8099. By Mr. SNOW: Petition of Lillian R. Ames and 23 other citizens of Exeter, Me., urging reduced Government expenditures, particularly in payments and pensions to veterans not disabled in time of war, and prompt action to balance the Budget; to the Committee on Economy.

8100. By Mr. SPARKS: Petition signed by W. H. Bobenhouse, of Rydal; Joseph Johnson, of Scandia; K. R. Higbee, of Formoso; A. R. Jacobson, of Montrose; and 52 others of Republic and Jewell Counties, all of the State of Kansas, favoring the repeal of the agricultural marketing act; to the Committee on Agriculture.

8101. By the SPEAKER: Petition of citizens of the State of New Jersey, supporting the prohibition law; to the Committee on the Judiciary.

8102. Also, petition of Municipal Council of Aroroy, Province of Masbate, P. I., expressing congratulations to Representative HARE and the Members of the United States Congress for the passage of the Hare independence bill; to the Committee on Insular Affairs.

8103. Also, petition of Board of Supervisors of the City and County of San Francisco, urging Congress to enact a statute imposing a severe penalty for the crime of kidnaping; to the Committee on the Judiciary.

SENATE

THURSDAY, JUNE 2, 1932

(Legislative day of Wednesday, June 1, 1932)

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

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 154. An act for the relief of Amy Harding;

S. 669. An act for the relief of Chester J. Dick; and

S. 1357. An act for the relief of Nancy H. Rouse, Clara H. Simmons, W. H. Hays, Hallie H. Hamilton, and Bradford P. Hays.

The message also announced that the House had passed the bill (S. 811) for the relief of Sophia A. Beers, with amendments, in which it requested the concurrence of the Senate.

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

H. R. 632. An act for the relief of Lucy Murphy;

H. R. 873. An act for the relief of Carl F. Castleberry;

H. R. 964. An act for the relief of Howard Emmett Tallmadge;

H. R. 1174. An act for the relief of Mary A. Cox;

H. R. 2296. An act for the relief of Charles W. Dworack;

H. R. 2478. An act for the relief of Silas B. Lawrence;

H. R. 2599. An act for the relief of Henry Dixon Linebarger;

H. R. 3029. An act for the relief of William K. Lovett;

H. R. 3460. An act for the relief of Caughman-Kaminer Co.;

H. R. 4059. An act for the relief of Rosamond B. McManus;

H. R. 4911. An act for the relief of Ralph E. Williamson for loss suffered on account of the Lawton (Okla.) fire, 1917;

H. R. 5595. An act for the relief of Harry Manning Lee;

H. R. 5632. An act for the relief of Miles Thomas Barrett;

H. R. 6003. An act for the relief of A. L. Marshall;

H. R. 6855. An act for the relief of Sam Echols;

H. R. 7656. An act for the relief of William R. Nolan; and

H. R. 8174. An act to exempt from the quota fathers and mothers over 60 years of age of United States citizens.

CALL OF THE ROLL

Mr. BYRNES obtained the floor.

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

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

Mr. BYRNES. I yield.

Mr. FESS. 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	Cutting	Johnson	Robinson, Ark.
Austin	Dale	Jones	Robinson, Ind.
Bailey	Davis	Kean	Schall
Bankhead	Dickinson	Kendrick	Sheppard
Barkley	Dill	Keyes	Shipstead
Bingham	Fess	King	Shortridge
Black	Fletcher	La Follette	Smith
Blaine	Frazier	Logan	Smoot
Borah	George	McGill	Stephens
Bratton	Glass	McKellar	Thomas, Okla.
Broussard	Glenn	McNary	Trammell
Bulkley	Goldsborough	Metcalf	Tydings
Bulow	Gore	Moses	Vandenberg
Byrnes	Hale	Neely	Wagner
Capper	Harrison	Norris	Walsh, Mass.
Cohen	Hastings	Nye	Walsh, Mont.
Connally	Hatfield	Oddie	Watson
Coolidge	Hayden	Patterson	Wheeler
Copeland	Hebert	Pittman	White
Costigan	Hull	Reed	

Mr. SHEPPARD. I wish to announce that the senior Senator from Virginia [Mr. SWANSON] is necessarily absent as a member of the Geneva conference and that the junior Senator from Louisiana [Mr. LONG] is necessarily absent from the city.

Mr. FESS. I desire to announce that the following-named Senators are detained in a meeting of the Committee on Banking and Currency: Mr. NORBECK, Mr. TOWNSEND, Mr. WALCOTT, Mr. CAREY, Mr. BARBOUR, and Mr. COUZENS.

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

PETITION

The VICE PRESIDENT laid before the Senate the petition of the Philadelphia (Pa.) Board of Trade, praying for the adoption of House Resolution No. 214, submitted by Mr. SHANNON, authorizing an investigation into the activities of the Government in competition with private enterprise, which was ordered to lie on the table.

CONSTRUCTION OF PROJECTS THROUGH THE RECONSTRUCTION FINANCE CORPORATION

Mr. BARBOUR presented a letter from D. J. O'Connor, manager of the Jackson (Mich.) Chamber of Commerce, which was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

JACKSON, MICH., *May 31, 1932.*

Senator W. WARREN BARBOUR,
United States Senate Office Building, Washington, D. C.

DEAR SENATOR BARBOUR: I have very carefully gone over your bill which was introduced to expand the Reconstruction Finance Corporation and I believe that it is one of the most constructive pieces of legislation with regard to the relief of the unemployed that has been devised to date.

I have had a great deal of experience in organizing of late, building and modernizing projects for the relief of the unemployed as well as stimulating the general business through the sale of building supplies and material.

Your bill should initiate such a movement nationally and should be of great assistance for the relief of the unemployed, especially in the sections or districts where the building of small-income homes or resident property has heretofore been neglected.

There is no doubt but that there is a great demand for projects of this character, homes that will fit the needs of individuals with an income up to $2,500 to $3,000 per annum.

As a suggestion, I would think that it is necessary, or at least advisable, for the Government or for private business interests, especially those connected with the building trade, to immediately initiate a national campaign upon the passage of your bill so as to have each section organized where there has been a need determined for this type and class of construction.

A survey could be made nationally that would illustrate the exact number of such projects in various sections of the country and the publicity gained from such a survey would be of material assistance in stimulating this type of construction.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Personally, if I can be of any assistance to you in the advisory capacity or otherwise, feel perfectly free to call upon me.

Thanking you for your courtesy and cooperation in sending me a copy of this bill as well as the opportunity to express my opinion of the same, I remain

Sincerely yours,

D. J. O'CONNOR,
Manager Jackson Chamber of Commerce.

EXCHANGE OF TIMBERLANDS, YOSEMITE NATIONAL PARK, CALIF.

Mr. SHORTRIDGE. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred a resolution adopted by the board of supervisors of Tuolumne County, Calif., a telegram from the district attorney of that county, and also a letter addressed to me by the California State Chamber of Commerce, protesting against the passage of the bill (S. 4472) to provide for the restoration, through exchange, of certain timberlands to the Yosemite National Park, Calif., and for other purposes.

There being no objection, the matters were referred to the Committee on Public Lands and Surveys and ordered to be printed in the RECORD, as follows:

Whereas information has come to the board of supervisors of the county of Tuolumne, State of California, that an organization known as the Emergency Conservation Committee, and having its headquarters at 113 East Seventy-second Street, New York City, is advocating the acquiring of certain timberlands immediately outside of the west boundary of Yosemite National Park by the grant in exchange thereof of an equal value of Stanislaus National Forest stumpage; and

Whereas it is contended by said Emergency Conservation Committee that the lands in question will lie adjacent to the new Big Oak Flat Road, when the fact is that the said new Big Flat Oak Road, per present survey, will not traverse any portion of said lands, and literature being circulated by said committee is misleading in that the inference can and will be gained by many unsuspecting persons that the tree illustrations in said pamphlet are illustrative of quantity as well as quality of timber, when, as a matter of fact, isolated and scattered trees of such quality may be found outside of a great length of the border of said Yosemite National Park; and

Whereas the greater portion of the lands in question are privately owned and are now assessed for taxation purposes by the county of Tuolumne; and

Whereas since approximately 1,038,750 acres of the area of Tuolumne County do not appear on the assessment roll by reason of Government ownership, this board is of the firm opinion that no additional lands should be acquired by the Government unless some substantial annual return therefrom in lieu of taxes be granted: Now, therefore, be it

Resolved, That the board of supervisors of Tuolumne County, Calif., asserts its stand and protests against the further acquisition of lands by the Government within the county of Tuolumne as hereinabove fully set forth unless some substantial annual return in lieu of taxes be granted; and be it further

Resolved, That a certified copy of this resolution be forwarded to the Hon. Arthur M. Hyde, Secretary of Agriculture, Washington, D. C.; Hon. Ray Lyman Wilbur, Secretary of the Interior, Washington, D. C.; Hon. HIRAM JOHNSON, United States Senate, Washington, D. C.; Hon. SAMUEL SHORTRIDGE, United States Senate, Washington, D. C.; Hon. H. L. ENGLEBRIGHT, House of Representatives, Washington, D. C.; California State Chamber of Commerce, San Francisco, Calif.; Tuolumne County Chamber of Commerce, Sonora, Calif.; and to Emergency Conservation Committee, 113 East Seventy-second Street, New York City.

