes	Tucker	Wyant
Pou	Strong, Pa.	Underhill	Yates
Sanders, N. Y.	Sullivan, Pa.	Weaver	Yon

The SPEAKER pro tempore. Three hundred and twenty-six Members have answered to their names. A quorum is present.

Mr. McDUFFIE and Mr. JOHNSON of Washington rose.

PRIVILEGES OF THE HOUSE

Mr. JOHNSON of Washington. Mr. Speaker, I rise to a question of the privileges of the House of Representatives.

The SPEAKER. The gentleman will state the question of privilege.

Mr. JOHNSON of Washington. In that connection, Mr. Speaker, I desire to submit a parliamentary inquiry to ask if the rules of the House of Representatives run to the committees of the House of Representatives? It is a question of the privileges of the House relating to procedure.

Mr. O'CONNOR. Mr. Speaker, I make the point of order that is not a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. O'CONNOR. Mr. Speaker, I make the point of order that it is not a parliamentary inquiry.

Mr. JOHNSON of Washington. Mr. Speaker, I am rising to a question of procedure of the House of Representatives. I am going on the theory that the procedure of the House runs to the committees of the House. In that connection I desire to make a statement.

The SPEAKER pro tempore. In reply to the inquiry of the gentleman, the Chair will read the following from the rules:

The rules of the House are hereby made the rules of its standing committees as far as applicable, except that a motion to recess from day to day is hereby made a question of high privilege in said committees.

Mr. JOHNSON of Washington. Mr. Speaker, in that connection I desire to make a statement.

Mr. O'CONNOR. Mr. Speaker, I make the point of order that there is no authority for making any statement.

The SPEAKER pro tempore. The point of order is sustained.

Mr. JOHNSON of Washington. I am making a statement under the rule just read as to the privileges of the House.

Mr. O'CONNOR. Mr. Speaker, I submit it is subject to the same point of order.

Mr. JOHNSON of Washington. Am I not to be given a chance to rise to a question of privilege?

Mr. BANKHEAD. Mr. Speaker, I demand the regular order.

Mr. DYER. Mr. Speaker, I make the point of order that the gentleman's statement is not in order.

Mr. BLANTON. Mr. Speaker, the regular order is that the gentleman may state his question of privilege.

Mr. JOHNSON of Washington. Mr. Speaker, I charge the rules of the House in the Committee——

Mr. LEHLBACH. Mr. Speaker, I make the point of order——

The SPEAKER pro tempore. If the gentleman has a matter of privilege, let him state it.

Mr. JOHNSON of Washington. If I may have order so I can be heard, I will state the matter of privilege, which is to the effect that I charge that the rules of the House——

Mr. LEHLBACH. Mr. Speaker, I make the point of order that the statement of the gentleman's question of privilege is not in order. A question of the privilege of the House can only be raised by the offering of a resolution.

The SPEAKER pro tempore. The Chair sustains the point of order.

Mr. JOHNSON of Washington. Am I not to be allowed to rise in my seat on a question of the privileges of the House?

Mr. BLANTON. Not unless the gentleman offers a resolution.

Mr. McDUFFIE. Mr. Speaker, I move that further proceedings under the call be dispensed with.

The motion was agreed to.

STATUE OF CHARLES BRANTLEY AYCOCK

Mr. WARREN. Mr. Speaker, I offer a concurrent resolution and ask unanimous consent for its immediate consideration. I might state in explanation before the resolution is reported that it was placed in my hands this afternoon, and after conferring with the officers of the House I am advised that it is necessary to pass this resolution immediately on account of the short time intervening between now and the purposes of the resolution.

The SPEAKER pro tempore. The gentleman from North Carolina offers a concurrent resolution, which the Clerk will report.

The Clerk read as follows:

House Concurrent Resolution 29

Resolved by the House of Representatives (the Senate concurring), That the statue of Charles Brantley Aycock, presented by the State of North Carolina to be placed in Statuary Hall, is hereby accepted in the name of the United States, and that the thanks of Congress be tendered to the State of North Carolina for the contribution of the statue of one of its most eminent citizens, illustrious for the high purpose of his life and his distinguished services to the State and Nation.

Second. That a copy of these resolutions, suitably engrossed and duly authenticated, be transmitted to the Governor of the State of North Carolina.

The SPEAKER pro tempore. Is there objection?

Mr. SNELL. Mr. Speaker, reserving the right to object, is this one of the statues that the State of North Carolina is authorized to place in Statuary Hall and is this the usual resolution?

Mr. WARREN. Yes; and this is the second statue.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The resolution was agreed to.

LEGISLATIVE APPROPRIATION BILL

Mr. McDUFFIE. 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. 11267) making appropriations for the legislative branch of the Government 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. 11267, with Mr. WARREN in the chair.

The Clerk read the title of the bill.

Mr. McDUFFIE. Mr. Chairman, just before we recessed I moved that all debate on Title I close. Since that time I have been reminded that in so far as I was concerned I would endeavor to secure permission for the gentleman from Tennessee [Mr. BROWNING] to offer an amendment. Preferring not to be placed in the attitude of breaking faith with a colleague, I now ask unanimous consent that the gentleman from Tennessee may present his amendment and have five minutes in which to address the committee upon it.

The CHAIRMAN. Is there objection?

Mr. O'CONNOR. Mr. Chairman, reserving the right to object, there are other Members here—the gentleman from New York, Mr. DELANEY, the gentleman from New York, Mr. MEAD, and the gentleman from Illinois, Mr. BEAM—who have important amendments to offer and on which they desire to be heard. It was not suggested that this whole Title I be foreclosed after the salary matters were disposed of, because there are other very important matters in that title, and it was the general opinion of the committee, as expressed just before we recessed, that a motion to foreclose all debate on those titles interfered with Members who desired an opportunity to present amendments.

Mr. DYER. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The regular order is: Is there objection?

Mr. O'CONNOR. Mr. Chairman, I object.

Mr. SCHAFER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SCHAFER. Is it in order at the present moment to offer a substitute for Title I?

The CHAIRMAN. It is not. There is an amendment pending. The question is on agreeing to the amendment offered by the gentleman from Tennessee [Mr. McREYNOLDS].

Mr. SNELL. Mr. Chairman, I ask unanimous consent that the amendment may again be reported.

The CHAIRMAN. Is there objection?

Mr. LAGUARDIA. Mr. Chairman, I object.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. BROWNING. Mr. Chairman, I offer an amendment.

Mr. McREYNOLDS. Mr. Chairman, I was on my feet calling for a division on the adoption of my amendment.

The CHAIRMAN. The Chair thinks the gentleman is too late. The Chair neither saw nor heard the gentleman when he put the question. The Chair thinks the gentleman is too late. The gentleman from Tennessee offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BROWNING: On page 7, line 1, strike out all of lines 1, 2, 3, and 4.

The amendment was rejected.

Mr. BEAM. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report:

The Clerk read as follows:

Amendment offered by Mr. BEAM: Strike out section 102 (a) on page 2, lines 9 to 17.

The amendment was rejected.

Mr. DELANEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DELANEY: Page 2, line 17, start after the figure and insert: "*Provided*, That any reduction in the compensation of any office, position, employment, or enlistment, the compensation for which is adjustable to conform to the prevailing rate of pay in private employment for similar work, shall not exceed the reduction in the total compensation of other employees of equivalent compensation, covered by this section."

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. DELANEY) there were—ayes 46, noes 138.

Mr. DELANEY. Mr. Chairman, I ask for tellers.

Tellers were refused.

Mr. WOODRUM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOODRUM: Page 7, line 4, after the period, insert a new paragraph:

"Par. (c) After June 30, 1932, no officer or employee of the Reconstruction Finance Corporation shall receive a salary at a rate in excess of $10,000 per annum."

Mr. LAGUARDIA. Mr. Chairman, I make a point of order on that amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. LAGUARDIA. I state the point of order to be that the salary which the gentleman seeks to reduce of the Reconstruction Finance Corporation is already covered in the bill.

Mr. WOODRUM. The gentleman is mistaken, and the chairman has just indicated that he will accept the amendment.

Mr. LAGUARDIA. Then I withdraw the point of order.

Mr. WILLIAMSON. Mr. Chairman, I submit that the chairman has no right to accept an amendment and say that the committee is not opposed to it.

The question was taken; and on a division (demanded by Mr. WOODRUM) there were—ayes 142, noes 54.

So the amendment was agreed to.

Mr. MEAD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MEAD: On page 4, line 3, add paragraph (f):

"Postal employees who will automatically be reduced in salary on July 1, 1932, by reason of decreased postal receipts for the calendar year 1931, and shall not apply to those who have been reduced on July 1, 1931, except wherein the total reduction applied on July 1, 1931, and July 1, 1932, does not amount to 11 per cent of original salary: *And provided further*, That the total reduction shall not amount to more than 11 per cent."

Mr. CONNERY. Mr. Chairman, I make a point of order against that. We have already passed the postal employees' provision.

Mr. RAMSEYER. Also, Mr. Chairman, it is not germane.

Mr. MEAD. Mr. Chairman, I desire to be heard on the point of order.

The CHAIRMAN. The Chair overrules the point.

The question is on the amendment offered by the gentleman from New York.

Mr. MEAD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MEAD. I will withdraw the amendment if the chairman of the committee can inform me if the postal employee whose salary is regulated by receipts of the office——

Mr. BLANTON. Mr. Chairman, I make a point of order that that is not a parliamentary inquiry.

The CHAIRMAN. That is not a parliamentary inquiry, and the gentleman's inquiry is not in order.

The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. MEAD) there were—ayes 41, noes 118.

So the amendment was rejected.

Mr. SCHAFER. Mr. Chairman, I offer as a substitute for Title I a real economy substitute which will save annually $500,000,000 to the badly battered Treasury.

The CHAIRMAN. The Clerk will report the substitute.

The Clerk read as follows:

TITLE I.—FURLOUGH OF FEDERAL EMPLOYEES

SEC. 101. During the fiscal year ending June 30, 1933, each officer or employee in the Bureau of Industrial Alcohol and the Bureau of Prohibition earning compensation on an annual basis at the rate of more than $2,000 per annum shall be furloughed without compensation for six calendar months——

Mr. BLANTON. Mr. Chairman, I make the point of order that the amendment shows on its face that it is clearly dilatory.

The CHAIRMAN. The amendment so far is in order. The Clerk will read.

The Clerk continued the reading of the amendment, as follows:

or for such periods as shall in the aggregate——

Mr. RAMSEYER. Mr. Chairman——

Mr. LAGUARDIA. Mr. Chairman, we are entitled to have the amendment read without interruption.

Mr. BLANTON. Well, it is a lot of buncombe.

Mr. LAGUARDIA. The whole bill is buncombe.

Mr. GOSS. Mr. Chairman, I make the point of order that the gentleman from Texas is not in order.

The CHAIRMAN. The Chair is trying now to determine whether or not the amendment is subject to a point of order. So far it is not subject to a point of order, and the Clerk will read.

The Clerk continued the reading of the amendment, as follows:

be equivalent to six calendar months, for which latter purpose 24 working days (counting Saturday as one-half day) shall be considered as the equivalent of one calendar month.

SEC. 102. In order to promote economy and reduce expenditures in the Treasury and Justice Departments and to relieve industries and subjects of taxation from existing and additional burdens, there shall be levied and collected on all beer, lager beer, ale, porter——

Mr. BLANTON. Mr. Chairman, I make the point of order that the amendment is not germane, is dilatory, and foolish.

The CHAIRMAN. The point of order is sustained.

Mr. CONNERY. Mr. Chairman, I move to strike out Title I.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. CONNERY: Strike out Title I.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question was being taken, when Mr. CONNERY demanded tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. CONNERY and Mr. WILLIAMSON.

The committee divided; and the tellers reported that there were 84 ayes and 183 noes.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read Title II.

The Clerk read Title II, as follows:

TITLE II.—PROVISIONS AFFECTING PERSONNEL

SUSPENSION OF PROMOTIONS AND FILLING OF VACANCIES

SEC. 201. All provisions of law which confer upon civilian or noncivilian officers or employees of the United States Government or the municipal government of the District of Columbia automatic increases in compensation by reason of length of service or promotion are suspended during the fiscal year ending June 30, 1933; but this section shall not be construed to deprive any person of any increment of compensation received through an automatic increase in compensation prior to July 1, 1932.

SEC. 202. No administrative promotions in the civil branch of the United States Government or the government of the District of Columbia shall be made during the fiscal year ending June 30, 1933: *Provided*, That the filling of a vacancy, when authorized by the President, by the appointment of an employee of a lower grade, shall not be construed as an administrative promotion, but no such appointment shall increase the compensation of such employee to a rate in excess of the minimum rate of the grade to which such employee is appointed unless such minimum rate would require an actual reduction in compensation. The President shall submit to Congress a report of the vacancies filled under this section up to November 1, 1932, on the first day of the next regular session. The provisions of this section shall not apply to commissioned, commissioned warrant, warrant, and enlisted personnel (including cadets) of the Coast Guard.

SEC. 203. No appropriation available to any executive department or independent establishment or to the municipal government of the District of Columbia during the fiscal year ending June 30, 1933, shall be used to pay the compensation of an incumbent appointed to any civil position under the United States Government or the municipal government of the District of Columbia which is vacant on July 1, 1932, or to any such position which may become vacant after such date: *Provided*, That this inhibition shall not apply (a) to absolutely essential positions the filling of which may be authorized or approved in writing by the President of the United States, (b) to temporary, emergency, seasonal, or cooperative positions, or (c) to commissioned, commissioned warrant, warrant, and enlisted personnel (including cadets) of the Coast Guard. The appropriations or portions of appropriations unexpended by the operation of this section shall not be used for any other purposes but shall be impounded and returned to the Treasury, and a report of all such vacancies, the number thereof filled, and the amounts unexpended, for the period between July 1, 1932, and October 31, 1932, shall be submitted to Congress on the first day of the next regular session: *Provided*, That such impounding of funds may be waived in writing by the President of the United States in connection with any appropriation or portion of appropriation, when, in his judgment, such action is necessary and in the public interest.