Adopted by the board of supervisors of the county of Tuolumne April 5, 1932.

Ayes: Supervisors Frank J. Talph, Frank J. Dondero, Ernest H. Hodge, Robert T. Simmons, and William K. Knoop.

Noes: Supervisors, none.

SONORA, CALIF., *June 2, 1932.*

Hon. SAMUEL M. SHORTRIDGE,
United States Senate, Washington, D. C.:

Respectfully request your opposition Senate bill 4472. This bill pernicious move by chronic conservationists deprive this county more and more privately owned land from assessment roll. If proposed annexed land paid for by timber sales from Stanislaus National Forest, this county lose revenue 25 per cent. Timber sales Stanislaus Forest under present law used for support county schools and highways. This method of purchase would place county ridiculous position surrendering annual revenue from Stanislaus Forest to purchase land Yosemite National Park, which land when paid for and Government receive title would be tax-free, and county would be making gift portion purchase price and then lose all tax revenues from land annexed. Establishes dangerous precedent, probably affecting all counties within which national parks located. Tax exemptions this county amounting approximately 90 per cent of value of county as follows:

National forest and park lands, San Francisco Hetchhetchy water project, three irrigation districts impounding waters and generating electricity this county and utilizing water and electricity in adjoining county, also all other public utilities generating electricity and other purposes. This same matter partly presented resolution by board supervisors this county, April 5, certified copy of which mailed you. Respectfully ask your opposition behalf this county and others similarly affected by precedent established. Any data desired gladly furnished. California Chamber of Commerce meeting this matter June 18.

C. H. GRAYSON,
District Attorney of Tuolumne County.

CALIFORNIA STATE CHAMBER OF COMMERCE,
Stockton, Calif., May 16, 1932.

Hon. Senator SAMUEL M. SHORTRIDGE,
Senate Office Building, Washington, D. C.

MY DEAR SIR: You probably know of the activities of the emergency conservation committee, with headquarters at 113 East Seventy-second Street, New York City, which is advocating the acquisition of certain timberlands immediately outside of the western boundary of Yosemite National Park by the grant in exchange therefor of an equal value of Stanislaus National Forest stumpage.

It is the contention of the emergency conservation committee that the lands in question are adjacent to the Big Oak Flat Road, but the fact is that the proposed new Big Oak Flat Road will not traverse any portion of these lands.

The California State Chamber of Commerce has adopted a policy which opposes any further extension of national parks in California where there are natural resources involved which may be needed for the future development of this State based upon this policy and further, upon the belief that to take additional lands out of the tax roll of Tuolumne County would place an undue burden on the citizens thereof.

The Central Valley Council of the State chamber of commerce has gone on record opposing the acquisition of this land. The council area, which comprises the counties of Alpine, Amador, Calaveras, San Joaquin, Stanislaus, Tuolumne, and the fifth supervisorial district of Contra Costa County, urges that you exercise your power to defeat the announced program of the emergency conservation committee having to do with the acquisition of the above-referred-to timberlands.

You have probably received the resolution which was adopted by the board of supervisors of Tuolumne County, in which this council wishes to express itself as concurring in that resolution.

Yours very truly,

CHAS. H. SEGERSTROM,
Regional Vice President and
Chairman Central Valley Council.

SUBSIDIZING OF STEAMSHIP COMPANIES

Mr. McKELLAR. Mr. President, I ask unanimous consent to print in the RECORD as a part of my remarks a statement of the subsidizing transactions between the United States and the Franklin-Roosevelt-Dollar group of steamship companies, giving them over $100,000,000, compiled from the official records of the United States Shipping Board and the Post Office Department as of May, 1932, by John Nicolson.

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

The statement is as follows:

SUBSIDIZING TRANSACTIONS BETWEEN THE UNITED STATES AND THE FRANKLIN-ROOSEVELT-DOLLAR GROUP, GIVING THEM OVER $100,000,000

(Compiled from official records of the United States Shipping Board and the Post Office Department, May, 1932, by John Nicolson)

The P. A. S. Franklins, the Robert Dollars, and the Roosevelts have a joint interest through stock ownership in one or more of the lines mentioned below, all of which are owned by one or more of this group, hence this combined statement of the financial aid they are receiving from the United States incident to sales of ships at very low prices, loans from the construction loan fund, and ocean-mail "contracts" under Title IV of the merchant marine act, 1928:

I. THE UNITED STATES LINES CO.

The Franklins, the Roosevelts, and the Dollars are all financially interested in this company; they own it. The line is greatly profiting at the cost of the United States through large concessions from true value in the sales prices of vessels sold it, in the loans made it for the construction of new vessels, and in postal contracts given it.

(a) Sales prices: The vessels sold it include the *Leviathan*, the *Roosevelt*, the *Harding*, and seven others. Their total cost to the United States exceeded $44,000,000. They were sold to this line for $3,175,000, and as the part payments received from a previous defaulting purchaser was more than offset by unpaid accrued interest and by the loss resulting from taking back the steamships *America* and *George Washington*, the amount named ($3,175,000) is all the United States will receive for these vessels, less than 10 per cent of their cost. While the "cost" does not represent present market value, the sales price is very much less than their true market value, the concession being made to promote their operation in foreign trade. To construct only the *Leviathan* now would cost over $20,000,000. About eight

years ago the Shipping Board expended nearly $10,000,000 in reconditioning her.

(b) Loans: The Shipping Board has lent this line $15,700,000 in aid of building two new vessels. This large sum has been loaned it at the excessively low interest rate of one-half of 1 per cent, and for 20 years. The average interest rate on the public debt of the United States is about eight times greater. The interest loss on this one transaction will exceed $5,350,000.

(c) Postal contracts: There have also been granted this line two ocean mail "contracts," the compensation under which greatly exceeds the transportation value of the mail in fact carried. They are:

(1) Route No. 43, between New York and Hamburg, Germany, for 10 years, under which it will be given $14,000,000.

(2) Route No. 44, between New York and London, for 10 years, under which it will receive $10,500,000.

Total from both mail contracts, $24,500,000.

II. THE ROBERT DOLLAR LINES

The Dollars also own three trans-Pacific lines, viz: One from San Francisco to Manila, one from Seattle to Manila, and one from San Francisco in "the round the world" service. With respect to each of these, also, it has received extensive financial aids from the United States in the low sales prices of vessels sold it, in the grant of loans at very low rates of interest, and in the award of ocean mail contracts at excessive rates.

(a) Sales prices: The board has sold it 15 vessels in all. These were built after the World War and are among the finest the United States has built. Their cost exceeded $84,000,000. They have been sold to the Dollars for $12,775,000. While construction cost does not represent market value, the sales price was hardly one-third of their true market value, a concession being made to promote their operation in foreign trade.

(b) Loans: Nearly $13,000,000 has been loaned the Dollars—entirely apart, of course, from the unpaid purchase money on the vessels sold it. Of this amount, $10,575,000 has been loaned for 20 years to aid in building two large vessels. One-half of it (i. e., $5,287,500) has been loaned at the abnormally low rate of 1 per cent per annum, and the other half (i. e., $5,287,500) at the ridiculously low rate of one-quarter of 1 per cent per annum. The average interest rate on the public debt of the United States is nearly sixteen times the one-quarter of 1 per cent rate. The interest loss to the United States will exceed $2,450,000.

(c) Postal contracts: Three ocean mail contracts have been awarded them for 10 years: Route 25, between San Francisco and Manila; Route 26, between Seattle and Manila; and Route 27, the round-the-world service. The amount being paid at present will be greatly increased in the future; but even on the basis of the present fleets they will be about $38,000,000. The transportation value of the mail in fact carried, tested by results down to June 30, 1931, will be only about one-eighth of the compensation in fact paid.

III. AMERICAN SOUTH AFRICAN LINE

This line operates between New York and South Africa. It was sold the Roosevelts and the Franklins by the Shipping Board.

(a) Sales price: The five vessels sold it are about 409 feet long and 5,600 tons gross. The total sales price was $777,000. Their construction cost the United States over $9,000,000. Hence the sales price is not 10 per cent of their cost. Their market value is less than their cost; but their market value greatly exceeded the sales price, a concession being made to promote their operation in foreign trade.

(b) Loan: This company has built one new vessel (the *City of New York*) in aid of which the board loaned it $1,350,000 at 3⅜ per cent for 20 years—a rate lower than the average interest cost of the public debt. The interest loss exceeds $7,000 per annum.

(c) Postal contract: Route No. 6, New York to South African ports, for 10 years. This contract will yield the line over $2,600,000. The transportation value of the mail, in fact, carried between October 27, 1928, and June 30, 1931, was $43,237 at commercial rates paid by the International Postal Union, but the "compensation" paid for the same period was $782,692.

IV. AMERICAN LINE STEAMSHIP CORPORATION

This line is owned by the Atlantic Transport Co., which in turn is owned by the International Mercantile Marine Co. and is thus controlled by the Franklins. The vessels were not sold to it by the board; the company built them, aided by loans from the loan fund of the board.

(a) Loans: The board loaned about $11,000,000 for 20 years to aid the construction of the three vessels in this service. As it is a "coastwise" route, the interest rate was definitely fixed by law and is not at a loss to the United States. It has been with loans on vessels in foreign trade that unreasonable and abnormal rates have been applied.

(b) Postal contracts: Route 32, ostensibly a route between New York and Balboa. We say "ostensibly" because the visit to Balboa is a mere navigation incident in the transit of the Panama Canal. The contract is for 10 years and will yield the company the totally unexpected boon of over $4,000,000. The three vessels built are not the result of this contract, either immediately or remotely.

V. THE ROOSEVELT STEAMSHIP CO.

(Baltimore mail line)

This line operates between Baltimore and Bremen. Its initial sale by the board was to the Franklins and the Roosevelts.

(a) Sales price: The five vessels sold it are about 440 feet long and 7,500 tons gross. The sales price was nominal; $30,000 for each vessel, total $150,000. They were built by the board and cost more than $9,000,000. Hence the sales price is less than 2 per cent of their cost. Their cost is not necessarily their market value. Their true market value, however, was nearly ten times the sales price; the concession was made to promote their reconditioning and their operation in foreign trade. The board lent most of the cost of reconditioning.

(b) Loans: The loan is $6,500,000 for 20 years at 3 per cent, to aid in the reconditioning of the five vessels sold. This low interest rate will yield less by $500,000 than the average interest cost of the public debt, hence the interest loss will exceed $500,000.

(c) Postal contract: Route No. 46, between New York and Bremen, for 10 years, during which the line will receive not less than $1,222,000 per year. The total will exceed $12,000,000.

That the annual compensation is excessive for the vessels used, is revealed by the terms of the contract, under which the Postmaster General may, after the first five years, require the contractor to build a new vessel, and it would cost the company over $5,000,000 to do so. The right to require the new vessel is imperative; it is not a "mutual agreement" item. It is obvious the postal-contract compensation through the first five years was made higher than otherwise justified, to put the contractor in funds with which to build the new vessel if compelled to do so by the Postmaster General.

This interpretation is confirmed by the provision of the contract, that, if the new vessel is not built, the compensation for the second five years will be reduced to a more nearly proper level for the old vessels. It is an incredible fact, however, that the contractor is thus (admittedly) compensated during the first five years on a scale covering a new building program, and yet, should the new vessel not be built, he is to retain all this surplus compensation intended for the cost of the new vessel.

This feature of this contract prompts reference to another contract of this group, viz, the sales contract to the Dollars for the seven large, fine "President" vessels, operated in the "round the world" service. These vessels cost the United States over $6,000,000 each to build, and they were sold to the Dollars within three years of their completion at the nominal price of $550,000 each. This absurdly low price seemed explained by a stipulation in the preamble of the contract that "the buyer has agreed to establish with said vessels and to maintain for a period of five years * * * the round-the-world service." That is, that they were guaranteeing to do it, apparently, whether it paid or not. And that the great difference between sales price and market price was to compensate for this risk.

But the body of the contract imposed no such guaranty; they were free to abandon the maintenance of the service; nor was the abandonment of that service to impair the contract of sale; the board could have taken the vessels to operate them, but only temporarily and at its own expense, and with obligation to return them in good condition to the Dollars not later than at the end of the 5-year period; and, of course, that period having passed, they would then be free of all limitations as to use—restoring them to their normal market price value—the excess above the low sales value being the Dollars'. This result is not based on any ambiguity of language, but by clear and express provisions of the contract.

The success members of this group have had in procuring terms and policies serving their purposes, as in obtaining a postal contract for an intercoastal service, in direct contravention of law and in the two instances just mentioned above, is further demonstrated by the successful opposition of the Dollars to the declared purpose of the Postmaster General to advertise as a postal route a direct service between San Francisco and Manila, P. I. This course had been decided on because the Matson Line had made known that if awarded a mail contract it would build fast, splendid vessels for the route and give a service about seven days shorter than the schedules of the Dollar vessels. The Matson vessels would have gone direct; the Dollar vessels go via Japan and China.

After extended hearings the Dollars were successful in their opposition, their success being largely explained by the fact (revealed in the records) that the chairman of the Shipping Board supported the Dollars in their opposition, an amazing attitude in the light of the fact that the Shipping Board has recommended an extension of the coastwise laws to the Philippine Islands.

And thus was lost a direct passenger service with the Philippine Islands which would have saved seven days over present schedules, all to the end that traffic by the Dollar vessels, which take a route seven days longer, might not be impaired.

Recapitulation

FRANKLIN-ROOSEVELT-DOLLAR GROUP

Name of line	Losses on low interest rates	Postal contracts	Cost of construction exceeded sales prices by—	Sales prices less than market values by—
1. United States Lines	$5,350,000	$24,500,000	$40,825,000	$9,000,000
2. Robert Dollar Lines	2,450,000	38,000,000	71,225,000	15,000,000
3. American-South African Line	70,000	2,600,000	8,222,000	1,500,000
4. American Line Steamship Corporation		4,000,000		
5. Roosevelt Steamship Co.	500,000	12,000,000	8,850,000	2,000,000
Total	8,370,000	81,100,000	129,122,000	27,500,000

Total aids received by the group

1. Interest losses on loans (compared with average rate on public debt)	$8,370,000
2. Sales price concessions below market value at time of sale	27,500,000
3. Postal contracts subsidizing payments. (This amount will greatly increase, which will more than cover the transportation value of the mail in fact carried)	81,100,000
Grand total	116,970,000

TAX ON ELECTRIC ENERGY

Mr. WALSH of Montana. Mr. President, in the discussion of the amendment offered by the Senator from Nebraska [Mr. NORRIS] to the revenue bill relating to the tax on electric energy, a difference of opinion was manifested as to whether the tax which is provided for will be passed on to the consumer. In view of that difference of opinion I ask that there be incorporated in the RECORD an article appearing in to-day's Journal of Commerce on that subject entitled "Electric Industry Not to Shift 3 Per Cent Tax—Utility Men Say Companies Will Absorb New $55,000,000 Levy on Gross Income."

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

The article is as follows:

[From the New York Journal of Commerce, June 2, 1932]

ELECTRIC INDUSTRY NOT TO SHIFT 3 PER CENT TAX—UTILITY MEN SAY COMPANIES WILL ABSORB NEW $55,000,000 LEVY ON GROSS INCOME

The electric power and light industry is not expected to be able to pass on immediately to consumers any important part of the 3 per cent excise tax adopted by the Senate and included in the new revenue bill, it was indicated yesterday by local utility men.

The amendment to the tax bill, submitted by Senator HOWELL, of Nebraska, provides that there shall be imposed upon energy sold by private companies a tax equivalent to 3 per cent of gross revenues received and that this tax shall be paid from net and "not otherwise."

With gross revenues of approximately $2,000,000,000 after allowing for an estimated 5 per cent decline in 1932 gross, the tax would raise in the neighborhood of $55,000,000.

TWICE RAILROAD TAX

The utilities would enjoy a small partial offset, however, inasmuch as the 3 per cent payment would reduce net income on which their tax payments are computed. With the fact in mind that the power industry last year paid out a sum greater than $200,000,000 in taxes, equal to more than 10 per cent of gross revenues, it is indicated that a 3 per cent tax addition is a considerable burden. Under the new bill the companies, taken as a whole, would pay approximately 13 per cent of their total gross receipts in taxes, while the railroad industry, for example, pays only slightly more than 6 per cent.

As an offset, it is said that in the long run, in view of the constitutional protection afforded the companies, the new tax might mean that rates will be held at present levels. It is this question of lower rates that has been much to the fore during the past several months, and if a tax on power sales means that rates will remain relatively unchanged, it is said likely that the industry will suffer little in the way of diminished income and at the same time the Government will receive a substantial return.

Meanwhile the question of reduced earnings is problematical. As numerous power companies have hardly begun to cut expenses to the extent of other industries, it was yesterday pointed out that much in the way of expense reductions could be accomplished. Wages, for instance, are at predepression levels for almost all leading companies. Further savings in maintenance due to cheaper materials and supplies is also a factor, while oil and coal, the biggest utility costs excepting labor, are cheaper than in many years. Depreciation provisions, liberal in the past, may also be altered.

According to the wording of the Howell rider to the Senate bill, municipal plants would be exempt from the impost. Senator HOWELL is head of the municipally operated gas and water works of Nebraska.

His amendment follows:

PRIVATE COMPANIES

"There is hereby imposed upon energy sold by privately owned operating electrical power companies a tax equivalent to 3 per cent of the price for which sold payable from net income, but not otherwise."

Utility shares were liquidated rather heavily in yesterday's trading on the securities market. A number of holding-company common shares sold at new low level in anticipation of lower net income for operating companies, and hence reduced returns for the parent concerns, according to opinion expressed in some quarters. Companies where the equities for stocks are thin would be most affected by the measure, it was argued.

REDUCTION IN COMPENSATION OF FEDERAL EMPLOYEES

Mr. SCHALL. Mr. President, I have been presented with a memorial from the two cities of St. Paul and Minneapolis containing better than 20,000 names of citizens who are opposed to the proposed wage cut. They protest in their own language, to wit:

This protest expresses the opinion of 20,000 Minnesota citizens. We are opposed to wage cuts and enforced lay off for Federal employees. Such legislation would have a serious effect on industry.

Besides this protest of 20,000, I have been receiving daily hundreds of wires and letters to the same effect from my State. This morning's mail brought me better than 500 such wires and letters. Among them is a letter from the president of the American Federation of Labor, Mr. Green, which I ask leave to print. Also a letter from the president of the National Federation of Federal Employees, Mr. Steward, which I ask to have printed in the RECORD.