COMPULSORY RETIREMENT FOR AGE

SEC. 204. On and after July 1, 1932, no person rendering civilian service in any branch or service of the United States Government or the municipal government of the District of Columbia who shall have reached the retirement age prescribed for automatic separation from the service, applicable to such person, shall be continued in such service, notwithstanding any provision of law or regulation to the contrary: *Provided*, That no such person heretofore or hereafter separated from the service of the United States or the District of Columbia under any provision of law or regulation providing for such retirement on account of age shall be eligible again to appointment to any appointive office, position, or employment under the United States or the District of Columbia: *Provided further*, That this section shall not apply to any person named in any act of Congress providing for the continuance of such person in the service.

SEC. 205. The provisions of this act providing for temporary reductions in compensation and suspension in automatic increases in compensation shall not operate to reduce the rate of compensation upon which the retired pay of any officer or employee would be based but for the application of such provisions, but the amount of retired pay shall be reduced by the percentage applicable under Title I.

TEMPORARY REDUCTION OF TRAVEL ALLOWANCES

SEC. 206. During the fiscal year ending June 30, 1933—

(a) the traveling and per diem allowances provided for in sections 3, 4, 5, and 6 of the subsistence expense act of 1926, approved June 3, 1926 (U. S. C., Sup. V, title 5, secs. 823–826) shall not exceed the amounts of $5, $4, $6, and $5, respectively, in lieu of the amounts set forth in such sections;

(b) all provisions of law which authorize the payment of mileage to officers of the services mentioned in the pay adjustment act of 1922 (U. S. C., title 37) are hereby suspended and in lieu thereof such officers shall be entitled to allowances for travel only as provided for civilian employees of the Government, and the subsistence expense act of 1926, as modified by this section, shall apply to such travel: *Provided*, That all appropriations available for the payment of such mileage during the fiscal year 1933 shall be construed as being available for the payment of the allowances herein provided;

(c) the mileage allowance of Senators, Representatives in Congress, and the Delegate from Hawaii is reduced 25 per cent; the allowance to the Delegate from Alaska provided by section 1 of the act of May 7, 1906, the allowance of the Resident Commissioners from the Philippine Islands provided by section 8 of the act of July 1, 1902, and the allowance to the Resident Commissioner from Porto Rico provided by section 36 of the act of March 2, 1917, are reduced by 25 per cent; and

(d) the traveling allowances provided for in the act entitled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes," approved February 28, 1925 (U. S. C., title 39, sec. 633), shall not exceed $2 per day.

OVERTIME COMPENSATION

SEC. 207. During the fiscal year ending June 30, 1933, no officer or employee of the Government shall be allowed or paid a higher rate of compensation for overtime work, for night work, or for work on Sundays and holidays. In so far as practicable, overtime work and night work shall be performed by substitutes in lieu of persons who have performed a day's work during the day during which the overtime work or night work is to be performed, and work on Sundays and holidays shall be performed by substitutes in lieu of persons who have performed a week's work during the same week.

LIMITATIONS ON AMOUNT OF RETIRED PAY

SEC. 208. (a) After the date of the enactment of this act, no person holding a civilian office or position, appointive or elective, under the United States Government or the municipal government of the District of Columbia or under any corporation, the majority of the stock of which is owned by the United States, shall be entitled, during the period of such incumbency, to retired pay from the United States for or on account of services as a commissioned officer in any of the services mentioned in the pay adjustment act of 1922 (U. S. C., title 37) at a rate in excess of an amount which when combined with the annual rate of compensation from such civilian office or position makes the total rate from both sources more than $3,000; and when the retired pay amounts to or exceeds the rate of $3,000 per annum, such person shall be entitled to the pay of the civilian office or position or the retired pay, whichever he may elect. As used in this section, the term "retired pay" shall be construed to include credits for all service that lawfully may enter into the computation thereof.

(b) This section shall not apply to officers on the emergency officers' retired list created by the act of May 24, 1928, and shall not apply to any person retired for disability incurred in line of duty.

PERSONNEL REDUCTIONS—MARRIED PERSONS

SEC. 209. In any reduction of personnel in any branch or service of the United States Government or the District of Columbia, married persons (living with husband or wife) employed in the class to be reduced shall be dismissed before any other persons employed in such class are dismissed, if such husband or wife is also in the service of the United States or the District of Columbia. In the appointment of persons to the classified civil service preference shall be given to persons other than married persons living with husband or wife, such husband or wife being in the service of the United States or the District of Columbia.

TEMPORARY ASSIGNMENTS IN POSTAL SERVICE

SEC. 210. During the fiscal year ending June 30, 1933, the Postmaster General may, when the interest of the service requires, temporarily assign any clerk to the duties of carrier or any carrier to the duties of clerk, and in an emergency may assign any post-office employee to the duties of a railway postal clerk, or any railway postal clerk to the duties of a post-office employee without change of pay-roll status.

Mr. SIROVICH. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. SIROVICH: Page 10, line 7, at the conclusion of section 204, add the following paragraph:

"Any civil-service employee who has to his credit 30 years or more of allowable service as computed under the provisions of the civil-service retirement act is hereby given the right of optional retirement without regard to age, and the act of May 2, 1920, as amended by act of May 27, 1930, is accordingly amended: *Provided*, That such applicant furnishes proof of disability of 20 per cent or more, as determined under the regulations of the Veterans' Administration."

Mr. SIROVICH. Mr. Chairman, ladies and gentlemen of the committee, one of the greatest American writers prior to and during the American Revolution was Thomas Paine. Four great works have made his name immortal in America,

and established his fame throughout the civilized world. These four books are:

1. Common Sense; 2. The Crisis; 3. The Rights of Man; 4. Age of Reason.

"Common Sense" inspired and stirred the soul and imagination of George Washington to give his all upon the altar of establishing American freedom, and was instrumental in causing Thomas Jefferson to write that great immortal document known as the Declaration of Independence. When the American Colonial troops were in destitute circumstances, impoverished, suffering from hunger and want, walking, literally speaking, without shoes and in tattered clothes, it was the magnificent pamphlets called "The Crisis," written by Thomas Paine, that reinspired the American forces and those who sympathized with the American Revolution, to stand behind George Washington and the cause of the American Republic more than ever.

These 16 pamphlets called "The Crisis" were, next to the fighting spirit of Washington and his soldiers, more instrumental in bringing our cause to a successful conclusion than anything that ever happened in the eight years of strife between our Colonial forbears and the British redcoats.

In 1790 Edmund Burke wrote his treatise entitled "Reflections on the Revolution in France." In that book he genuflected and lick-spittled to monarchy and European aristocracy. It remained for that great intellectual genius, Thomas Paine, to answer him in that magnificent work entitled "The Rights of Man," in which he ridiculed the contentions of monarchies and aristocracies and all that they stand for, to battle for the inalienable right of mankind to the pursuit of life, liberty, and happiness, which every human being is entitled to receive in any part of the world in which he may live. While Paine was in prison in France for having tried to save the lives of Louis XVI and Marie Antoinette, waiting for the guillotine to deprive him of his head, he wrote the great work called "The Age of Reason," in which he appealed for the spiritual emancipation of mankind from worshiping at the altar of idolatry and superstition.

Mr. Chairman, ladies, and gentlemen, these four titles—Common Sense, the Crisis, the Rights of Man, and the Age of Reason—have a definite application to the conditions of our own time and particularly as they affect Congress. In the days of Thomas Paine we passed through a great political revolution. To-day we are passing through one of the greatest economic revolutions that has ever afflicted our Nation.

The American workingman has liberty and freedom. He has, however, no economic security. He cries aloud for work, but the only response is the echo of his wailing cry. To balance his unemployment we give him the cutting and slashing of Federal wages. The Budget must be balanced. We must take it from the weak to strengthen the strong. We must yield to power instead of to principle.

Mr. DYER. Mr. Chairman, I make the point of order that the gentleman from New York is not discussing his amendment.

The CHAIRMAN. The gentleman from New York will proceed in order.

Mr. SIROVICH. Mr. Chairman, that just goes to prove that Tom Paine was right when he wrote about common sense. [Laughter.]

In the Congress of the United States, common sense has fled from some of the minds of its Representatives, and like the distinguished gentleman from Missouri in its place we find hysteria sitting upon the throne. Hysteria is the major general that is leading and driving the forces that are crushing the social and economic rights of our Federal employees.

It is therefore necessary to appeal to reason to come back to its seat, to take possession of the judgment of some of our Members of Congress, and once again endeavor to bring about the greatest good to the greatest number of our Federal employees.

From a social, from an economic, and from a political standpoint the reduction of salaries of Federal employees would be instrumental in aggravating the frozen confidence of our American people by continuing longer the economic depression in which we are now floundering.

It would reduce the standard of living in every American home, which has taken us decades and decades to perfect and develop until it has been known the world over as the American standard of living.

From an economic standpoint it would diminish the purchasing power of more than a million Federal employees. It would lengthen the depression and compel the American workingman to economize now more than ever, because of the reduction of his salary. It would be instrumental in changing the living and saving wages that he formerly received into starvation wages.

From a political standpoint, we granted Europe a moratorium. We voted $2,000,000,000 for the Finance Reconstruction Corporation. We thought this tremendous monetary contribution, designed to help railroads, large banking institutions, life-insurance companies, Federal farm banks, and other similar organizations, would be instrumental in trickling down from above to help those who are below and are in destitute circumstances, impoverished, and unemployed, who would be the beneficiaries of this special legislation. This privileged legislation was a financial blood transfusion for Europe and for those great institutions. However, it looks to me as if this financial blood is being attempted to be taken from the anæmic, impoverished, self-respecting American Federal employee—1,000,000 of them—to help those who have been responsible for bringing our country into this great economic depression in which we find ourselves at the present time.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield for a question?

Mr. SIROVICH. Yes.

Mr. McDUFFIE. Will the gentleman tell us the economy to be effected by his amendment and how much money will be saved to the Public Treasury by it? We are interested in that, if the gentleman please.

Mr. SIROVICH. Mr. Chairman, ladies, and gentlemen, my amendment will save the Government of the United States $20,000,000. It provides that "any civil-service employee who has to his credit 30 years or more allowable service as computed under the provisions of the civil service retirement act is hereby given the right of optional retirement without regard to age and the act of May 2, 1920, as amended by the act of May 27, 1930, is accordingly amended, provided such applicant furnished proof of disability of 20 per cent or more as determined under the requirements of the Veterans' Administration."

Mr. Chairman, the liberalization of all Federal retirement laws through the enactment of a bill granting optional retirement after 30 years of service would save the Government $20,000,000 annually.

On the basis of 550,000 employees subject to the provisions of this act, the total number retired immediately would be about 15,000.

If no vacancies were filled or promotions made within the grades, as is now being considered, the annual saving to the Government would be at least $30,000,000.

If one-half of the vacancies were filled and appointments made at the entrance salary of $1,440, this saving would be about $20,000,000, and new jobs would have been provided for 7,500 of the unemployed.

Many of these faithful and loyal workers of the Federal Government who have worked more than 30 years have passed the peak of their efficiency. They impede the progress of the younger workers of lower salary grades who are not given an opportunity to perform important work. Many of these younger workers are competent and well qualified to perform work of a higher grade, but are held back, due to the stagnation incident to the present retirement law. This amendment provides for a substantial reduction without hardships to any and with benefits to many. The amendment that I have offered has met the approval of Mr. McDUFFIE, chairman of the Economy Committee, and the approval of Mr. RAMSEYER and Mr. WILLIAMSON, Republican members of the Economy Committee. In my opinion,

it will save at least $20,000,000, without bleeding any workingman.

It will give an opportunity to almost 10,000 to 15,000 men and women who have worked for a period of 30 years, indefatigably, loyally, and perseveringly, and who have given the best years of their lives, but who are disabled to the extent of 20 per cent of their physical and mental ability, to retire on the approval of the Veterans' Administration. When you take into consideration the fact that the average earnings of 10,000 men amounts to $2,600 a year, it will be seen that $2,600 multiplied by 10,000 amounts to $26,000,000, while 10,000 retired at a pension of $1,200 a year amounts to $12,000,000, a saving alone of $14,000,000 or $15,000,000. This would please the Federal employee and deprive no one of their labor. It would do justice to the Federal employee who has labored in the quarry of patriotic service to our Republic. [Applause.]

Mr. RAMSEYER. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. RAMSEYER. Mr. Chairman, I ask unanimous consent that the gentleman be given two minutes more.

The CHAIRMAN. Is there objection?

Mr. DYER. I object.

Mr. BLANTON. Mr. Chairman, I ask recognition in opposition to the amendment.

Mr. LEHLBACH rose.

The CHAIRMAN. The Chair will recognize the gentleman from New Jersey [Mr. LEHLBACH] if he is opposed to the amendment.

Mr. LEHLBACH. I am not.

The CHAIRMAN. The Chair feels that under the rules he must recognize some one who is opposed to the amendment.

Mr. BLANTON. Mr. Chairman, I am opposed to the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, under this amendment there would be about 10,000 or 15,000 Government employees who would retire at 51 years of age, and you would find them getting 20 or 25 or even 30 per cent disability certificates from doctors for social inaptitude and various other imaginary afflictions, and they would be drawing money from the Government as retired pay for life, and soon would be holding other jobs, keeping other men out of positions.

Mr. SMITH of Idaho. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. SMITH of Idaho. Can the gentleman name a single individual now in the employ of the Government who wants to retire?