Charles E. Smith, president St. Paul Branch Railway Mail Association, wires in behalf of its members.

J. W. Koktavy, Minneapolis, wires in behalf of the Minneapolis post-office motor-vehicle employees.

C. M. Harvey, president tenth division, Railway Mail Association, St. Paul, wires in behalf of railway postal clerks.

J. E. Hanslik wires in behalf of 5,000 members of property tax reduction clubs.

Margaret West, president Minneapolis Teachers' Federation, wires in behalf of thousands of teachers.

H. P. Borgman, secretary, Local No. 125, National Federation, Post Office Clerks, wires in behalf of 550 members.

C. H. Allender, secretary, Local 286, Cass Lake, wires in behalf of 70 employees.

Mr. Redpath, commander, Railway Mail Post, American Legion, St. Paul, wires in behalf of 150 members.

James H. Long, president Federal Employees, St. Paul, wires in behalf of its members.

W. A. Fish wires in behalf of Minneapolis postal employees, and hundreds of other such wires representing smaller groups, besides a great mass of individual protests.

Mr. President, there is undoubtedly a universal protest of the workers and producers of my State against this legislation who demand of me my opposition to the lowering of living standards and favor the preservation of the wages and conditions which Federal employees have gained through years of struggle and effort.

Minnesota has received only 75 per cent of the apportionment of civil-service employees she is entitled to, and under any plan there should be no dismissals of employees whose residence is in the State of Minnesota unless the reduction in personnel is more than 25 per cent.

There being no objection, the letters above referred to (with an accompanying table) were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *June 1, 1932.*

Hon. THOMAS D. SCHALL,
Senate Office Building, Washington, D. C.

DEAR SIR: Because of the deep interest which the American Federation of Labor takes in the economic welfare of the Government employees we are deeply concerned over the provisions in the economy bill. For this reason I am taking the liberty of communicating with you to officially advise you of the position of the American Federation of Labor, and of labor generally throughout the Nation, so far as the American Federation of Labor can speak for it.

It is the opinion of the officers and members of the American Federation of Labor that a reduction in the salaries and wages of the Government employees would be economically wrong. Through such action a great injustice would be imposed upon thousands of Government workers without a corresponding benefit to the Government. Wage cutting on the part of the Government would aggravate the disturbed state of mind which already exists, would intensify a paralysis of buying power, which at the present moment is having such a disastrous economic effect, and would increase the social unrest and economic discontent which is so noticeable in all sections of the land. Private employers have followed an unwise policy of wage cutting and have aroused feeling and passion in the minds of the masses of the people everywhere. They believe that wage cutting on the part of the Government will be the signal for further reductions in private industry.

In my judgment a great service can be rendered the people by the Congress of the United States if it will officially declare itself in opposition to the lowering of living standards and in favor of the preservation of the wages and conditions which Federal employees have gained through years of struggle and effort. Such action would strengthen and encourage employers in private in-

dustry who are endeavoring with all the power they possess to maintain wages, to prevent reductions in salaries, and to encourage buying power so that the Nation may early regain its normal course. We can not bring back prosperity to the Nation if we continue to destroy buying power through the imposition of wage cuts amounting to millions of dollars.

When the masses of the people are compelled to accept less in wages they are compelled by sheer force of circumstances to buy less. Industry can not produce when workers are unable to buy. There is every reason why the Government should set an example to private industry. At least it should maintain an American standard of living commensurate with the requirements of American citizenship. Congress should be self-possessed even though the managers of private industry are influenced by a wage-cutting hysteria which obviously is having disastrous effects upon the economic life of the Nation. Sane men ought to see that the need of the hour is to build up and increase buying power. We can not, I assure you, bring about economic recovery by weakening and destroying the purchasing power of the masses of the people.

I sincerely hope Congress will find ways and means to economize and reduce Government expenses without reducing wages, without lowering the living standard, and without striking a blow at those intangible human values which after all are the most lasting and abiding of all. May I appeal to you in the name and in behalf of the working people of the Nation, the men and women employed both in public and private enterprises to oppose pay cuts for Government employees and to boldly announce that so far as the Federal Government is concerned wage cutting must cease so that the standard of American life and living may be permanently established and securely maintained.

Very sincerely yours,

WM. GREEN,
President American Federation of Labor.

NATIONAL FEDERATION OF FEDERAL EMPLOYEES,
Washington, D. C., June 1, 1932.

MY DEAR SENATOR: We are inclosing a tabular statement showing the number of civilian employees grouped by $100 salary steps. This table was prepared in the Bureau of the Budget and is authoritative.

This table shows that a cut of 10 per cent on annual salaries of civilian Federal employees below $1,000 would save $4,330,902; below $2,500 would save $82,090,505; below $3,000 would save $92,574,817; and below $5,000 would save $102,687,787.

It is apparent that no Senator wishes to cut the pay of employees in the lower salary ranges. The bulk of the savings must be secured by cuts in this group. The savings effected by cuts in the higher-paid groups is so negligible as not to warrant the United States Government lowering employment standards.

Very truly yours,

LUTHER C. STEWARD, *President.*

Number and cost of salaries of civilian employees of the executive branch of the Government

[Compiled in January, 1932, from latest available information]

Annual salary[1]	Civil			
	Number		Salary cost	
	Number in group	Cumulative total	Cost for group	Cumulative cost
Total	732,460	732,460	$1,055,970,636.55	$1,055,970,636.55
Up to $1,000	124,678	124,678	43,309,021.57	43,309,021.57
$1,000-$1,100	56,883	181,561	18,038,396.80	61,347,418.37
$1,100-$1,200	12,157	193,718	12,319,482.44	73,666,900.81
$1,200-$1,300	37,558	231,276	32,243,740.84	105,910,641.65
$1,300-$1,400	20,243	251,519	21,647,211.78	127,557,853.43
$1,400-$1,500	24,643	276,162	28,273,105.49	155,830,958.92
$1,500-$1,600	24,044	300,206	32,562,998.76	188,393,957.68
$1,600-$1,700	28,389	328,595	43,120,969.84	231,514,927.52
$1,700-$1,800	20,028	348,623	32,712,739.90	264,227,667.42
$1,800-$1,900	35,690	384,313	62,612,587.73	326,840,255.15
$1,900-$2,000	32,776	417,089	60,060,268.58	386,900,523.73
$2,000-$2,100	24,186	441,275	48,530,825.91	435,431,349.64
$2,100-$2,200	116,759	558,034	242,864,839.74	678,296,189.38
$2,200-$2,300	13,078	571,112	28,858,487.00	707,154,676.38
$2,300-$2,400	25,374	596,486	57,547,533.82	764,702,210.20
$2,400-$2,500	23,225	619,711	56,202,844.98	820,905,055.18
$2,500-$2,600	49,138	668,849	22,726,480.52	843,631,535.70
$2,600-$2,700	15,116	683,965	39,285,484.19	882,917,019.89
$2,700-$2,800	6,493	690,458	17,498,195.00	900,415,214.89
$2,800-$2,900	5,047	695,505	14,067,523.30	914,482,738.19
$2,900-$3,000	3,984	699,489	11,265,440.00	925,748,178.19
$3,000-$3,100	3,512	703,001	10,331,218.00	936,079,396.19
$3,100-$3,200	1,803	704,804	5,459,319.44	941,538,715.63
$3,200-$3,300	4,484	709,288	14,335,643.00	955,874,358.63
$3,300-$3,400	2,343	711,631	7,692,167.00	963,566,525.63
$3,400-$3,500	1,825	713,456	6,199,120.15	969,765,645.78
$3,500-$3,600	1,987	715,443	6,916,494.00	976,682,139.78
$3,600-$3,700	1,358	716,801	4,841,023.53	981,523,163.31
$3,700-$3,800	936	717,737	3,352,002.00	984,875,165.31
$3,800-$3,900	2,875	720,612	10,864,987.00	995,740,152.31
$3,900-$4,000	251	720,863	976,562.00	996,716,714.31
$4,000-$4,100	1,578	722,441	6,341,012.40	1,003,057,726.71

[1] Salary of civilian employees is gross salary and includes the value of quarters, subsistence, or other facilities or services furnished by the Government.

Number and cost of salaries of civilian employees of the executive branch of the Government—Continued

Annual salary	Civil			
	Number		Salary cost	
	Number in group	Cumulative total	Cost for group	Cumulative cost
$4,100-$4,200	153	722,594	627,204.04	1,003,684,930.75
$4,200-$4,400	872	723,466	3,613,827.50	1,007,298,758.25
$4,400-$4,600	722	724,188	3,171,917.50	1,010,470,675.75
$4,600-$4,800	2,250	726,438	10,259,866.00	1,020,730,541.75
$4,800-$5,000	1,286	727,724	6,148,193.00	1,026,878,734.75
$5,000-$5,200	919	728,643	4,573,104.00	1,031,451,838.75
$5,200-$5,400	374	729,017	1,941,870.60	1,033,393,709.35
$5,400-$5,600	311	729,328	1,679,452.80	1,035,073,162.15
$5,600-$5,800	905	730,233	5,033,770.80	1,040,106,932.95
$5,800-$6,000	303	730,536	1,758,719.00	1,041,865,651.95
$6,000-$6,500	698	731,234	4,218,775.00	1,046,084,426.95
$6,500-$7,000	309	731,543	1,997,424.60	1,048,081,851.55
$7,000-$7,500	244	731,787	1,710,830.00	1,049,792,681.55
$7,500-$8,000	150	731,937	1,111,033.00	1,050,903,714.55
$8,000-$8,500	133	732,070	1,047,672.00	1,051,951,386.55
$8,500-$9,000	40	732,110	344,500.00	1,052,295,886.55
$9,000-$10,000	138	732,248	1,243,350.00	1,053,539,236.55
$10,000-$11,000	134	732,382	1,340,000.00	1,054,879,236.55
$11,000-$12,000	6	732,388	66,000.00	1,054,945,236.55
$12,000-$15,000	41	732,429	494,900.00	1,055,440,136.55
$15,000 and up	31	732,460	530,500.00	1,055,970,636.55

LEGISLATION BY CONGRESS URGED

Mr. HASTINGS presented the following letter from H. S. Hayward, of Wilmington, Del., which was ordered to be printed in the RECORD:

WILMINGTON, DEL., *May 31, 1932.*

Senator DANIEL O. HASTINGS,
Washington, D. C.

MY DEAR SENATOR: Do you know that you are sitting on a political volcano? Do you know that your fellow Senators and Congressmen in the lower House are sitting on a political volcano? Do you know unless drastic relief measures in the way of increasing employment are taken in time that there will be a revolution worse than the French or Russian Revolution? Do you know that there will be thousands of eligible voters who will not vote this year or, if they vote, will vote some one not in office rather than anyone who will increase their taxes in any shape or manner? Do you know that the best ammunition that your opponents will have for your defeat and their election will be your vote for the $1,000,000,000 tax bill, whether the sales tax or other equally obnoxious taxes are written in it? Why don't you follow the plan formulated by Mr. Lammot du Pont, of the Du Pont Co. whereby the United States Government can save $1,000,000,000 in taxes? Then there would be no need for any present $1,000,000,000 additional taxes which are wholly uncalled for and unnecessary if the United States would cut its expenses to meet its present income like the individual, company, or corporation must do or go into bankruptcy or receivership. It would be nothing but plain common sense, just good horse sense if the United States Government would cut its expenditures by $1,000,000,000. Why should a spendthrift Congress—Senators and Representatives—impose burdensome taxes upon a people suffering under a depression the worst they have known. Why do you alienate 17,000,000 investors in bonds and stocks already having terrible paper losses in their bonds and stocks by imposition of additional transfer taxes. Why don't you tax heavily the short sellers of wheat, cotton, stocks, and bonds, the criminal betrayers of our prosperity, who are prolonging this depression? Why don't you increase the tax on refined sugar and increase the employment in our sugar refineries rather than have them on part time or thrown out of work because more and more refined sugar is imported?

Why do you regulate the railroads to the point of starvation so that they would be bankrupt or in hands of receivers if it were not for the loans of the Reconstruction Finance Corporation? Why do you let the busses and trucks go unregulated, taking away business from the regulated railroads? Make the railroads prosperous and make the country prosperous. Why isn't there some constructive action in Congress rather than destructive in the $1,000,000,000 tax program.

Yours truly,

H. S. HAYWARD.

REPORTS OF COMMITTEES

Mr. TOWNSEND, from the Committee on Banking and Currency, to which was referred the bill (S. 3346) to provide for the escheat to the United States of certain deposits in national banks, reported it with an amendment and submitted a report (No. 760) thereon.

Mr. NORBECK, from the Committee on Banking and Currency, to which was referred the bill (S. 4780) to provide that advances under the Reconstruction Finance Corporation act may be made for crop planting or crop cultivation

during the year 1932, reported it with an amendment and submitted a report (No. 761) thereon.

Mr. WHITE, from the Committee on Commerce, to which was referred the bill (S. 2370) for the conservation of lobsters, to regulate interstate transportation of lobsters, and for other purposes, reported it with amendments and submitted a report (No. 762) thereon.

Mr. HEBERT, from the Committee on Patents, to which was referred the bill (S. 1301) to renew and extend certain letters patent, reported it without amendment and submitted a report (No. 763) thereon.

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 INTRODUCED

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

By Mr. SHORTRIDGE:

A bill (S. 4793) to grant compensation, disability allowance, or pension to enlisted men retired from the Army, Navy, Marine Corps, Coast Guard, and transferred members of the Fleet Naval and Marine Corps Reserve; to the Committee on Military Affairs.

By Mr. LOGAN:

A bill (S. 4794) for the relief of Homer H. Keffer; and

A bill (S. 4795) for the relief of Charles Wilson; to the Committee on Military Affairs.

A bill (S. 4796) granting a pension to Maude Kinser Alexander;

A bill (S. 4797) granting a pension to Mary Burton;

A bill (S. 4798) granting a pension to Roscoe Johnson;

A bill (S. 4799) granting a pension to Mary A. Newkirk; and

A bill (S. 4800) granting a pension to William Russell; to the Committee on Pensions.

By Mr. STEPHENS:

A bill (S. 4801) for the relief of A. L. Marshall; to the Committee on Claims.

By Mr. FLETCHER:

A bill (S. 4802) to amend section 5 of the Reconstruction Finance Corporation act; to the Committee on Banking and Currency.

By Mr. BINGHAM:

A bill (S. 4803) for the relief of Daniel C. McIntyre (with accompanying papers); to the Committee on Finance.

By Mr. GLASS:

A bill (S. 4804) 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. BLAINE:

A bill (S. 4805) for the relief of Henry J. Westphal (with accompanying papers); to the Committee on Claims.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 632. An act for the relief of Lucy Murphy;

H. R. 873. An act for the relief of Carl F. Castleberry;

H. R. 1174. An act for the relief of Mary A. Cox;

H. R. 2296. An act for the relief of Charles W. Dworack;

H. R. 2478. An act for the relief of Silas B. Lawrence;

H. R. 3029. An act for the relief of William K. Lovett;

H. R. 3460. An act for the relief of Caughman-Kaminer Co.;

H. R. 4059. An act for the relief of Rosamond B. McManus;

H. R. 5682. An act for the relief of Miles Thomas Barrett;

H. R. 6003. An act for the relief of A. L. Marshall;

H. R. 6855. An act for the relief of Sam Echols; and

H. R. 7656. An act for the relief of William R. Nolan; to the Committee on Claims.

H. R. 964. An act for the relief of Howard Emmett Tallmadge;

H. R. 2599. An act for the relief of Henry Dixon Linebarger; and

H. R. 5595. An act for the relief of Harry Manning Lee; to the Committee on Naval Affairs.

H. R. 8174. An act to exempt from the quota fathers and mothers over 60 years of age of United States citizens; to the Committee on Immigration.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 26) to establish a commission to be known as the United States Roanoke Colony Commission to report a plan and program for the celebration in 1934 of the three hundred and fiftieth anniversary of the birth of English-speaking civilization in America on Roanoke Island, N. C., was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

AMENDMENTS TO LEGISLATIVE APPROPRIATION BILL

Mr. GLASS submitted two amendments intended to be proposed by him to House bill 11267, the legislative appropriation bill, which were ordered to lie on the table and to be printed, as follows:

On page 49, lines 19 and 20, strike out the words "the Administrator of Veterans' Affairs."

On page 46, line 18, subsection (f), strike out the words "insolvent bank receivers and bank examiners" and insert "public officials and employees."

Mr. THOMAS of Oklahoma submitted an amendment intended to be proposed by him to House bill 11267, the legislative appropriation bill, which was ordered to lie on the table and to be printed, as follows:

On page 45, strike out the last word in line 10 and all of line 11 and insert in lieu thereof the following: "as follows: Compensation to sum of $1,200 shall be exempt from reduction; compensation on that portion above $1,200 to $2,000 shall be reduced by 5 per cent; compensation on that portion above $2,000 to $3,000 shall be reduced by 10 per cent; compensation on that portion above $3,000 to $5,000 shall be reduced by 15 per cent; and compensation above $5,000 shall be reduced 20 per cent of the amount thereof."

Mr. JOHNSON submitted an amendment intended to be proposed by him to House bill 11267, the legislative appropriation bill, which was ordered to lie on the table and to be printed, as follows:

At the end of line 11, page 45, insert the following language: "*Provided, however,* That the said reduction shall not apply to the compensation or salaries herein described which are not in excess of $2,500 per annum, and compensation and salaries herein described of said $2,500 or less per annum are exempted from the provisions of this section."

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

S. 154. An act for the relief of Amy Harding;

S. 669. An act for the relief of Chester J. Dick;

S. 1357. An act for the relief of Nancy H. Rouse, Clara H. Simmons, W. H. Hays, Hallie H. Hamilton, and Bradford P. Hays;

H. R. 208. An act to authorize transfer of the abandoned Indian-school site and building at Zeba, Mich., to the L'Anse Band of Lake Superior Indians;

H. R. 1029. An act for the relief of Basil N. Henry;

H. R. 3691. An act for the relief of J. P. Moynihan;

H. R. 4143. An act for the relief of the Sherburne Mercantile Co.;

H. R. 4270. An act for the relief of Carroll K. Moran;

H. R. 4453. An act for the relief of Pasquale Mirabelli;

H. R. 4868. An act for the relief of George E. Casey;

H. R. 7305. An act to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products;

H. R. 9254. An act to authorize the exchange of a part of the Rapid City Indian School land for a part of the Pennington County Poor Farm, South Dakota; and

H. J. Res. 341. Joint resolution providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska.

THE SOUTH CAROLINA BAR AND PROHIBITION

Mr. SMITH. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from one of the leading dailies of South Carolina, the State, entitled "The South Carolina Bar and Prohibition."