Mr. BLANTON. I know of many of them who have been retired on big pay who now have new jobs and are getting double salaries. When they get a chance, after they have been educated by the Government, after they have received intensive training in various bureaus, like the Bureau of Mines or the Bureau of Standards and others, there are those who want to retire when some commercial institution comes along and offers them two or three times the pay they are getting from the Government. Then they will want to be retired, and it is very easy for them to get some doctor to give them a 30 per cent disability certificate. Then they draw retired pay and also a big salary. I am not in favor of it. That is a scandal in this Government to-day—having men retired on big pay for life right here in the city of Washington and then getting another big salary in a new position and drawing two or three pays. It is infamous; it is outrageous.

What are you going to do about it? Just keep on retiring them? There are bunches of them here. I have put hundreds of their names in the RECORD. Just ask the people over the country if they want that to continue. Who is it that is clamoring for this early retirement at 51 for a 30 per cent presumptive disability? Is it any reason to retire a man simply because he has worked 30 years and reached the age of 51 years?

There are married couples who have lived together 60 years, and the husband is still the breadwinner of the family. Is 51 years old? Look at the gentleman from Pennsylvania, Mr. McFADDEN. He is 51 years of age, and last Tuesday he whipped the whole Republican Party to a finish in Pennsylvania. [Applause.] I do not know where it is all leading. I am sure when Mr. WILLIAMSON and Mr. RAMSEYER and Mr. McDUFFIE intimated that they were not objecting to this amendment, they did not realize what it really means to the people of the country. There is a provision in this bill to stop these retired fellows from drawing two salaries where either one of the salaries is over $3,000. That is put in there to correct this abuse. I hope my friend McDUFFIE will not agree to this amendment. We ought to vote it down; it is vicious; it is carrying out and continuing this very abuse; it is permitting an abuse to continue that we ought not to permit to continue.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. McDUFFIE. To be frank with the gentleman, I never saw the amendment until about an hour ago.

Mr. BLANTON. Oh, I was sure that the gentleman has not digested it.

Mr. McDUFFIE. I had the word of Mr. Brown, of the Bureau of Efficiency, to the effect that it would save $10,000,000, and I said that I am in favor of any amendment that will save that much money.

Mr. BLANTON. Mr. Chairman, the very first provision in this economy measure ought to have been a provision to repeal the Efficiency Bureau and Mr. Brown with it. Every one of us who knows anything about Mr. Brown and his Efficiency Bureau knows that he has caused more inefficiency in this Government than all other bureaus combined. I do not believe a word he says about it. He is so inefficient himself, and he has such an army of superlative inefficients working under him, that he has no more idea about a real economy program than a bunch of wild hogs in a cornfield.

Mr. TABER. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. TABER. Does the gentleman know, or does anybody know, how many would be eligible for retirement under this, and how much money it would amount to, and how many more would be put in their places?

Mr. BLANTON. I know that if you ask the gentleman from South Carolina [Mr. McSWAIN], chairman of the Committee on Military Affairs, he will tell you that when they first proposed this emergency officers' retirement act, the Veterans' Bureau sent up to his committee, and he has the report now, the statement that it would affect only 890 officers, and 7,000, approximately of them have been retired at this time. We must vote down this amendment and all similar ones.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LEHLBACH. Mr. Chairman——

Mr. DYER. Mr. Chairman, I make the point of order that the debate is exhausted upon the amendment.

The CHAIRMAN. The point of order is sustained.

Mr. LEHLBACH. I offer an amendment to the amendment.

The CHAIRMAN. The Clerk will report the amendment to the amendment offered by the gentleman from New Jersey [Mr. LEHLBACH].

The Clerk read as follows:

Amendment to the amendment offered by Mr. LEHLBACH: In the second last line of the amendment strike out "20 per cent" and insert "25 per cent."

Mr. LEHLBACH. Mr. Chairman, I have heretofore not looked with favor upon propositions of optional retirement after 30 years of service, regardless of age, but this proposition is only applicable to those who have served 30 years and who may lack a few years of the retirement age, which, with the general run of employees, is 70 years. It only

applies to those who have such an appreciable degree of disability, as ascertained by the Government, and not certified by a private physician, as effectively to impair their usefulness to the Government as an employee.

The way to illustrate is to point out concrete examples. I have personal knowledge of two men in an administrative office who are receiving salaries of $5,000 each. They are about 50 per cent efficient, but they lack a few years of the retirement age. Nobody in authority will discharge them.

Mr. FULBRIGHT. Will the gentleman yield?

Mr. LEHLBACH. Briefly; yes.

Mr. FULBRIGHT. I would like the gentleman to explain whether, if these men are to be retired, their positions are to be filled immediately?

Mr. LEHLBACH. I will come to that. That is one of the reasons why I favor this provision. Those men, upon reaching the retirement age in two or three or four years, would be able to retire at an annuity of $1,200, of which the Government pays substantially $900 and the other $300 is paid for by their contributions since the retirement system has been in existence. There are two inefficient employees to whom the Government is paying $10,000 a year, and they can be gotten rid of for $1,800 and their places do not have to be filled.

It has been repeated here time after time that there are from 60,000 to 80,000 employees to be discharged by reason of the 10 per cent reduction in the appropriation bills by the Senate.

Mr. LARSEN. Will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. LARSEN. Does that 25 per cent mean permanent disability or temporary disability?

Mr. LEHLBACH. It is permanent. It is covered by the other provisions concerning the disability retirement in the act.

Mr. LARSEN. There ought not be any doubt about that. It ought to be an established fact.

Mr. LEHLBACH. Very well.

Mr. McDUFFIE. Will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. McDUFFIE. Will the gentleman tell us if there is any saving to be effected by it?

Mr. LEHLBACH. There is a minimum saving of $10,000,000 by this amendment, and there is a possibility of that saving amounting to $15,000,000 or $20,000,000. Ten million dollars is the minimum.

Mr. SIROVICH. If 7,500 are retired, the saving would be $11,000,000. If 15,000 are retired the saving would be from $22,000,000 to $25,000,000.

Mr. LEHLBACH. Yes; and not one of those who have been retired need be replaced, if what the committee tell us the personnel law will bring about. If we can get rid of a certain number of employees, is it not better to get rid of those who have a small pittance to live on rather than to turn them loose on the street without a cent, particularly if it is not necessary to fill their positions?

I heartily approve of this, and I withdraw the amendment which I had offered, Mr. Chairman, and will offer the following amendment, that before the word "disability" where it occurs in the amendment, there be inserted the word "permanent."

The CHAIRMAN. The Clerk will report the modified amendment offered by the gentleman from New Jersey.

The Clerk read as follows:

Modified amendment: Before the word "disability," in the second last line of the amendment, insert the word "permanent."

Mr. McDUFFIE. Mr. Chairman, I offer a substitute amendment. I move that the figure "30" be inserted instead of the figure "20."

The Clerk read as follows:

Amendment offered by Mr. McDUFFIE: In next to the last line of the amendment offered by Mr. SIROVICH strike out the figures "20" and insert in lieu thereof the figures "30."

The question was taken; and on a division (demanded by Mr. SIROVICH) there were—ayes 78, noes 153.

So the amendment was rejected.

The CHAIRMAN. The question is on the amendment of the gentleman from New York [Mr. SIROVICH].

The amendment was rejected.

Mr. COCHRAN of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COCHRAN of Missouri: On page 12 strike out lines 1 to 12, inclusive.

Mr. COCHRAN of Missouri. Mr. Chairman, I realize the temper of the committee, and I am not going to detain you but a minute, because the amendment is very easy to explain.

For over 50 years labor has fought for the right to receive overtime when required to work extra hours, and it has fought for the right to receive extra pay when required to work on Sundays and holidays. Section 207 of this bill takes that right away from the Government employees, and I seek to remove that section from the bill. It is one of the six sections each of which reduces employees' salaries.

Mr. KELLY of Pennsylvania. Will the gentleman yield?

Mr. COCHRAN of Missouri. I yield.

Mr. KELLY of Pennsylvania. I am sure my friend from Missouri also realizes that in this section there is a cut of 10 per cent on employees getting less than $2,500 a year.

Mr. COCHRAN of Missouri. I realize that and have called it to the attention of the committee on several occasions. A further cut of 10 per cent is correct, as I stated a moment ago.

Mr. KELLY of Pennsylvania. I hope the gentleman will impress that fact on the committee, because we have put into this measure an exemption of $2,500 as to those working during the day while those working at night, under arduous conditions and not from their own choice, have a 10 per cent cut made in their pay, which is entirely unjustifiable.

Mr. COCHRAN of Missouri. It is another discrimination to which I have called the attention of the committee time and again during the last two days. My friend asks me to impress that fact on the committee. I reply I have done so to the best of my ability. The committee, I am sure, understands the situation.

Mr. KELLY of Pennsylvania. This is most unjust, and should be taken out of the bill.

Mr. MONTAGUE. Will the gentleman yield?

Mr. COCHRAN of Missouri. I yield.

Mr. MONTAGUE. Is this section temporary or permanent?

Mr. COCHRAN of Missouri. This section is permanent.

Mr. MEAD. Will the gentleman yield?

Mr. COCHRAN of Missouri. Yes.

Mr. MEAD. By this section the Economy Committee repeals overtime pay and pay for Sundays and holidays.

Mr. COCHRAN of Missouri. That is correct. I now desire to correct the statement I just made to the gentleman from Virginia. This is temporary for one year, not permanent.

Mr. COX. Mr. Chairman, I rise in opposition to the amendment. At this time of world distress there is but one thing of which gentlemen need be afraid and that is failure to serve the general welfare. If I may say it without any offense to any individual or to any group, the legislation which we have been enacting in the last two days does not meet and discharge the highest duty that rests upon the Congress. Gentlemen seem not to have heard the rumblings of the gathering storm of public discontent, discontent that arises because of the failure of the Congress to evidence an appreciation of the responsibility that is upon it, and that is to enact economy measures within the understanding of the people. There is such a thing, my fellows, as virtuous anger. Some one has said it is one of the sinews of the soul.

The anger and the wrath that will come down upon us if Congress continues in the course it has been pursuing for the last two days will be that which is justifiable, which is virtuous, and in which there is no sin. Why do not gentlemen recall the exclamation of Uncle Toby, in Mr. Sterne's Tristram Shandy, when, standing by the bedside of the despairing and failing child, he cried out, "By God,

he shall not die," and the accusing angel winged his way off to heaven and gave in the oath with a blush, but the recording angel as he wrote it down dropped a tear upon the word and blotted it out forever.

Are not Members of Congress and are not the employees of this Government ready and willing to evidence something of a spirit of sacrifice? It is that part of you, my fellows, that is akin to God, and in its indulgence at this time of national stress we can find, and Federal employees ought to find, a solemn sort of joy.

I submit, Mr. Chairman, and to you, my fellows, that the hour has struck when we must forget self and when we must take into account the condition of the people throughout this whole country and forget that we are serving a mere group. Remember, to-morrow we shall be called upon to answer, and if we fail to give an answer, as I have stated, that is within the comprehension and understanding of the people, we will be swept out of our seats in Congress, and we ought to be swept out. [Applause.]

I say to you, Mr. Chairman, we are losing public confidence, we are losing the esteem of the people, and the time is at hand when every man must rise in the dignity of his own manhood and accept his responsibility as a Representative of all the people and render that character of service which evidences an understanding of the meaning and the purpose of our membership of this great body. [Applause.]

Mr. LAGUARDIA. Mr. Chairman, I offer the following amendment to the amendment offered by the gentleman from Missouri, to strike out, on page 12, lines 2, 3, 4, and 5.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: On page 12, strike out lines 2, 3, 4, and 5.

Mr. LAGUARDIA. Mr. Chairman——

Mr. COCHRAN of Missouri. I hope the gentleman will at least address himself to the amendment.

Mr. LAGUARDIA. Yes; the suggestion is very good. I will not follow the previous speaker.

Mr. MEAD. I think we should have the right to honestly divide on this question without being lectured every few hours. [Applause.]

Mr. LAGUARDIA. The gentleman is not referring to me?

Mr. MEAD. No; I am sure the gentleman is not going to lecture us.

Mr. LAGUARDIA. May I have the attention of the chairman of the committee? If we struck out lines 2, 3, 4, and 5, we would not disturb the overtime law. By leaving in the remainder of the paragraph, which reads, "In so far as practicable, overtime work and night work shall be performed by substitutes in lieu of persons who have performed a day's work," and so on, we would carry out the intention of the gentleman and at the same time would not destroy the overtime and night work pay law; may I say it would be an incentive to employ these extra people, because you would have to pay overtime if you used a regular employee.

Mr. DOUGLAS of Arizona. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. DOUGLAS of Arizona. There is one class of Federal employee with respect to whom the language following line 5 could not very well be applied, the railway mail clerks. He is on the train and his overtime can not be regulated.

Mr. LAGUARDIA. We should not legislate their rights away. People who must work nights are entitled to the night differential.

Mr. DOUGLAS of Arizona. As a matter of fact, there are only about 14,000 such employees.

Mr. LAGUARDIA. I submit that this would really be a saving without disturbing the law. We are very keen about this and with all due deference to the gentleman from Georgia [Mr. Cox] we are not representing a group. We are representing here the American workers and are fighting for human happiness. Labor conditions are fundamental. You can invoke the Almighty and so can we invoke the Almighty to give the American workingman a chance to live under decent conditions, and if he has to work at night, he is entitled to overtime.

Mr. DOUGLAS of Arizona. Will the gentleman yield for a matter of information? Does a substitute for night work receive the regular compensation or does he receive a lower rate of compensation by reason of being a substitute?

Mr. LAGUARDIA. By reason of being a substitute, according to your provision, he would have to do the overtime work and receive the substitute's pay.

Mr. DOUGLAS of Arizona. That is exactly my understanding.

Mr. LAGUARDIA. Yes. There would be an incentive to do this. It would employ more people and would save the principle of the law that we are fighting for. It took labor 50 years to get that law and that recognition.

Mr. DOUGLAS of Arizona. The saving would be approximately the same after that language had been stricken out, is that correct?

Mr. LAGUARDIA. That is my intention, and it would save the principle that we are fighting for.