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

The editorial is as follows:

[From the State, Columbia, S. C., June 1, 1932]

THE SOUTH CAROLINA BAR AND PROHIBITION

The question is being raised as to the merit of the vote recorded at the meeting of the South Carolina Bar Association last week in favor of the repeal of the eighteenth amendment.

In comment on the report published in the Greenville News that the resolution favoring repeal was passed by "a very large majority," H. J. Haynesworth, Esq., writes that the vote was actually 50 to 42, and was taken when less than half those who had attended the association's meeting were present. Mr. Haynesworth adds that he wrote a letter in advance of the meeting to the chairman of the committee having the resolution in charge saying:

"The committee of which you are chairman has given public notice of its purpose to offer a resolution at the approaching meeting indorsing the repeal of the eighteenth amendment.

"This is a subject involving certain moral, political, and economic considerations upon which the bar of this State is hopelessly divided.

"I question the propriety of entangling the association in controversies of this kind. Any resolution on the subject pro or con, if introduced, would be the subject of discord, and the result would not represent the sentiment of a united bar.

"I hope that your committee will reconsider its purpose to press this resolution."

The South Carolina bar is, as Mr. Haynesworth says, "hopelessly divided" on this issue, but whether that fact should debar it from raising the issue in its counsels, this layman regards as an open question.

We assume that the majority of the bar is personally wet; we do not believe a majority or even a large minority is politically wet at this time.

These resolutions are really not important without knowing something of the plans and program of the hereafter. What is to come after repeal—should repeal prevail?

As there is not one chance in ten thousand of South Carolina or three-fourths of the States consenting to repeal with no acceptable substitute provided in advance, this splashing around seems rather purposeless and futile; especially by so potentially powerful and influential a body as is constituted by South Carolina lawyers. And there is so much which the South Carolina bar could do for South Carolina if it but put its hand to the plow. There is vitally important work to be done; there is crying need for it to be done, and only the members of the bar can do it.

WORLD ECONOMIC CONFERENCE

Mr. TYDINGS. Mr. President, I ask permission to print in the RECORD a short editorial from the Washington Daily News of this date entitled "A World Conference."

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

[From the Washington Daily News, Thursday, June 2, 1932]

A WORLD CONFERENCE

The Washington-London suggestion of a world economic conference is splendid. Two things have been taught this Nation and others by the depression. One is that the basic causes are economic. The other is that economic forces are not national but international. Drop a stone in our economic puddle and the ripples circle out across the seven seas to the ends of the earth. So when another nation puts its foot into it, we get the repercussions over here.

Such being the case, it is only a matter of very obvious intelligence for the nations to get together to eliminate causes which injure them all and to produce results which will benefit them all.

Of course there is nothing new about the idea of a world economic conference. There was one at Geneva in 1927. There was another, though more limited in scope, in 1928. Neither of them improved the state of the world which, on the contrary, has grown worse.

On the basis of this record one might consider another effort hopeless. That, indeed, was the attitude of President Hoover recently when he vetoed the Democratic tariff bill which carried a provision for a world economic conference. "The American Government has participated in several international economic conferences for these identic purposes since the great war," he said, and added: "They have resulted in very little accomplishment."

It seems to us fortunate that the President has become more hopeful. He has now accepted the idea, at least in a limited way, according to the State Department announcement. In fact, Foreign Minister Simon told the British House of Commons yesterday that this latest proposal originated in Washington, which means at the White House.

Just why Washington should announce that the idea originated in London and London should insist that it was born in Washington is not clear. This confusion, however, is not important unless it means that the two governments are practicing the old diplomatic trick of discussing solutions which they have no intention of carrying out.

That was the trouble with these other two economic conferences about which Mr. Hoover was so discouraged. The fault was not in the conference method. Nor was it in the failure to discover causes and to find at least partial solutions. The trouble was the insincerity of the governments participating. They were not willing to abolish their own selfish trade restrictions against foreign commerce and to batter down their own tariff walls. They were not willing to cut down war debts and reparations to a point which necessity now imposes upon them.

It is futile, however, to blame the other fellow as long as our own attitude is so unintelligently selfish. In the very breath that the State Department announced acceptance of the international-conference plan, it specified that the "conference would have nothing to do with war debts, reparations, disarmament, or any other than purely economic subjects." There may be some disagreement—though we can not understand it—as to whether disarmament is an economic question. But if debts are not an economic question, words have lost their meaning.

Tariff is another economic question which Washington apparently would shut out from the "purely economic" conference.

For many months there has been need of an economic conference on debts, disarmament and expense and tariff—the 3-in-1 economic issue which must be settled to stop the world depression. But a world conference which concentrated on results like the fall in commodity prices, without getting back to causes, would be just another conference.

MESSAGE FROM THE PRESIDENT

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

LEGISLATIVE APPROPRIATIONS

The Senate resumed the 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 pending question being on the amendment of the Committee on Appropriations, under the subhead "Schedule of Temporary Reductions," on page 45, line 6, after the word "reduced," to strike out "as follows: Compensation at an annual rate of $2,500 or less shall be exempt from reduction; and compensation at an annual rate in excess of $2,500 shall be reduced by 11 per cent of the amount thereof in excess of $2,500" and insert "by 10 per cent of the amount thereof," so as to read:

SEC. 102. (a) During the fiscal year ending June 30, 1933, the compensation for each civilian and noncivilian office, position, employment, or enlistment in any branch or service of the United States Government or the government of the District of Columbia is hereby reduced by 10 per cent of the amount thereof.

The VICE PRESIDENT. The Senator from South Carolina [Mr. BYRNES] has the floor.

Mr. NORRIS. Mr. President——

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

Mr. BYRNES. I yield.

Mr. NORRIS. I assume the Senator is going to discuss the question of salary reductions?

Mr. BYRNES. I am.

Mr. NORRIS. The Senator has given the matter so much attention that I would like to have the benefit of his discussion of an amendment which I have prepared. If he will yield for the purpose, I will offer the amendment. It can then be the pending amendment, and the Senator can discuss it.

Mr. BYRNES. I have no objection.

Mr. NORRIS. I offer the amendment.

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

The CHIEF CLERK. On page 45, line 7, amend the House text as follows:

Strike out the figures "$2,500" and insert in lieu thereof "$1,500"; and, in line 8, after the semicolon following the word "reduction," strike out the balance of the paragraph and insert in lieu thereof the following: "and that part of any annual compensation in excess of $1,500 and not in excess of $2,500 shall be reduced by 5 per cent; that part of any annual compensation in excess of $2,500 and not in excess of $4,000 shall be reduced by 10 per cent; that part of any annual compensation in excess of $4,000 and not in excess of $5,500 shall be reduced by 15 per cent; that part of any annual compensation in excess of $5,500 and not in excess of $7,500 shall be reduced by 20 per cent; and that part of any annual compensation in excess of $7,500 shall be reduced by 25 per cent."

Mr. BYRNES. Mr. President, I do not believe there could be assigned to any committee of the Senate a more disagreeable duty than that assigned to the so-called Economy Committee. It is pleasant to increase the salaries of employees and to increase appropriations for activities which result in larger salaries for employees. It is very unpleasant to take anything from employees. I would rather exercise the rôle of Santa Claus bringing gifts to people than to be charged with the duty of economizing when necessarily it results in decreasing the compensation of persons in the employ of the Government; but, Mr. President, we must not forget the situation existing in this country when the Congress convened last December and the situation existing to-day.

The necessity for this legislation has not arisen during the last few days. Throughout the Nation there was a demand for a reduction of taxation by all government. Decreasing dividends, decreasing employment, 5-cent cotton, 40-cent wheat, mortgages being foreclosed, farmers being driven from farms where they were born and where their ancestors were born, all caused the people of the Nation to demand that the cost of government—Federal, State, county, and city—should be reduced. States, counties, municipalities, have all responded with a reduction of taxation.

The Federal Government, however, responds by passing a bill taxing the people, who cry for a reduction, one and a quarter billion dollars, to be added to the burdens already placed upon them. On the other hand, throughout this Nation, States, without exception, have reduced their costs; salaries have been reduced by them; counties have reduced salaries; cities have reduced salaries. That condition is general. I shall refer to only a few instances where that has been done. The following municipalities, so far as I can learn as a result of a hurried investigation, during the fiscal year 1931, or during the current year, have reduced the salaries of employees in amounts ranging from 3 per cent to over 20 per cent: Chicago, Philadelphia, Detroit, Los Angeles, Cleveland, Baltimore, Pittsburgh, Buffalo, Minneapolis, Cincinnati, Newark, Kansas City, Indianapolis, Rochester, Portland, Oreg., Houston, Toledo, St. Paul, and Syracuse.