Mr. McDUFFIE. If the gentleman will pardon me——

Mr. LAGUARDIA. Certainly.

Mr. McDUFFIE. The language left after the gentleman's amendment is adopted, if it be adopted, and I can not agree with the gentleman at all, does not make it mandatory that substitutes be used.

Mr. LAGUARDIA. It is the gentleman's language, not mine.

Mr. McDUFFIE. I know it is.

Mr. LAGUARDIA. It says, "in so far as practicable, overtime work and night work shall be performed by substitutes in lieu of persons who have performed a day's work."

Mr. McDUFFIE. If men work during the day, under this language they will not work in the night but will stop when the day is over.

Mr. LAGUARDIA. Right.

Mr. McDUFFIE. Then we will have the substitute come in and therefore we say that when you have done a day's work, stop, and let somebody else do the overtime work.

Mr. LAGUARDIA. The gentleman from Alabama does not want men to work night and day?

Mr. McDUFFIE. I do not want them to work both night and day. That is exactly the point. I want the substitute to come in and take the place of the man who has worked during the day.

Mr. LAGUARDIA. That is what I want. We are in complete accord.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. COCHRAN of Missouri. I agree with the gentleman that his amendment is sound, and, so far as I am concerned, I am willing to accept the amendment.

Mr. BLANTON. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. BLANTON. If the gentleman strikes out the first five lines, then we are not going to have any substitutes employed, because the regular employees will prefer to work, and they are going to get paid for overtime.

Mr. LAGUARDIA. No; because the balance of the paragraph says that the substitute must work.

Mr. BLANTON. No; that is not mandatory, that is only discretionary.

Mr. LAGUARDIA. They can not work men night and day without extra pay.

Mr. BLANTON. Oh, the men themselves want it sometimes.

Mr. COCHRAN of Missouri. If the substitute works at night he does not receive overtime pay, and the Postmaster General will effect a saving by requiring them to work the substitute.

Mr. LAGUARDIA. And we save the principle and the overtime and night work law we are fighting for.

[Here the gavel fell.]

Mr. RANKIN. Mr. Chairman, I rise in opposition to the amendment.

I have voted for practically every economy amendment that has been offered. But I must confess that we are getting nowhere.

I listened a moment ago to the remarks of the gentleman from Georgia [Mr. Cox], and I wish to call his attention to the fact that you can not cure a panic with economy. We can pass this bill with every economy amendment that has been offered and the country will be in as bad condition as it is now.

Why spend this time milling around, attempting to cure the worst panic the country has ever seen by measures of this kind? You are never going to cure this panic until you restore the buying power of the American people.

A MEMBER. How can that be done?

Mr. RANKIN. By expanding the currency and putting sufficient money in circulation to restore commodity prices.

The lifeblood of the Nation has dried up. There is an insufficient amount of the circulating medium of the country. Commodity prices have fallen; wheat is lower to-day than it has been for 30 years; cotton does not pay the cost of production; corn does not pay the cost of production; your bread lines are lengthening; and conditions generally are growing worse day by day, while we are milling around here attempting to cure this depression by cutting down salaries and reducing wages.

If you would put in the same effort, the same energy, working out measures to bring back the buying power of the American people, to restore prosperity to the producers of the country, you would not have to come here and do night work, milling around here like the mannikins in Lilliput, trying to determine which end of the egg should be broken first. [Laughter.]

I am willing to cut expenses; I voted to cut my own salary; but we had just as well adjourn now if we are going to try to cure this panic by this kind of legislation.

Let me tell you another thing. I am going to oppose any adjournment of this Congress until something is done to relieve these conditions. You are not going to adjourn in June if I can prevent it if conditions remain as they are now or continue to grow worse. The American people will not stand for your going back home and asking them to reelect you when you have done nothing to relieve their suffering.

Mr. McDUFFIE. I thought the gentleman was opposed to this amendment.

Mr. RANKIN. If the gentleman from Alabama or those with whom he trains would spend more effort trying to get at the root of this trouble; if they would make more of a struggle to relieve this panic in the right way and less time on legislation of this kind, he would understand better my position and my disappointment when I see Congress thus milling around, accomplishing nothing, and conditions growing worse daily throughout the country. [Applause.]

Mr. McDUFFIE. Mr. Chairman, I think it ought to be understood that this is a part of the program of the nonpartisan committee. It means five or six hundred thousand dollars if these lines are stricken out, and it means the employment of the unemployed.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. LAGUARDIA) there were—ayes 54, noes 132.

So the amendment was rejected.

Mr. JONES. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. JONES: Page 12, after the abbreviation and the figures, strike out the remainder of line 2, and all of lines 3, 4, and 5, and down to and including the word "practicable," in line 6.

Mr. JONES. Mr. Chairman, I think the committee should accept this amendment because it obviates the objection made to the amendment that the gentleman from New York [Mr. LAGUARDIA] offered, that is, to make this mandatory that the overtime work shall be done by substitutes.

Mr. WILLIAMSON. Let me call the attention of the gentleman to the fact that that includes mail clerks, which will be utterly impossible.

Mr. JONES. That was explained. There are comparatively few of them.

Mr. WILLIAMSON. Fourteen thousand of them.

Mr. JONES. But that is only a small number as compared with the rest that are included.

Mr. DOUGLAS of Arizona. Mr. Chairman, will the gentleman yield?

Mr. JONES. Yes.

Mr. DOUGLAS of Arizona. Will the gentleman explain how overtime work would be performed in the case of the railway mail clerk?

Mr. JONES. As a matter of fact, the mail clerk, of course, would have to go ahead and do his work during the period, or they would have to employ additional clerks to do the work. But that is only a small phase of it. If you adopt this amendment you would have the work done by regular employees, and then you would give extra work to extra people without extra pay. That is what you seem to be wanting to do.

Mr. DOUGLAS of Arizona. But under the language of the gentleman's amendment, in the case of railway mail clerks substitutes, they would have to be carried on the train.

Mr. JONES. I ask unanimous consent to correct that language by adding the words "except in the case of railway mail clerks" at the beginning of my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

Mr. JONES. Mr. Chairman, I ask unanimous consent to modify my amendment.

Mr. WILLIAMSON. Mr. Chairman, I object.

Mr. JONES. Then I offer it as an amendment with that additional language placed before it.

Mr. WILLIAMSON. And I make the point of order that it is in the third degree.

Mr. JONES. Mr. Chairman, I ask unanimous consent to withdraw my amendment and to offer another amendment.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to withdraw his amendment. Is there objection?

There was no objection.

Mr. JONES. Mr. Chairman, I offer to amend by striking out the first five lines and line 6 down to and including the word "practicable" and insert in lieu thereof the words "except as to railway mail clerks."

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JONES: Page 12, beginning in line 2, after the abbreviation and the figures, strike out the remainder of line 1, and all of line 2 and all of lines 3, 4, and 5, down to and including the word "practicable" in line 6, and insert in lieu thereof the words "except as to railway mail clerks."

Mr. WILLIAMSON. Mr. Chairman, the effect of striking out the first five lines is to make the balance of the section permanent legislation. Such was not the intention of the committee. This section was drafted with a view to tiding over the emergency. It ought not to be made permanent legislation. That is one objection to it. In the second place, striking out the first five lines would mean that we would lose the saving for the next fiscal year of $5,600,000.

Mr. LAGUARDIA. Then frankly it is the intention of the committee, regardless of the merits, to abolish overtime and night differentials.

Mr. WILLIAMSON. For the year 1933, and the reason for it is we know that there is not going to be a sufficient appropriation to carry on this work, and by being able to get rid of overtime we can make a substantial saving and use substitutes in place of regular men and keep more men at work. That is the purpose of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was rejected.

Mr. DICKSTEIN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DICKSTEIN: Amend section 207 by substituting a colon for the period at the end of the section and adding: "*Provided*, That this section shall not apply to compensation for overtime services performed by Federal employees under existing laws at the expense of private interests."

Mr. LAGUARDIA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LAGUARDIA. What happened to the Cochran amendment?

The CHAIRMAN. That has not been voted upon. These are perfecting amendments to section 207.

Mr. LAGUARDIA. But the Cochran amendment was to strike out the section.

The CHAIRMAN. To strike out the entire section.

Mr. DICKSTEIN. This is a perfecting amendment.

Mr. McDUFFIE. Mr. Chairman, I would suggest to the gentleman that the language carried in the bill does not affect any pay other than that which comes from the Treasury of the United States, and it is entirely covered. The point which the gentleman raises is entirely covered. Certainly we are not trying to stop a steamship company from paying some agent who is employed by the Government, if he cares to work for that steamship company.

Mr. DICKSTEIN. Mr. Chairman, I ask to be recognized.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. DICKSTEIN. Mr. Chairman, I do not quite agree with the distinguished chairman of the committee on the point raised.

During the summer months there are steamships coming in at all hours of the night, which have to be cleared. Under a law that was passed in the Seventy-first Congress in 1931, private steamship companies were authorized to clear their ships after a certain hour at night, if they would pay the men time and one-half. That money goes into the Public Treasury. Then the Public Treasury, through the Department of Labor, pays the men who work all night to clear those ships. That money goes into the Treasury, and if this bill is passed, that money will remain there, and those who are entitled to receive the money will not be paid. Even the extra help that would be employed to clear those ships would not be paid. They would not be able to take $1 out of the Treasury, because under the provision of the bill, in section 207, there is no payment permitted for overtime.

Mr. JENKINS. Will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. JENKINS. Will this not apply only to a few customs officers and immigration officers?

Mr. DICKSTEIN. That is all. Not $1 is coming out of the Public Treasury.

Mr. LAGUARDIA. But it goes into the Treasury.

Mr. DICKSTEIN. It goes into the Treasury, but we will not be able to take it out, and it does not affect this bill at all.

Mr. JENKINS. Will the gentleman yield further?

Mr. DICKSTEIN. I yield.

Mr. JENKINS. If the law already does what the gentleman says it does, this would only have the effect of clarifying it?

Mr. DICKSTEIN. Certainly.

Mr. McDUFFIE. Mr. Chairman, I do not think the amount saved is worth the time we are taking. I do not agree with the gentleman, but I will accept the amendment on behalf of the committee.

Mr. LEHLBACH. Mr. Chairman, I offer a substitute for the Dickstein amendment.

The CHAIRMAN. The gentleman offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment to section 207, page 12: At the end of the paragraph, line 12, add: "*Provided*, That the provisions of this section shall not apply when such higher rate of compensation for night work or for work on Sundays and holidays is paid by the master, owner, or agent of a vessel, railroad, or vehicle, or other interests accommodated."

Mr. RAMSEYER. Mr. Chairman, a point of order. Has the Dickstein amendment been disposed of?

Mr. LEHLBACH. No. This is a substitute for the Dickstein amendment.

The CHAIRMAN. This is a substitute amendment.

Mr. LEHLBACH. Mr. Chairman, the reason I offered the substitute is because it is more specific to the cases that the gentleman from New York has in mind. It refers directly to the overtime paid under acts of Congress, by steamship companies and railroads and owners of other vehicles. This money, by statute, is collected from these transportation companies as payment for working overtime, in order that they may not be delayed in the discharge of their passengers and the transportation of their cargoes and freight. That is paid into the Treasury as miscellaneous receipts. The overtime is paid, under the general provisions for the payment of overtime, night work and Sunday work. Unless this exception is made, the Government will be in the position of collecting this overtime and withholding it from the employees.

Mr. JENKINS. Will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. JENKINS. The difference between the gentleman's amendment and the amendment offered by Mr. Dickstein is what?

Mr. LEHLBACH. It is that the gentleman's amendment is general language, and mine is specific in cases.

Mr. JENKINS. The gentleman's amendment follows the statute, does it not?

Mr. LEHLBACH. Yes.

Mr. DICKSTEIN. Will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. DICKSTEIN. Did my amendment not follow the statute, by providing exactly what the bill provided, which was passed by Congress, authorizing steamship companies or private interests who wanted to discharge passengers and freight after a certain period to pay this money into the Treasury? It does not come out of the United States Treasury at all. That money goes into a public fund, and under this law, if it is passed as it is, we will never be able to pay them back for their overtime.

Mr. LEHLBACH. Mr. Chairman, I withdraw the substitute amendment.

The CHAIRMAN. The substitute amendment is withdrawn.

The question is on the adoption of the amendment offered by the gentleman from New York [MR. DICKSTEIN].

The question was taken; and on a division (demanded by MR. DICKSTEIN) there were ayes 94 and noes 10.

So the amendment was agreed to.

Mr. McDUFFIE. Mr. Chairman, I move that all debate on this section and amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Missouri.

Mr. LAGUARDIA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LAGUARDIA. Mr. Chairman, the Dickstein amendment has been adopted by the House. If the Cochran amendment is adopted, what happens to the Dickstein amendment?

The CHAIRMAN. It strikes out the entire section 207.

Mr. LAGUARDIA. So that this House is in favor of private industry paying overtime without——

The CHAIRMAN. The gentleman from New York is out of order.

The question is on the adoption of the amendment offered by the gentleman from Missouri.

The amendment was rejected.

Mr. McKEOWN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McKEOWN: Page 11, line 25, after the word "exceed," strike out "$2" and insert in lieu thereof "$4."

Mr. DOUGLAS of Arizona. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. DOUGLAS of Arizona. Mr. Chairman, I make the point of order the amendment in effect increases the per diem allowance now authorized by law from $3 to $4. It also increases the charge upon the Treasury of the United States and we are now considering a bill to effect economy. The amendment is, therefore, not germane to either the title or the section.

Mr. McDUFFIE. Mr. Chairman, I make the further point of order the present rate is only $3, and this amendment makes it $4.

Mr. McKEOWN. If the gentleman will reserve his point of order, I will explain the amendment.

The CHAIRMAN. The Chair is ready to rule. The Chair understands that the present rate is $3, and that the amendment seeks to make it $4. So the Chair is of the opinion that the amendment is not germane, and the point of order is sustained.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word.

All a fellow traveling in the Postal Service can get is $3 a day. I thought he should get $4. When a fellow in the State Department rides around he gets $7 a day. When a fellow over in the Agriculture Department travels around he gets $5 a day, and so it goes. It just depends on your station in life or in what department you are working as to how much you get to ride around over the country.

For my part I have never understood why the Congress of the United States should permit employees in one department to receive $6 and $8 a day and only give employees in other departments enough money to let them ride in the baggage coach, or in the car up front. Some fellows ride in Pullman cars and other fellows have to ride in the day coach; and you are cutting the allowance down to $2. Why do you not cut the allowance of the man getting $5 and $6 a day as travel allowance down to $2? Let us not discriminate in favor of one class against another.

Mr. CONNERY. Will the gentleman yield?

Mr. McKEOWN. I yield.

Mr. CONNERY. I know one of the attorneys of the Veterans' Bureau who saves the United States Government thousands and thousands of dollars every year on veterans' claims who has never been able to meet his expenses on the present allowance.

Mr. McKEOWN. I am not talking about him, but I say if you are going to give one man $2 why do you not give them all $2?

Mr. McDUFFIE. Will the gentleman yield?

Mr. McKEOWN. I yield.

Mr. McDUFFIE. As a matter of fact, the gentleman is speaking now of subsection (a) instead of subsection (d). This applies to railway mail men altogether.

Mr. McKEOWN. Yes.

Mr. McDUFFIE. One of their representatives came to my office and said that this was to give them subsistence. They are paid a little more than the average man. They said they could get along on $2 now where it took $3 several years ago. They said they were satisfied with $2.

Mr. McKEOWN. I am not going to criticize the gentleman's committee; and I want to say to the gentleman and his committee that you have been working hard and you have worked now until you have been going around in circles. You are tired. You have worked yourselves nearly to death.

I came in here yesterday morning just as mad as a wet hen because you brought in this rule. I think the gentleman from Alabama has done more work than anybody else and that he ought to take a little rest and just go along a little easy. We have got to the point that when we see a man rise on the floor we get mad; and we have been fighting and fighting and getting so mad we can not see straight.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. LaGUARDIA. May I ask whether this section covers postal inspectors, too?

Mr. McDUFFIE. No; this relates to the Railway Mail Service.

Mr. McKEOWN. We are trying to do here in a few hours what we should have undertaken to do months ago, and the result is that the President's program staggered us so that we have not been able to stagger back and see what is going on; we have got so staggered around here that we just can not get down to business. Let us get going and do the best we can with as good feeling as possible. We will all feel better when the job is done right.

[Here the gavel fell.]

Mr. WHITE. Mr. Chairman, I offer an amendment.

Mr. McDUFFIE. Mr. Chairman, I ask unanimous consent that all debate on all amendments to this title do now close.

Mr. MOUSER. Mr. Chairman, reserving the right to object, I have been asking recognition for an hour.

Mr. McDUFFIE. Then, in five minutes.

The CHAIRMAN. Is there objection?

Mr. SCHAFER. Mr. Chairman, I object.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio to offer an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WHITE: Page 8, line 10, after the word "session," strike out lines 11, 12, and 13, and on page 9, line 1, after the word "positions," strike out the remainder of the line, line 2, and line 3 to the period.

Mr. WHITE. Mr. Chairman, these sections have to do with the exclusion of the Coast Guard from the sacrifices which are being asked of other governmental employees, including the Army and the Navy. The implication that will go to the country is that this House is subserviently and submissively yielding to the dictation of an organized group interested in propaganda for the enforcement of a pet law for which the Coast Guard is used. I refer to the prohibition law. I know of no reason why this section should be left in the bill and this organization excluded. There would only be a few dollars involved if these sections should be taken out of this bill. In order that this House may be protected from that implication, I ask that that be done. If this is an effort to protect the Coast Guard from temptations, the money involved is not sufficient to match that of the rum smugglers.

Mr. DOUGLAS of Arizona. Will the gentleman yield?

Mr. WHITE. Yes.

Mr. DOUGLAS of Arizona. Would the gentleman mind explaining the purport of his amendment?

Mr. WHITE. It takes out those three lines on page 8 referring to the exclusion of the Coast Guard from the reductions that are made for other services.

Mr. DOUGLAS of Arizona. Does the gentleman understand that there are commissioned officers in the Coast Guard just as there are in the Army?

Mr. WHITE. I do.

Mr. DOUGLAS of Arizona. If the gentleman will turn to line 21, on page 7, he will find the following language:

No administrative promotions in the civil branch of the United States Government—

That language is limited to the civil branch. Therefore, if what is done with respect to the commissioned and enlisted personnel of the Army and the Navy is correct the same privilege should be extended to the enlisted and commissioned personnel of the Coast Guard.

Mr. WHITE. This is an entirely different section from the one the gentleman is referring to.

Mr. SCHAFER. Will the gentleman yield?

Mr. WHITE. Yes.

Mr. SCHAFER. Is it not a fact that there are 12,082 Government pay rollers in the Coast Guard to-day, over twice as many as there were in 1923, when the total was 4,737, before we put prohibition enforcement into the hands of the Coast Guard?

Mr. WHITE. Yes. I have those figures.

Mr. SCHAFER. If the Federal employees should have this section apply to them, there is no reason under the sun why the Coast Guard should not have it apply to their personnel as well.

Mr. WHITE. None at all.

Mr. BLANTON. Will the gentleman yield?

Mr. WHITE. Yes.

Mr. BLANTON. And if the gentleman from Wisconsin did not eternally encourage and protect the people that the Coast Guard cutters are after we would not need one-third as many of them.

Mr. SCHAFER. The gentleman is for economy on every question except when it applies to the fanatical prohibition law.

[Here the gavel fell.]

Mr. DYER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio. It is evident to me, though perhaps not to the Members here generally, that we are not making any progress worth while in the consideration of this piece of legislation. In my judgment, it ought never to have been presented to the House; but the fact that it is here certainly impels us to give it at least respectable consideration to the end that we may dispose of it with as much intelligence as we are capable of. This legislation is dragging along——

Mr. RAMSEYER. Mr. Chairman, I make the point of order that the gentleman is not speaking to the amendment.

The CHAIRMAN. The gentleman will proceed in order.

Mr. DYER. Mr. Chairman, the gentleman from Iowa this afternoon took considerable time in presenting his proposition, which I think should have been passed by this committee. He is a very distinguished and able Member of this House and a great parliamentarian; but I want to make a suggestion, if I may, to the gentleman from Alabama, who has been working most earnestly in connection with this legislation.

Mr. McDUFFIE. I thank the gentleman; but let us get on.

Mr. DYER. I want to make a suggestion to him, and it is this: It is evident to me, and I am sure it is to every Member of this committee, that in these night sessions we are making no progress in the consideration of this legislation. [Applause.]

I suggest to the gentleman that he try his best to arrange for us to meet an hour or so earlier in the consideration of this legislation and not have night sessions. I hope the membership will stand by the gentleman. I think the gentleman ought to try to do this, because night sessions are accomplishing nothing.

[Here the gavel fell.]

Mr. McDUFFIE. Mr. Chairman, I move that all debate on this title and all amendments thereto close in 15 minutes.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The amendment was rejected.

Mr. CROSSER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CROSSER: On page 9, line 16, strike out section 204.

Mr. CROSSER. Mr. Chairman, this section is a deliberate and a cold-blooded attempt to throw out in the cold men who have, perhaps, spent 35 or 40 or 45 years of their lives in the Postal Service. These men who may have reached 65 years of age would be compelled, no matter how well fitted they are to go on with their work, to go out in the highways and byways on a pension. I submit that this is not fair. It is no wise and it is not in the best interests of the people of the United States that this should be done.

Mr. McMILLAN. If the gentleman will permit, this provision refers to any service, and not the Postal Service alone.

Mr. CROSSER. Yes; you are right.

Now, Mr. Chairman, without any effort at rhetorical flourish, I want to say to the distinguished gentleman who spoke a few moments ago and told us that under no circumstances must we concern ourselves about any selfish group that I, too, urge men not to yield to the demands of the selfish. Of course, that is true; and it is just because I think that, so far as this title is concerned, does serve the interests of a selfish group that I am unalterably opposed to it. The special-privilege seekers always urge the reduction of wages.

Just to the extent that you reduce and keep pushing down the compensation of men who render honest service, just to that extent are you serving the powers of privilege and of pelf. I say, therefore, we are doing more to serve the general good, which should be the object of all of us, by opposing this vicious legislation than if we were to go out advocating it.

Let me read to you just along this line what one of the most famous economists in the world has to say in the Atlantic Monthly for May, 1932. Mr. John Maynard Keynes, who has been the consultant in economics in practically all the important world conferences, writes as follows in an article on the World's Economic Outlook:

> It is not the harshness and the niggardliness of nature which are oppressing us, but our own incompetence and wrong-headedness which hinder us from making use of the bountifulness of inventive science and cause us to be overwhelmed by its generous fruits. The voices which—in such a conjuncture—tell us that the path of escape is to be found in strict economy and in refraining, wherever possible, from utilizing the world's potential production are the voices of fools and madmen.

This is from one of the most distinguished economists in the world.

Just a word more. If you would stop to think of it for just one moment, you could see that the more we reduce the purchasing power of the average individual of the United States, and thereby reduce the commerce of the United States, the less possible it is to collect any taxes at all to operate our Government.

[Here the gavel fell.]

Mr. COCHRAN of Missouri. Mr. Chairman, I dislike very much to find myself in opposition to my friend, the gentleman from Ohio [Mr. CROSSER], but it was the Government employee who came to the Congress and asked us to pass this law, and after we passed the law the Government employee came back and asked us to increase the annuity and it was increased to $1,200. There is not one out of ten employees who will be affected by this provision who will not receive $1,200 a year.

This provision would not turn these people out on the streets. They would be retired with pay, as they have asked to be retired, when they reach this age or have served the number of years required under the law.

Under another section of the bill the positions can not be filled and this means a job for somebody now in the service, whereas, if you strike out this provision you are going to place people out on the street without any retirement pay.

Mr. SWING. Will the gentleman yield?

Mr. COCHRAN of Missouri. I will be glad to yield to the gentleman from California.

Mr. SWING. Ought there not to be a proviso in this section that in the case of technical or professional men whose services can not be dispensed with without serious injury to the public service, like scientists in the Bureau of Standards, upon a certificate of the President may be excepted from the provisions of this act?

Mr. COCHRAN of Missouri. I know of no such person in the service of the Government. If such an employee happens to die, the Government goes along just the same.

Mr. Chairman, I hope the amendment of the gentleman from Ohio [Mr. CROSSER] will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The question was taken, and the amendment was rejected.

Mr. McDUFFIE. Mr. Chairman, the hour is getting late, and I want to give the committee the benefit of such information as I have. Our purpose is to finish Title II and read Title III, but offer no amendment to Title III. After Title II is completed we will close debate in a few moments, and there will be no need for Members to remain, if they do not wish to hear the reading of Title III.

Mr. MOUSER. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. MOUSER: Page 13, line 24, after the words "District of Columbia," insert: "*Provided further*, That Members of Congress shall not expend any part of the money appropriated to them for the employment of any person or persons related to them by affinity or consanguinity according to the civil law unless such person or persons are actually employed in connection with the official business of such office."

Mr. McDUFFIE. I reserve a point of order.

Mr. MOUSER. Mr. Chairman and members of the committee, in section 209 this Congress is declaring a most important policy. It is declaring that it is the policy of this Government to discharge persons, if it becomes necessary, who are married and live with their husbands or wives.

In this machine age, even when conditions get better, we are going to have a great surplus of unemployed. We do not want a dole. I say to you that it is fundamental in this country that a man who is honest and willing to work must be given a job, or else somebody is going to have to help keep him.

I say that if a relative is actually engaged in business connected with the office this amendment does not apply.

Mr. LAGUARDIA. Will the gentleman call the attention of the House to the fact that we have got a similar provision for the clerks in the departments?

Mr. MOUSER. That is a fact.

Mr. CLANCY. What does the amendment mean when it says that he can not hire an affinity? [Laughter.]

Mr. MOUSER. I think, even though the gentleman is a bachelor, he knows what it means. Now, I claim it is wrong to appoint a relative to a position which was increased a thousand dollars during the last session of Congress on the pay roll for the purpose of increasing your own salary. I read in the paper to-day where a distinguished Member of this Congress had on the pay roll his aged mother-in-law, who was not doing anything in connection with the office.

Mr. CLARKE of New York. Does not the gentleman think that is a good place to keep a mother-in-law? [Laughter.]

Mr. MOUSER. My good friend JOHN CLARKE, of New York, wants his mother-in-law to have a feather bed. [Laughter.] There are Members of Congress, and I am not referring to any particular individual or indulging in any personalities, who have clerks established back home looking after the fences, who have nothing to do with the official business of the office.

We are now asking Federal employees to make sacrifices. Is it right that Members of Congress should divert that money for their own selfish purpose? I know a Member of Congress who had a girl in his office, a very efficient secretary, whom he finally chose to make his wife. I think he has a perfect right to employ her. She is accustomed to the ways of his office and the manner of his doing business. I trust the gentleman from Alabama will not make his point of order.

The CHAIRMAN. The time of the gentleman from Ohio has expired. All time has expired. The question is on the amendment offered by the gentleman from Ohio.

The question was taken; and on a division (demanded by Mr. MOUSER) there were—ayes 40, noes 88.

Mr. MOUSER. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

Mr. CONDON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CONDON: On page 13, line 24, after the word "Columbia" in section 209, strike out the period, insert a colon, and the words following: "*Provided*, That any honorably discharged soldier, sailor, or marine, who as such is entitled to preference in the civil service under existing civil service laws and regulations, shall not be dismissed, if employed in the class to be reduced, before other persons not so entitled are dismissed."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Rhode Island.

The question was taken; and on a division (demanded by Mr. CONDON) there were—ayes 26, noes 89.