Even with the reductions we have made in some of the appropriation bills, what is the situation now confronting the country, and which has been confronting it during the last six months? Since last December I think I have consumed but 15 minutes of the time of the Senate; but I have listened with great attention to much of the discussion about appropriations. I know that every man who discusses the subject discusses it from a different angle. The President of the United States has referred to the reduction below the Budget estimates submitted last December. He refers in his statements to the reduction in what we call the regular annual appropriations and states that there was a reduction in the estimates submitted by him of approximately $369,000,000 below the expenditures for the current fiscal year. But, Mr. President, what are the facts so far as the taxpayer of America is concerned? The taxpayer of America wants to know what is the tax bill imposed by this session of Congress as compared with the tax bill of the session of Congress which adjourned March 4 last year. That tax bill he has to pay; it makes no difference to him whether appropriations be called regular annual appropriations or miscellaneous appropriations. Here are the facts as to the appropriations of the last session of Congress as compared with this session of Congress:

The last session of Congress, which adjourned March 4, 1931, appropriated $5,178,524,967.95. Last December, at this session, the President submitted to the Congress from the Bureau of the Budget estimates for regular annual appropriations amounting to $4,601,479,101. Since that time he has submitted supplemental estimates amounting to $1,003,456,647.64, which makes a total of $5,604,935,748.64 submitted to Congress.

What is the status of the appropriation bills to-day? If at this date the President of the United States should affix his signature to the appropriation bills now pending in Congress, whether they are now in conference, in the Appropriations Committee of the Senate, or in the hands of subcommittees, there would be a reduction in appropriations amounting to $159,491,057.79, which would leave us in the situation, if we had to close down this minute and the President signed the bills as they stand, of appropriating $266,919,622.90 more than the last session of Congress appropriated.

It is fair to say that involved in the aggregate amount are the so-called miscellaneous appropriations, including those for the Reconstruction Finance Corporation, the subscription to the capital stock of the Federal land banks, a deficiency appropriation for the Veterans' Bureau, an appropriation for the Employment Service, and several other items, all of which have combined to make this total. That, however, is not what the taxpayer wants to know. He says, "I do not want to become involved in any intricate set of figures; I want to know what the total bill is of this session of Congress as compared with the last." If we were to hand it to him to-day we would have to hand him a bill for $266,000,000 more than was appropriated by the last session of Congress.

Mr. VANDENBERG. Mr. President, if the Senator will yield, just for information, will the Senator indicate how much the capital figures are in that estimate?

Mr. BYRNES. I can not give them in detail, but I think I can give the Senator the information he desires: That the decrease in the appropriations known as the regular annual appropriations as it stands to-day, by reason of the desire on the part of the Congress to economize wherever possible, amounts to $159,491,000.

How has that been brought about? It has been brought about because the Senate undertook to reduce expenditures and thereby respond to the demand of the people of America. After the House had undertaken its economy program we resorted to a further 10 per cent reduction here. Because of the reductions by House and Senate, the Interior Department appropriation bill was reduced 33⅓ per cent, and as a result of it hundreds of people will have to be dismissed from that service. We have greatly reduced other appropriations and similar dismissals will have to take place in the many departments affected.

The Post Office appropriation bill is pending before the Appropriations Committee, and as to it a controversy exists. It is contended by one Member that we can reduce it 10 per cent without causing dismissals because we can reduce the ocean mail subsidies and the air mail subsidies. That, however, is dependent entirely upon whether or not those contracts can be violated. The United States can not afford to violate its contracts; it never has done so and it never will; and when the Appropriations Committee of the Senate goes into that matter and the Senate considers it, if it involves a violation of contract, such action is not going to be taken; and then, if the reduction shall be made, it will mean that men and women throughout the Postal Service must be dismissed; that rural routes must be consolidated; that carriers and clerks must be dismissed. That is the situation. This cut must be agreed to or else the Senate must retreat from its position in favor of a 10 per cent cut in the appropriation for the Post Office Department, otherwise hundreds will be dismissed.

Where else are we going to effect savings? The President of the United States in a very optimistic statement said that he thought, in addition to the approximately $250,000,000 saving sought to be effected by this bill, we could hope for an additional $150,000,000 cut in other appropriations. Can we deduct 10 per cent from the independent offices appropriation bill? That bill carries approximately $1,000,000,000 for the veterans of the World War, the Spanish-American War, and the War between the States. We can not reduce it; and if we can not make a reduction in the appropriation for the veterans, manifestly we can not strike $100,000,000 from that appropriation bill. It can only be done by going to personnel and dismissing employees, destroying the service, closing regional offices throughout the country. We may as well realize that situation.

There is another thing. We talk about saving in this bill $238,000,000, and then say that we will add to that sum the savings effected in these other bills. If we should do that,

we would not be doing what the Economy Committee thought was right. I want to explain that to the Senate right now.

In the Interior Department bill, as I have said, we reduced the appropriation below last year by 33⅓ per cent. That means the dismissal of employees who have been in the service for years; it means turning them out at a time when more than 8,000,000 men walk the streets seeking employment. No more inhumane thing could be done even under extremity. We do not believe that it should be done, and we have sought to prevent it not only as to the Interior Department but also as to the other departments. How have we sought to prevent it? In this bill we seek to apply a reduction of 10 per cent in salaries. If for the Secretary's office there was an appropriation of $100,000—using that figure merely for mathematical purposes—and when the appropriation bill reached the Senate, by reason of the action of the majority of the Senate, under the McKellar motion we reduced that appropriation 10 per cent, then the amount left for personnel in the office of the Secretary of the Interior is $90,000, a reduction to the extent of $10,000, and to that extent employees will have to be discharged. This bill comes along, and we reduce by 10 per cent the salaries of the employees in that office, and when we reduce by 10 per cent the salaries paid to employees in the office of the Secretary of the Interior then he is able to keep in that office every employee now there. It is true they will all get 10 per cent less for this year, but not one employee will have to be dismissed. This is true because we have put into this bill a provision that the savings effected by this reduction of 10 per cent shall be available to apply in the departments and bureaus solely for the purpose of paying salaries. In other words, the head of the bureau can not take that reduction and use it to put up a building, but the head of the bureau, the Secretary of the Interior in the instance to which I have referred, can take the 10 per cent saving and apply it to the employees of that office and prevent the head of some family from being turned out upon the streets in this day of unemployment.

Mr. President, we did another thing. We thought that inevitably, by reason of the reductions and cuts heretofore provided by the Congress and those which are threatened, even with this 10 per cent reduction, there would necessarily be some reduction in the number of employees; and again, seeking to help them, we included a section, which has been the subject of criticism, but which was included for no other purpose other than to help them, providing that where, in any department, by reason of a reduction in appropriation made by Congress, after applying the 10 per cent cut, it is still necessary to dismiss men from the service of the Government, for this year the head of the department will have the right to furlough such employees instead of absolutely dismissing them from the service. The employee is furloughed without pay; he will not have to go through the procedure of reinstatement when normal times return when he asks for reinstatement; but he is continued as an employee. Solely for the purpose of helping him, we have placed in the bill the provision that the head of the department may furlough him without pay for the remainder of this year.

But, Mr. President, we come right down to the question of salary reduction. If there is to be a saving on this score, we can not proceed, as did the gentlemen at the other side of the Capitol, to save, on account of salaries, $9,000,000. No man wants to reduce the compensation of employees. I certainly do not want to do it; and yet what is the situation in business?

According to a report which the Department of Commerce has received from the National Industrial Conference Board of New York City—I do not know how accurate it is in its figures; I submit it only for what it is worth—salaries were reduced in the last two years by four out of five of all concerns in the leading fields of American business. Wages were cut by three out of every four firms, according to a statement which the Department of Commerce, on May 28, received from the National Industrial Conference Board.

Our own experience is just as good a guide to us as any figures submitted by that board. What is the situation in our homes? Is the income of the cotton farmer decreased? It is gone. Is the income of the wheat grower decreased? It is one of the forgotten things of the past. How about the industrial enterprises in our States? Yesterday I received a telegram from the president of a cotton mill in South Carolina indicative of the rather general conditions, saying that 30 cotton mills would be closed down, and the men are laid off for the next 60 days. In every other State similar situations exist.

With this situation, with the demand on the part of the people for some relief from the burden of taxation, this problem is submitted to us.

Within the last 24 hours we put into a bill a tax of an additional cent on gasoline. It was sent to the other end of the Capitol and sent to conference with cheers, cheering the imposition of an additional tax on gasoline. When the farmer to-day, out on some farm in a Western State or a Southern State, stops a rural carrier and asks, "What is the news from Washington?" he can be told truthfully that in Washington they have imposed an additional tax of a billion and a quarter dollars to add to the burden of taxation under which he was already groaning and suffering day by day. He, in turn, can say, "Has any reduction been made in the appropriations, in the salaries of Federal employees?" "No."

We put this provision in the bill with this thought: We had to make a reduction in the expenditures of the Federal Government for this year. Where can it be done except on personnel? The reduction must be made with personnel. When we make the reduction in personnel, shall we do it with an exemption, on a graduated scale, by the furlough plan suggested by the President, or by some new and original plan?