So the amendment was rejected.

Mr. WILSON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WILSON: Page 9, line 23, after "contrary," insert "unless the President, whenever in his judgment the continuance of such person in such service would be advantageous to the public service, by Executive order, continues such person in such service."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Louisiana.

The question was taken and the amendment was rejected.

Mr. KELLY of Pennsylvania. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. KELLY of Pennsylvania: Page 14, beginning in line 1, strike out all of section 210.

The amendment was rejected.

Mr. KVALE. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. KVALE: Page 11, line 12, strike out the figures "25" and insert in lieu thereof the figures "50."

The amendment was rejected.

Mr. BLACK. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Page 11, line 18, after the semicolon insert: "And all mail sent by Members of Congress or the Senate shall bear stamps purchased by such Members at the regular postal rates."

The amendment was rejected.

Mr. CONNERY. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CONNERY: Page 11, beginning in line 10, strike out all of subsection (c) down to and including the word "per cent."

The question was taken; and on a division (demanded by Mr. CONNERY) there were—ayes 24, noes 94.

So the amendment was rejected.

The Clerk read as follows:

TITLE III.—MISCELLANEOUS PROVISIONS

TRANSFER OF APPROPRIATIONS

SEC. 301. Not to exceed 15 per cent of any appropriation for an executive department or independent establishment, including the municipal government of the District of Columbia, for the fiscal year ending June 30, 1933, may be transferred, with the approval of the Director of the Bureau of the Budget, to any other appropriation or appropriations under the same department or establishment, but no appropriation shall be increased more than 15 per cent by such transfers: *Provided*, That a statement of all transfers of appropriations made hereunder shall be included in the annual Budget for the fiscal year 1935, and a statement of all transfers of appropriations made hereunder up to the time of the submission of the annual Budget for the fiscal year 1934, and all contemplated transfers during the remainder of the fiscal year 1933, shall be included in the annual Budget for the fiscal year 1934.

PHILIPPINE SCOUTS

SEC. 302. The President is authorized at any time to disband the Philippine Scouts or to reduce the personnel thereof.

VOCATIONAL EDUCATION

SEC. 303. (a) Notwithstanding the provisions of section 1 of the act entitled "An act to provide for the further development of vocational education in the several States and Territories," approved February 5, 1929 (U. S. C., Sup. V, title 20, sec. 15a), not more than $1,500,000 is authorized to be appropriated for the purposes of such section for the fiscal year ending June 30, 1934.

(b) For the fiscal year ending June 30, 1934, and for each of the nine fiscal years thereafter, (1) the annual appropriations (for the purpose of cooperating with the States) provided for by sections 2, 3, and 4 of the act entitled "An act to provide for the promotion of vocational education; to provide for cooperation with the States in the promotion of such education in agriculture and the trades and industries; to provide for cooperation with the States in the preparation of teachers of vocational subjects; and to appropriate money and regulate its expenditure," approved February 23, 1917 (U. S. C., title 20, secs. 12–14, inclusive), for each such year, shall be $300,000 (in the case of

section 2), $300,000 (in the case of section 3), and $100,000 (in the case of section 4), less than the appropriation for the same purposes, respectively, for the year preceding such year, respectively; (2) the minimum allotment of funds to any State, under each of such sections, for each year, shall be $1,000 less than the minimum allotment for the year preceding such year, respectively; and (3) the additional appropriations (for the purpose of providing the minimum allotment to the States) provided for by such sections for each year, shall be $2,700 (in the case of section 2), $5,000 (in the case of section 3), and $9,000 (in the case of section 4) less than the appropriation for the same purposes, respectively, for the year preceding such year, respectively.

(c) In lieu of the annual appropriations provided for in section 7 of such act of February 23, 1917 (U. S. C., title 20, sec. 15), for the Federal Board for Vocational Education there is authorized to be appropriated for such board, for the fiscal year ending June 30, 1934, and for each fiscal year thereafter, not more than $200,000, for the purposes set forth in such section. With respect to any fiscal year prior to the fiscal year ending June 30, 1934, the provisions of such section shall remain in effect.

(d) For the fiscal year ending June 30, 1934, and for each of the nine fiscal years thereafter, the amount authorized to be appropriated under section 4 of the act entitled "An act to extend the provisions of certain laws to the Territory of Hawaii," approved March 10, 1924 (U. S. C., title 20, sec. 29), shall be $3,000 less than the amount authorized to be appropriated for the preceding fiscal year; and the amount authorized to be appropriated under section 1 of the act entitled "An act to extend the provisions of certain laws relating to vocational education and civilian rehabilitation to Porto Rico," approved March 3, 1931 (U. S. C., Supp. V, title 20, sec. 30), shall be $10,500 less than the amount authorized to be appropriated for the preceding fiscal year, and the amounts expended for each of the purposes set forth in such section shall be proportionately reduced.

LIMITATIONS ON EXPENDITURES FOR PRINTING AND BINDING, PAPER, AND STATIONERY

SEC. 304. During the fiscal year ending June 30, 1933, not more than $9,000,000 shall be expended for printing and binding for the use of the United States and the District of Columbia done at the Government Printing Office, of which $2,000,000 shall be for printing and binding for the use of the legislative branch of the Government. The amount available hereunder for the executive departments and independent establishments, the judiciary, and the government of the District of Columbia shall be distributed by the Director of the Bureau of the Budget among the several departments and establishments, the judiciary, and the government of the District of Columbia as, in his judgment, the needs of the service may require. Nothing in this section shall be construed to authorize the discontinuance of any report or publication specifically required by law. This section shall not apply to printing and binding for the use of the Patent Office.

SEC. 305. During the fiscal year ending June 30, 1933, not more than $400,000 shall be expended for paper furnished by the Government Printing Office for the use of the several executive departments and independent establishments and the government of the District of Columbia. The amount available hereunder for the executive departments and independent establishments and the government of the District of Columbia shall be distributed by the Director of the Bureau of the Budget among the several executive departments and independent establishments, and the government of the District of Columbia, as, in his judgment, the needs of the service may require. This section shall not apply to expenditures for paper used in the course of manufacture by the Bureau of Engraving and Printing.

SEC. 306. During the fiscal year ending June 30, 1933, (1) not more than $16,000 shall be available for expenditure for stationery for Senators and the President of the Senate, and for committees and officers of the Senate, (2) not more than $44,000 shall be available for expenditure for stationery for Representatives, Delegates, and Resident Commissioners, and for the committees and officers of the House of Representatives, and (3) each Senator, Representative, Delegate, and Resident Commissioner shall be allowed $90 for stationery allowance or commutation therefor, to be paid out of the sums provided in (1) or (2), as the case may be.

WEST POTOMAC PARK HEATING PLANT

SEC. 307. Until otherwise provided by law no further obligations shall be incurred under the appropriation of $750,000 for the construction of a heating plant in West Potomac Park, contained in the second deficiency act, fiscal year 1931.

ARMY TRANSPORT SERVICE, NAVAL TRANSPORTATION SERVICE, AND PANAMA RAILROAD STEAMSHIP LINE

SEC. 308. The Secretary of War is authorized and directed to discontinue the Army Transport Service. He shall transfer the seagoing vessels used in such service to the United States Shipping Board. The Secretary of War shall dispose of as much of the property of the United States (other than vessels) used in connection with such service as is not indispensable for other uses of the Army or the War Department, and shall take such action as may be necessary to discharge the obligations of the United States growing out of such service existing at the time of such discontinuance. Thereafter no part of appropriations heretofore or hereafter made shall be available for the continuance of such service, and appropriations and unexpended balances of appropriations the expenditure of which is made unnecessary by this section shall not be expended but shall be impounded and returned to the Treasury.

SEC. 309. The Secretary of the Navy is authorized and directed to transfer the vessels *Henderson*, *Chaumont*, *Kittery*, *Sirius*, and *Vega*, together with any cargo vessels not in commission which are not indispensable in the naval service, to the United States Shipping Board. The Secretary shall discontinue the operation of that part of the naval transportation service now carried on with the use of such vessels and shall dispose of as much of the property used in connection therewith as is not indispensable for other uses of the Navy. The Secretary shall take such action as may be necessary to discharge the obligations of the United States existing at the time of such transfer growing out of the use of such vessels. Appropriations and unexpended balances of appropriations the expenditure of which is made unnecessary by this section shall not be expended but shall be impounded and returned to the Treasury.

SEC. 310. No action shall be taken under the provisions of section 308 or 309 until the Secretary of War or the Secretary of the Navy, as the case may be, has negotiated contracts with private shipping interests for the performance of the services for which the vessels referred to were operated, under the terms of which, in the judgment of the President, such services will be performed efficiently, at reasonable charges, with accommodations substantially of equal class with those afforded by the services discontinued, and at less cost. Any such contract shall provide that the rates for Government passenger (including employees and their families) and freight business shall be at least 25 per cent less than the published conference rates for similar commercial passenger and freight business. Any such contract shall be renewable on the same terms, at the option of the Government, and the contract shall so provide.

SEC. 311. The vessels transferred to the Shipping Board under sections 308 and 309 shall be disposed of in accordance with the provisions of section 5 of the merchant marine act, 1920 (U. S. C., title 46, sec. 864), except that sums received from such disposition less expenses incurred under this section shall be covered into the Treasury as miscellaneous receipts. Between the time of transfer and the time of disposition of such vessels, the board shall provide for their care and maintenance, either by contract or otherwise, whichever will effect the greater economy.

SEC. 312. The Panama Railroad Co. is hereby authorized and directed to discontinue the operation of the Panama Railroad Steamship Line and such company shall take such action as may be necessary to dispose of the vessels used by such line and to wind up its affairs. The Secretary of War is authorized and directed to take such action as may be necessary on his part to carry out the purposes of this section. No action shall be taken under the provisions of this section until contracts have been negotiated with private shipping interests for the performance of the services for the Government theretofore performed by the Panama Railroad Steamship Line, under the terms of which, in the judgment of the President, such services will be performed efficiently, at reasonable charges, with accommodations substantially of equal class with those afforded by the Panama Railroad Steamship Line, and at less cost. Any such contract shall provide that the rates for Government and the Panama Railroad Co. passenger (including employees and their families) and freight business shall be at least 25 per cent less than the published conference rates for similar commercial passenger and freight business. Any such contract shall be renewable on the same terms, at the option of the Secretary of War, and the contract shall so provide.

SEC. 313. The net proceeds of the sale of property by the Secretary of War and the Secretary of the Navy under sections 308 and 309 shall be covered into the Treasury as miscellaneous receipts.

REORGANIZATION OF SHIPPING BOARD

SEC. 314. (a) The United States Shipping Board shall be composed of four commissioners to be hereafter appointed by the President, by and with the advice and consent of the Senate. One of such commissioners shall be appointed from the States touching the Pacific Ocean, one from the States touching the Atlantic Ocean, one from the States touching the Gulf of Mexico, and one from the States touching the Great Lakes, but not more than one shall be appointed from the same State. Not more than two of the commissioners shall be appointed from the same political party.

(b) Terms of office of the first commissioners appointed under this section shall expire, as designated by the President at the time of nomination, one at the end of one year, one at the end of two years, one at the end of three years, and one at the end of four years after the date of the enactment of this act. The term of office of a successor to any such commissioner shall expire four years from the date of the expiration of the term for which his predecessor was appointed, except that a commissioner appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term.

(c) Notwithstanding the provisions of subsection (a) the United States Shipping Board as constituted upon the date of the enactment of this act shall continue to function until the date of reorganization of the commission pursuant to the provisions of such subsection. The board shall be deemed to be reorganized upon such date as four of the commissioners appointed as provided in such subsection have taken office, and no such commissioner shall

be paid salary, as such commissioner, for any period prior to such date.

(d) This section shall be held to reorganize the United States Shipping Board, and, except as herein modified, all laws relating to such board shall remain in full force and effect, as herein amended, and no regulations, action, investigations, or other proceedings under any such laws existing or pending on the date of the enactment of this act shall abate or otherwise be affected by reason of the provisions of this section.

(e) Whenever under existing law the concurrence of four or more of the commissioners is required, such requirement of law shall, after the reorganization of the board provided by this section, be held to be complied with by the concurrence of three commissioners.

(f) After June 30, 1932, no officer or employee of the United States Shipping Board or the United States Shipping Board Merchant Fleet Corporation shall receive a salary at a rate in excess of $10,000 per annum. The provisions of Title I of this act shall not apply to any person whose compensation is reduced by reason of this subsection.

(g) $200,000 of the unexpended balance of the allotment of $500,000 made available to the United States Shipping Board Merchant Fleet Corporation for experimental and research work, by the independent offices appropriation act, fiscal year 1930, and continued by subsequent appropriation acts, shall not be expended, but shall be covered into the Treasury as miscellaneous receipts.

(h) The sums available for expenditure during the fiscal year ending June 30, 1933, for personal services of employees of the United States Shipping Board Merchant Fleet Corporation assigned to and serving with the United States Shipping Board are reduced by $167,000, and the amounts of reduction applicable to the various bureaus shall be as follows: (1) Bureau of Research, $30,000; (2) Bureau of Law, $103,000; (3) Bureau of Traffic, $9,000; (4) Bureau of Construction, $5,000; and (5) Bureau of Operations, $20,000.

(i) The United States Shipping Board Merchant Fleet Corporation shall, during the fiscal year ending June 30, 1933, transfer from the operating funds and cover into the Treasury as miscellaneous receipts the sum of $1,938,240.

INCREASES IN CERTAIN CHARGES AND FEES

SEC. 315. After the date of the enactment of this act, the price at which additional copies of Government publications are offered for sale to the public by the Superintendent of Documents shall be based on the cost of printing and binding, plus 30 per cent, and such cost shall be in lieu of that prescribed in the public resolution approved May 11, 1922 (U. S. C., title 44, sec. 220).

SEC. 316. After the expiration of 30 days after the enactment of this act (but in no event prior to July 1, 1932), the base fee of $25 provided by section 4934 of the Revised Statutes, as amended (U. S. C., Supp. V, title 35, sec. 78), to be paid upon the filing of each original application and upon each renewal application for patent, except in design cases, and on issuing each original patent, except in design cases, is hereby increased to $30.

SEC. 317. Section 4934 of the Revised Statutes, as amended (U. S. C., Supp. V, title 35, sec. 78), is amended by adding at the end thereof the following:

"On filing each petition for the revival of an abandoned application for a patent, $10."

SEC. 318. The Secretary of Commerce shall make such charges as he deems reasonable for special statistical services; special commodity, technical, and regional news bulletins and periodical services; lists of foreign buyers, and World Trade Directory Reports, and the amounts collected therefrom shall be deposited in the Treasury as miscellaneous receipts.

SEC. 319. Section 5 of the act entitled "An act to establish in the Department of the Interior a Bureau of Mines," approved May 16, 1910, as amended and supplemented (U. S. C., title 30, sec. 7), is amended to read as follows:

"SEC. 5. For tests or investigations authorized by the Secretary of Commerce under the provisions of this act, as amended and supplemented, except those performed for the Government of the United States or State governments within the United States, a fee sufficient in each case to compensate the Bureau of Mines for the entire cost of the services rendered shall be charged, according to a schedule prepared by the Director of the Bureau of Mines and approved by the Secretary of Commerce, who shall prescribe rules and regulations under which such tests and investigations may be made. All moneys received from such sources shall be paid into the Treasury to the credit of miscellaneous receipts."

SEC. 320. Section 8 of the act entitled "An act to establish the National Bureau of Standards," approved March 3, 1901, as amended and supplemented (U. S. C., title 15, sec. 276), is amended to read as follows:

"SEC. 8. For all comparisons, calibrations, tests, or investigations, performed by the National Bureau of Standards under the provisions of this act, as amended and supplemented, except those performed for the Government of the United States or State governments within the United States, a fee sufficient in each case to compensate the National Bureau of Standards for the entire cost of the services rendered shall be charged, according to a schedule prepared by the Director of the National Bureau of Standards and approved by the Secretary of Commerce. All moneys received from such sources shall be paid into the Treasury to the credit of miscellaneous receipts."

SEC. 321. Sections 318, 319, and 320 shall take effect July 1, 1932.

TRANSFER OF FISH-CULTURAL STATIONS TO STATES OR TERRITORIES

SEC. 322. Upon the application of any State or Territory, the Secretary of Commerce is authorized and directed to transfer to such State or Territory, without cost, all right, title, and interest of the United States in any fish-cultural station or fish hatchery located in such State or Territory, together with all personal property used in connection therewith. If any such State or Territory shall cease at any time to use a station or hatchery so transferred for fish-cultural purposes, or shall at any time permit its use for any other purposes, or shall attempt to alienate the station or hatchery, title thereto shall revert to the United States.

TRANSFER OF AGRICULTURAL EXPERIMENT STATIONS TO STATES

SEC. 323. Upon the application of any State or Territory, the Secretary of Agriculture is authorized and directed to transfer to such State or Territory, without cost, all right, title, and interest of the United States in any agricultural experiment station located in such State or Territory, together with all personal property used in connection therewith.

RESTRICTIONS ON TRANSFER OF ARMY AND NAVY PERSONNEL

SEC. 324. The President is authorized, during the fiscal year ending June 30, 1933, to restrict the transfer of officers and enlisted men of the military and naval forces from one post or station to another post or station to the greatest extent consistent with the public interest.

Mr. McDUFFIE. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker pro tempore [Mr. RAINEY] having resumed the chair, Mr. WARREN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 11267, the legislative appropriation bill, had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. KNUTSON, for three legislative days, on account of necessity for returning home.

ENROLLED JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 375. Joint resolution to provide additional appropriations for contingent expenses of the House of Representatives for the fiscal year ending June 30, 1932.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 194. An act for the relief of Jeff Davis Caperton and Lucy Virginia Caperton.

BILLS 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, bills and a joint resolution of the House of the following titles:

H. R. 3580. An act for the relief of Clara E. Wight;

H. R. 231. An act to grant certain lands to the State of Colorado for the benefit of the Colorado School of Mines;

H. R. 1231. An act for the relief of Grina Bros.

H. R. 1768. An act for the relief of Alvina Hollis;

H. R. 1770. An act for the relief of Senelma Wirkkula, also known as Selma Wirkkula, Alice Wirkkula, and Bernice Elsine Wirkkula;

H. R. 4724. An act to confer to certain persons who served in the Quartermaster Corps or under the jurisdiction of the Quartermaster General during the war with Spain, the Philippine insurrection, or the China relief expedition the benefits of hospitalization and the privileges of the soldiers' homes;

H. R. 4752. An act for the establishment of the Waterton-Glacier International Peace Park;

H. R. 5484. An act extending the provisions of the act entitled "An act to provide for the sale of desert lands in certain States and Territories," approved March 3, 1877 (19 Stat. 377), and acts amendatory thereof, to ceded lands of the Fort Hall Indian Reservation;

H. R. 5603. An act to authorize the conveyance by the United States to the State of Minnesota of lot 4, section 18,

township 131 north, range 29 west, in the county of Morrison, Minn.;

H. R. 8084. An act for the protection of the northern Pacific halibut fishery;

H. R. 8914. An act to accept the grant by the State of Montana of concurrent police jurisdiction over the rights of way of the Blackfeet Highway, and over the rights of way of its connections with the Glacier National Park road system on the Blackfeet Indian Reservation in the State of Montana;

H. R. 9598. An act to authorize expenditures for the enforcement of the contract-labor provisions of the immigration law;

H. R. 10495. An act amending an act of Congress approved February 28, 1919 (40 Stat. L. 1206), granting the city of San Diego certain lands in the Cleveland National Forest and the Capitan Grande Indian Reservation for dam and reservoir purposes for the conservation of water, and for other purposes, so as to include additional lands; and

H. J. Res. 375. Joint resolution to provide additional appropriations for contingent expenses of the House of Representatives for the fiscal year ending June 30, 1932.

ADJOURNMENT

Mr. McDUFFIE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 19 minutes p. m.) the House adjourned until to-morrow, Friday, April 29, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Friday, April 29, 1932, as reported to the floor leader by clerks of the several committees:

WAYS AND MEANS

(10 a. m.)

Continue hearings on soldiers' bonus.

DISTRICT OF COLUMBIA—SUBCOMMITTEE ON THE JUDICIARY

(10.30 a. m.)

To regulate business of executing bonds for compensation in criminal cases (H. R. 8085).

To amend District Code (H. R. 9549, H. R. 9557).

LABOR

(10.30 a. m.)

To provide farming opportunities for certain destitute and unemployed persons (H. R. 11055, H. R. 11056).

EXECUTIVE COMMUNICATIONS, ETC.

548. Under clause 2 of Rule XXIV, a letter from the Secretary of War, transmitting a report dated April 25, 1932, from the Chief of Engineers, United States Army, on preliminary examination of the Mohican River and its tributaries, especially the Mohican River ditch south of Lake Fork, Ohio, was taken from the Speaker's table and referred to the Committee on Flood Control.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. HILL of Alabama: Committee on Military Affairs. H. R. 9058. A bill to authorize the Secretary of War to accept on behalf of the United States a tract or parcel of land for park purposes, to the Chickamauga-Chattanooga National Military Park; with amendment (Rept. No. 1152). Referred to the Committee of the Whole House on the state of the Union.

Mr. EVANS of Montana: Committee on Indian Affairs. H. R. 5727. A bill for the relief of certain tribes or bands of Indians in Washington, Idaho, and Montana; without amendment (Rept. No. 1151). 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. ROGERS: Committee on Military Affairs. H. R. 3954. A bill for the relief of Llewellyn B. Griffith; without amendment (Rept. No. 1147). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 8401. A bill to authorize the settlement of individual claims of military personnel for damages to and loss of private property incident to the training, practice, operation, or maintenance of the Army; with amendment (Rept. No. 1148). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 8403. A bill for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department; with amendment (Rept. No. 1149). Referred to the Committee of the Whole House.

Mr. SCHAFER: Committee on Claims. H. R. 3036. A bill for the relief of Florence Mahoney; with amendment (Rept. No. 1150). 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. ROMJUE: A bill (H. R. 11673) to reduce the compensation of persons paid by the United States; to the Committee on Expenditures in the Executive Departments.

By Mr. McKEOWN: A bill (H. R. 11674) to provide for the redemption of adjusted-service certificates issued to veterans of the World War, and for other purposes; to the Committee on Ways and Means.

By Mr. SHALLENBERGER: A bill (H. R. 11675) to amend the Federal water power act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. DOMINICK: A bill (H. R. 11676) providing for the appointment of a commissioner to hear cases arising under contracts of war-risk insurance in the district courts for the eastern and western districts of South Carolina; to the Committee on the Judiciary.

By Mr. RAYBURN: A bill (H. R. 11677) to amend sections 5, 15a, and 19a of the interstate commerce act, as amended, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. TIERNEY (by request): A bill (H. R. 11678) to provide for and finance a self-supporting national-defense highway of approximately 15,000 miles; to the Committee on Ways and Means.

By Mr. BLACK: A bill (H. R. 11714) to amend the District of Columbia traffic acts, as amended; to the Committee on the District of Columbia.

By Mr. WHITTINGTON: A bill (H. R. 11715) to provide for the coordination and correlation of public works functions and engineering activities of the Government, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. CHRISTOPHERSON: A bill (H. R. 11716) amending the act of May 9, 1930 (46 Stat. 263), entitled "An act to declare valid the title to certain Indian lands"; to the Committee on Indian Affairs.

By Mr. FULMER: Resolution (H. Res. 206) requesting the Secretary of the Treasury to furnish certain information pertaining to the investigation conducted by him relating to the importation of ammonium sulphate; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND: A bill (H. R. 11679) for the relief of Marie Sanford; to the Committee on Claims.

By Mr. CHAPMAN: A bill (H. R. 11680) granting an increase of pension to Mary Newton; to the Committee on Invalid Pensions.

By Mr. CORNING: A bill (H. R. 11681) granting an increase of pension to Ada Bennett; to the Committee on Invalid Pensions.

By Mr. DAVENPORT: A bill (H. R. 11682) granting a pension to Daniel J. Mahoney; to the Committee on Pensions.

By Mr. DIES: A bill (H. R. 11683) granting a pension to George Miller; to the Committee on Invalid Pensions.

By Mr. FINLEY: A bill (H. R. 11684) for the relief of Marcus M. Ginsberg; to the Committee on Military Affairs.

By Mr. FITZPATRICK: A bill (H. R. 11685) authorizing the Secretary of War to lease or to sell certain lands and buildings known as Fort Schuyler, N. Y., to the city of New York; to the Committee on Military Affairs.

By Mr. GILLEN: A bill (H. R. 11686) for the relief of Harry Bosworth; to the Committee on Military Affairs.

By Mr. HARE: A bill (H. R. 11687) granting an increase of pension to Ida L. Von Harten; to the Committee on Pensions.

By Mr. HOGG of West Virginia: A bill (H. R. 11688) granting a pension to Rawley B. Wright; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11689) granting an increase of pension to Jennie S. Adams; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 11690) for the relief of Leo Yates; to the Committee on Claims.

By Mr. LINDSAY: A bill (H. R. 11691) for the relief of John Daily; to the Committee on Naval Affairs.

By Mr. LOVETTE: A bill (H. R. 11692) granting a pension to Robert H. Hayworth; to the Committee on Pensions.

Also, a bill (H. R. 11693) granting a pension to W. M. Sims; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11694) granting a pension to John W. Benson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11695) granting a pension to Hettie Harvey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11696) granting a pension to Landon Garland; to the Committee on Pensions.

Also, a bill (H. R. 11697) for the relief of Mildred Hull; to the Committee on Claims.

Also, a bill (H. R. 11698) granting a pension to Charles Henry Pope; to the Committee on Pensions.

Also, a bill (H. R. 11699) reimbursing George Larkin; to the Committee on Claims.

Also, a bill (H. R. 11700) granting a pension to John E. Perkins; to the Committee on Pensions.

Also, a bill (H. R. 11701) for the relief of Walter K. Brimer; to the Committee on Naval Affairs.

Also, a bill (H. R. 11702) for the relief of Ralph Hart; to the Committee on Naval Affairs.

Also, a bill (H. R. 11703) for the relief of the heirs of James Kirk; to the Committee on Claims.

Also, a bill (H. R. 11704) for the relief of J. W. Howell; to the Committee on Claims.

Also, a bill (H. R. 11705) for the relief of Emily Coffee; to the Committee on Claims.

By Mr. LUDLOW: A bill (H. R. 11706) to correct the military record of Floyd T. Brooks; to the Committee on Military Affairs.

By Mr. SNELL: A bill (H. R. 11707) to confer jurisdiction on the Court of Claims to reopen, rehear, and redetermine the claim of A. W. Duckett & Co. (Inc.); to the Committee on Claims.

By Mr. THURSTON: A bill (H. R. 11708) granting a pension to Myrtle M. Gray; to the Committee on Invalid Pensions.

By Mr. WITHROW: A bill (H. R. 11709) for the relief of Leland Francis Olson; to the Committee on Naval Affairs.

Also, a bill (H. R. 11710) for the relief of Walter Manning; to the Committee on Naval Affairs.

Also, a bill (H. R. 11711) granting a pension to Mary E. Hoffman; to the Committee on Invalid Pensions.

By Mr. MOBLEY: A bill (H. R. 11712) for the relief of Harry B. Fulford; to the Committee on Military Affairs.

By Mr. STRONG of Pennsylvania: A bill (H. R. 11713) granting an increase of pension to Susana Barbor; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7164. By Mr. BLOOM: Petition of 15 residents of the State of New York, protesting against the passage of House bill 8759, or any other compulsory Sunday observance bill; to the Committee on the District of Columbia.