We canvassed every one of the propositions. We concluded that the only way that we could possibly save the amount of money which the exigencies of the occasion demand was to apply this reduction of 10 per cent from President to porter, from judge to janitor, throughout all the Government service. When we enter into the intricacies of the furlough plan we necessarily become involved in discriminations in favor of one as against another man. Here is one man in an office who the head of the department would say was essential and should be exempted from the furlough plan. Here is another man who says, "Why did you exempt him? I am just as important to the Government"; and he is dissatisfied.

Government employees are human beings. No man will ever hear me criticize them for complaining of any reduction at all, because they are human; but what they want, if I understand them, is that every man shall be treated alike. If we treat them alike, then they have no complaint.

Whenever we enter the field of exemptions, we run into this situation: Suppose we put the exemption at $1,500. First, from a legislative standpoint, let me be practical about it. I know what happens. If the Senator from Michigan bids $1,500, the President of the Senate will immediately become an auctioneer. Whenever he says "Are there any other amendments?" some other Senator is going to bid $2,000. "Are there any other amendments?" $2,500, $3,000, $3,500—exemptions going up and reductions going down. The inevitable result will be that out of this there will be no saving to the taxpayers of America. That is because we are human. That is because it is necessarily our desire, if we happen to entertain those particular views, to go as far as we can, to please friends among the Government employees.

The committee represented both sides of this Chamber and practically all sections of the country. We had varying views. We sacrificed them. So far as I am concerned, I stand for every provision in the bill. I stand for them only because it is absolutely to grant relief to the taxpayers of America. Much as I may think of the people in the employ of the Government of the United States

who are my friends, I know it is essential. I believe that when a rural carrier to-day leaves his post office to go 24 miles around his route, if he is a thoughtful man, he will know that every house he passes has in it a family which is now confronted with the necessity of eking out a living on 5-cent cotton or 40 or 50 cent wheat. He knows that the burden of taxation has made that homeowner wonder whether he will have a roof over his head for another 12 months. As the rural carrier drives by, receiving his salary, with his certainty of employment and his certainty of retirement, I think if he is a thoughtful man he will say, "I do not like to give up $200 of my salary this year, but when the Congress of the United States and the President of the Nation say it is necessary that this reduction be made, when my common sense tells me, even if there never was a Congress or President, that some reduction should be made, I am willing to give it up for one year, knowing as I do that under the terms of the bill, at the end of the year, automatically my salary is restored, and all that I am asked to do is to give up 10 per cent of what I received last year." Then he has the knowledge that every other employee is giving up the same thing, and he can say, "Well, I am being treated just like the other fellow. If any other employee were being treated better than I am, I would feel differently about it." I have an abiding confidence in the patriotism and unselfishness of these employees and their willingness to make a sacrifice.

Mr. President and Members of the Senate, let me say that the theory upon which the committee acted in applying the 10 per cent cut was simply this: If a man is receiving $1,200 this year, and we deduct 10 per cent from his salary, he will receive $1,080 next year. There is not a man here who will not agree with the statement that for $1,080 now he can buy as much as he could buy for $1,200 last year or the year before.

If that statement is not correct, then our conclusions are not correct. I have gone to some trouble to investigate it. It is unnecessary to go into consulting the figures as to the wholesale index in this city. It shows a reduction. It shows that the purchasing power of the dollar has increased every month for the last 18 months. It shows that a dollar to-day is equal to more than a dollar and a half two years ago.

We can say—and I know the arguments, because we have thrashed them out—that that might not affect rent; that might not be true of this thing or that thing. I have discussed it in my own home, and I know that there has been a reduction certainly in the expense of provisions and of clothing to an amount that more than offsets the 10 per cent reduction that is applied here.

Mr. NORRIS. Mr. President——

Mr. BYRNES. I yield to the Senator from Nebraska.

Mr. NORRIS. I should like to inquire of the Senator what consideration, if any, the committee gave to the question of rent, particularly in the city of Washington, where the largest number of Federal employees live. It seems to me that rent has not kept pace with the other necessities of life in the downward trend.

Mr. BYRNES. I will say to the Senator that the committee agrees with him, and that is why I mention it, because it is a subject that engrossed our attention for some time. The chairman of the committee, the Senator from Washington [Mr. JONES], nods his head, because we had a long discussion of it. It varies. In some instances there has been no reduction in rents, from what we could learn. In many other instances there has been a reduction. I have even talked to one or two of my colleagues, and I learned from a colleague on this floor of a reduction of rental of the house occupied by him so that it now rents for much less than it was rented for last year.

I will say, however, that that is the worst of all of the items. I agree with the Senator from Nebraska that rents have been the one thing in which there has been little reduction; but offsetting that I say this: While we reached the conclusion that that was the one factor in which there had been no material reduction in so far as the city of Washington is concerned, elsewhere in the country you can rent a house anywhere for from 25 to 33⅓ per cent less than its former rental. You can do it in the State in which I live, and every man knows that that is true in his own home. This city is the only place where there has been an effort to maintain rents along the standard of the last few years.

Outside of rent, however, a 10 per cent reduction in pay will not seriously impair the purchasing power of the individual. We have to take into consideration clothing and food; and every man who is keeping house, by consulting the housewife and the boss of his establishment, will find out that that statement is justified as to food and clothing.

Mr. BLAINE. Mr. President——

Mr. BYRNES. I yield.

Mr. BLAINE. Has the Senator found that there is any reduction in the cost of fuel?

Mr. BYRNES. I did not inquire, and therefore I do not know.

Mr. BLAINE. Does not the Senator know that coal is just as high as it ever was, and that all forms of fuel are just as expensive?

Mr. BYRNES. I know there has been a reduction of soft coal. I know that throughout the country, by reason of the tax bill, there presumably will be, in so far as electric current and gas are concerned, some possible increase in those items.

Mr. BLAINE. There may be an increase in electric current and gas and fuel over the present price, which is no lower than the price that has prevailed for several years.

Mr. BYRNES. I will say to the Senator that I do not know that there will be an increase; but I say in response to it that if that is so, then this is the fact: The whole Nation must be considered; and if by our action here we are going to increase the price of the fuel of the man who lives in Wisconsin and the fuel of the man who lives in Nebraska and the fuel of the man who lives in Maryland, and we are going to tax everything else that he uses, then we should not say, "While we take more from you, we decline to reduce the salaries of employees of the Federal Government so as to lighten the burden. We are going to take more out of you by additional taxation, but we can not reduce the expenditure of the Federal Government."

Mr. BLAINE. Another item: Where the Federal employee lives in a city having street-car transportation, street-car fares are increasing instead of being reduced. That is a very important item.

Mr. BYRNES. In some cities, no doubt, that is true. I am not familiar with the statistics on it. If the Senator has investigated the matter, I will accept his statement on it.

Mr. BLAINE. It is true.

Mr. BYRNES. It may be true in one place.

Mr. BLAINE. I know of no place where street-car fares, the common means of transportation, have been reduced.

Mr. BYRNES. I must say for the city of Washington that taxicab fares are about the lowest here of any place that I know of in the Nation. I rather have rejoiced that that is true, as I use them.

Mr. BLAINE. In that connection, it would cost an employee 40 cents a day to use a taxicab in going to and from his work.

Mr. BYRNES. Of course, if he did it without taking with him two or three other employees, that is true. If he took two or three others with him and paid the fare of 20 cents, it would be cheaper.

Mr. BLAINE. In the city of Washington, on a single ticket, it would cost a man 20 cents to go by street car to and from his work each day.

Mr. BYRNES. Yes; and in a taxicab it would cost 20 cents, but if he took two or three others with him they would ride for the same 20 cents.

Mr. BLAINE. I am just analyzing these elements of cost. What did the Senator say was the reduced cost of food?

Mr. BYRNES. I said I would not go into that, since it was not fair to take the wholesale index, because the retailer might not give the benefit of the reduction in every instance. But I say this from my experience with my own expenses: That I know there has been a reduction of more than 10

per cent in the cost of food. It is one of these things which it is impossible to reduce to an absolute certainty. If any man thinks that to-day a dollar does not buy more than it did last year, he can take the view that this proposal would result in a reduction. If any man will admit that the dollar to-day will buy as much as $1.10 would heretofore, then he must agree that the salaried employee would not be hurt by the proposed reduction. That is the whole thing.

Mr. BLAINE. The Senator recognizes that commodity prices, in so far as raw materials are concerned, have been greatly reduced. It has not been my experience that there has been great reduction in the retail prices of a great many of the necessities of life.

Mr. BYRNES. That is the Senator's view. I took the trouble of inquiring of my wife, the purchasing agent in my own home, as to the prices of the necessities of life, and when I see my friend the Senator from Wisconsin after this debate, I will tell him where the purchasing agent in my home does the buying for the home so that he can get the benefit of it.

Mr. BLAINE. The Senator may have a special Piggly Wiggly store at which he buys, about which I know nothing.

Mr. BYRNES. I suggest that I will consult the purchasing agent of my home first, and then I will advise the Senator, so that he may profit by the information.

Mr. NORRIS. Mr. President, I hope the Senator will give that advice to all of us.

Mr. BYRNES. I do not think it will be necessary in the case of the purchasing agent in the home of the Senator from Nebraska, whom I know very well.

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

Mr. BYRNES. I yield.

Mr. TRAMMELL. The Senator has referred to a salary of $1,200 a year. Let us take the time two years ago. Does the Senator think the average employee, let us say employed in the District of Columbia, drawing $1,200 a year, could enjoy anything like the comforts of living, of food, of