7165. Also, petition of a group of the women of the Missionary Society of the Broadway Presbyterian Church, New York City, calling attention to the condition of affairs in Alaska touching the reindeer herds, and requesting prompt action in rectifying what is wrong, as the natives of Alaska are in imminent danger of losing their herds through the exploitation of certain whites who have gone into that portion of our country for purely profiteering purposes; to the Committee on Agriculture.

7166. By Mr. GARBER: Petition of citizens of Oklahoma and the eighth district, indorsing the plan of cooperatively processing and marketing farm commodities; to the Committee on Agriculture.

7167. Also, petition of citizens of Oklahoma and the eighth district, urging continued appropriations for vocational education; to the Committee on Appropriations.

7168. Also, petition of citizens of Oklahoma and the eighth district, urging the passage of bill providing for pensions for railroad employees; to the Committee on Interstate and Foreign Commerce.

7169. Also, petition of citizens of Oklahoma and the eighth district, urging immediate passage of the bonus bill; to the Committee on Ways and Means.

7170. Also, petition of Sacramento Chamber of Commerce, favoring the repeal ab initio of the recapture clause of the transportation act of 1920; to the Committee on Interstate and Foreign Commerce.

7171. Also, petition of O. O. Doggett, of Cherokee, Okla., urging passage of the Romjue bill; to the Committee on Labor.

7172. Also, petition of citizens of Oklahoma and the eighth district, opposing passage of bill to place rural letter carriers on a contract basis; to the Committee on the Post Office and Post Roads.

7173. Also, petition of citizens of Oklahoma and the eighth district, urging greater protection for the lumber industry against importations; to the Committee on Ways and Means.

7174. By Mr. HALL of Mississippi: Petition of 500 citizens and ex-service men of Hancock County, Miss., urging the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

7175. Also, petition of 513 ex-service men of Forrest County, Miss., urging the enactment of legislation for the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

7176. Also, petition of 1,000 or more citizens of Harrison County, Miss., urging the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

7177. By Mr. JAMES: Telegram from Houghton Lodge, No. 782, Brotherhood of Railroad Trainmen, of Houghton, Mich., through P. Stinmetz, secretary, opposing the sales tax and reduction of the salaries of Government employees; to the Committee on Economy.

7178. Also, resolution from Croatian Fraternal Union of America, Pittsburgh, Pa., favoring a tariff on copper; to the Committee on Ways and Means.

7179. By Mr. JOHNSON of Washington: Resolution from the city commission of Centralia, Wash., urging the enactment of legislation for the protection of forest products; to the Committee on Ways and Means.

7180. By Mr. KELLER: Petition of the members of the Marion Chapter Future Farmers of America, Marion, Ill., protesting against the withdrawal of Federal aid from vocational education; to the Committee on Agriculture.

7181. Also, petition of Christopher Post, No. 528, American Legion, Christopher, Ill., favoring the immediate payment of the soldiers' adjusted-compensation certificates; to the Committee on Ways and Means.

7182. By Mr. LAMNECK: Petition of George J. Sauer, Fred Pabst, Robert McCurdy, and numerous other citizens of the city of Columbus, Ohio, protesting against the elimination at this time of Naval Reserve training cruises, and the decommissioning of the U. S. S. *Wilmington;* to the Committee on Appropriations.

7183. Also, petition of Katharine Wilson, Elizabeth Davis, Lillian Woodhouse, and numerous other citizens of the city of Columbus, Ohio, protesting against the elimination of appropriation for Naval Reserve training cruises and the decommissioning of the U. S. S. *Wilmington;* to the Committee on Appropriations.

7184. Also, petition of A. A. Griffith, C. F. Williams, and numerous other citizens of the city of Columbus, Ohio, protesting against the removal of the appropriation for vocational-education work from the Federal Budget; to the Committee on Economy.

7185. Also, petition of Florence Harley, M. Otis Flook, Dwight Arnold, and numerous other citizens of the city of Columbus, Ohio, protesting against the removal of the appropriation for vocational-education work from the Federal Budget; to the Committee on Economy.

7186. Also, petition of Norma McClarren, W. E. Hoos, R. E. Hoos, and numerous other citizens of the city of Columbus, Ohio, protesting against the removal of the appropriation for vocational-education work; to the Committee on Economy.

7187. Also, petition of Albert Farnlucher, C. H. Moss, and numerous other citizens of the city of Columbus, Ohio, protesting against the removal of the vocational-education appropriation from the Federal Budget; to the Committee on Economy.

7188. Also, petition of Karl Schott, Ellsworth Reese, C. W. White, and numerous other citizens of the city of Columbus, Ohio, protesting against the removal of the appropriation for vocational education from the Federal Budget; to the Committee on Economy.

7189. Also, petition of Floyd Carpenter, Daniel Kahler, Mary E. Kahler, and numerous other citizens of the city of Columbus, Ohio, protesting against the removal of the appropriation for vocational-education work; to the Committee on Economy.

7190. Also, petition of Mrs. G. P. Lawrence, Mrs. W. G. Green, Mrs. R. E. Mendenhall, and numerous other citizens of the city of Columbus, Ohio, protesting against the removal of the vocational-education appropriation from the Federal Budget; to the Committee on Economy.

7191. Also, petition of E. T. Kain, Nellie L. Kain, W. T. Kain, and numerous other citizens of the city of Columbus, Ohio, protesting against the removal of the appropriation for vocational-education work; to the Committee on Economy.

7192. By Mr. LONERGAN: Petition of Board of Common Council of Hartford, Conn., asking for the retention of Hartford, Conn., as a port of entry; to the Committee on Interstate and Foreign Commerce.

7193. By Mr. MEAD: Petition of Troop I, Post No. 665, of the American Legion, favoring a bill to provide for the continuation of the 5-year insurance for all veterans and the widows and orphans' pension; to the Committee on Pensions.

7194. Also, petition of Laundry Owners' National Association of the United States and Canada regarding the subject of activities of the Government in business; to the Committee on Labor.

7195. Also, petition of the National Cooperative Milk Producers' Federation, urging Congress to repeal the agricultural marketing act; to the Committee on Agriculture.

7196. Also, petition of the National Fertilizer Association, opposing Muscle Shoals legislation; to the Committee on Military Affairs.

7197. By Mr. MURPHY: Petition of Margaret Elliott, Delroy, Ohio, and 11 other members of the Presbyterian Church of that village, asking that the Alaskans be protected in the ownership of their reindeers; to the Committee on Agriculture.

7198. By Mr. PARKER of Georgia: Petition of H. W. Butler and 15 other citizens of Savannah, Ga., urging the passage of House bill 9891, and voicing opposition to House bill 10023 and Senate bill 3892; to the Committee on Interstate and Foreign Commerce.

7199. Also, memorial of first district of Georgia convention of the American Legion, urging the immediate payment of the adjusted-service certificates of veterans of the World War, and the passage of the widows and orphans' pension bill; to the Committee on Ways and Means.

7200. Also, petition of M. T. Collins and 57 other citizens of Emanuel County, Ga., urging the immediate payment of the balance due veterans of the World War on their adjusted-service certificates; to the Committee of Ways and Means.

7201. Also, petition of C. H. Manson, of Savannah, and four citizens of Augusta, Ga., urging the passage of railroad pension bill, H. R. 9891, and voicing opposition to House bill 10023 and Senate bill 3892; to the Committee on Interstate and Foreign Commerce.

7202. By Mr. PRATT: Petition of 103 residents of Kingston, Ulster County, N. Y., praying for repeal of the eighteenth amendment, restoration of 2.75 per cent beer and light wines, and the imposition of a Federal tax on the manufacture and sale of such beverages; to the Committee on the Judiciary.

7203. Also, petition of 47 members of William F. Scannell Chapter, Disabled American Veterans of the World War, of Liberty, Sullivan County, N. Y., praying for defeat of proposed legislation to reduce compensation or pension or curtail hospitalization of disabled World War veterans; to the Committee on World War Veterans' Legislation.

7204. By Mr. RAINEY: Petition of Randall Hart and 61 members of the Beardstown (Ill.) Chapter of the Future Farmers of America, favoring the vocational agriculture appropriation; to the Committee on Appropriations.

7205. By Mr. RUDD: Petition of faculty, Brooklyn Evening Technical High School, Brooklyn, N. Y., favoring the elimination of section 303, vocational education, from the proposed economy bill; to the Committee on Economy.

7206. Also, petition of Garnett Wood, New York City, opposing the discontinuance of the Panama Railroad Steamship Line; to the Committee on Economy.

7207. Also, petition of Long Island Chamber of Commerce, Long Island, N. Y., opposing soldiers' bonus legislation; to the Committee on Economy.

7208. Also, petition of Marjorie Noble, of New York City, opposing the passage of the Muscle Shoals legislation; to the Committee on Military Affairs.

7209. Also, petition of National League of District Postmasters of the United States, favoring the exclusion of third and fourth class postmasters from the terms of any proposal for a further reduction in salary; to the Committee on Economy.

7210. Also, petition of Eugene F. Moran, New York City, opposing any reduction of Federal aid for vocational education; to the Committee on Economy.

7211. Also, petition of Canal Zone Central Labor Union, favoring the elimination of the section 312, from the so-called economy bill; to the Committee on Economy.

7212. By Mr. SMITH of West Virginia: Resolution of the Whitesville Post, No. 75, the American Legion, of Whitesville, W. Va., urging the passage of the bill providing for full payment of adjusted-service certificates; to the Committee on Ways and Means.

7213. Also, resolution of the Scarbro Safety Club, of Scarbo, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7214. Also, resolution of the Imperial Colliery Co. Safety Club, of Burnwell, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7215. Also, resolution of the Warrior Safety Club, of Warriormine, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7216. Also, resolution of the Williams Pocahontas Mine Safety Club, of War, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7217. Also, resolution of the Price Hill Safety Club, of Price Hill, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7218. Also, resolution of the Skelton Safety Club, of Skelton, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7219. Also, resolution of the Cranberry Safety Club, of Cranberry, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7220. Also, resolution of the Lochgelly Safety Club, of Lochgelly, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7221. Also, resolution of the Summerlee Safety Club, of Summerlee, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7222. Also, resolution of the Sprague Safety Club, of Sprague, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7223. Also, resolution of the Alpha Pocahontas Coal Co. Safety Club, of Alpoca, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7224. Also, resolution of the Covel Safety Club, of Covel, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7225. Also, resolution of the Oakwood Safety Club, of Carlisle, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7226. Also, resolution of the Prudence and Harvey Safety Club, of Harvey, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7227. Also, resolution of the Whipple Safety Club, of Whipple, W. Va., opposing the Davis-Kelly bill; to the Committee on Interstate and Foreign Commerce.

7228. By Mr. SUTPHIN: Petition of Vernon A. Brown Post, No. 438, Veterans of Foreign Wars, opposing payment of the foreign-war debt at the expense of the disabled veteran; to the Committee on World War Veterans' Legislation.

7229. Also, petition of New Jersey State Division of the American Association of University Women, opposing curtailment of appropriations for vocational education; to the Committee on Appropriations.

7230. By Mr. SWANSON: Petition of J. E. Brooks and others of Greenfield, Iowa, against House bill 8576, for the discontinuance of postal sale of contract-printed envelopes; to the Committee on the Post Office and Post Roads.

7231. By Mr. TARVER: Petition of H. Grady Jones and a number of other citizens of Haralson County, Ga., favoring the regulation of bus-and-truck transportation; to the Committee on Interstate and Foreign Commerce.

7232. By Mr. WATSON: Resolution passed by the Mountain Arts Association of Pennsylvania, favoring the continuation of the Smith-Hughes Act of 1917; to the Committee on Education.

7233. Also, resolution passed by the Philadelphia Board of Trade, concerning the status of sugar refining; to the Committee on Ways and Means.

7234. Also, resolution passed by the Port of Philadelphia Ocean Traffic Bureau, concerning the status of sugar refining; to the Committee on Ways and Means.

SENATE

FRIDAY, APRIL 29, 1932

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

Almighty and Eternal God, whose will doth sway the destiny of the universe and of human life, before whose eyes nothing is covered or concealed; preserve us in our secret life from all idle reverie, from all impurity of thought, from moments of self-pity, pride, and petulance, and give to us the inner calm, the fine serenity of souls principled in faith and hope and love.

Touch Thou our lips with kindly wisdom, that with grace and clearest insight our words may rise on winged feet above confusion's wide expanse, clothing our thought with the rare bloom and fragrance of that knowledge which reveals the constant inflowing of God into the affairs of men. We ask it in the name and for the sake of Him who spake as never man spake, Jesus Christ our Lord. Amen.

THE JOURNAL

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

CALL OF THE ROLL

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

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

CLAIMS OF INDIANS IN OREGON—VETO MESSAGE (S. DOC. NO. 89)

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

To the Senate:

I am returning herewith Senate bill 826, "An act conferring jurisdiction upon the Court of Claims to hear and determine claims of certain bands or tribes of Indians residing in the State of Oregon," without my approval.

The bill limits the claims which can be presented to those "arising under or growing out of any treaty, agreement, act of Congress, Executive order," and then throws the door wide open by adding "or otherwise." I can not assent to the proposition that the Government should be obligated after 75 years to defend a suit for unknown claims of such ancient origin and for persons long since dead not based upon any treaty, agreement, act of Congress, or Executive order.

I want full justice for our Indian wards, and would have no objection to the presentation of claims arising under the treaties named in the bill, both ratified and unratified treaties. I am advised, however, that all funds promised to these Indians under the ratified treaties have been appropriated and paid, and that lands were set aside for, and occupied by, the Indians who were parties to the unratified treaties. I am further constrained to this action at a time when the Government can not assume additional and unknown burdens of expenditure.

HERBERT HOOVER.

THE WHITE HOUSE, *April 25, 1932.*

The VICE PRESIDENT. The question is, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding?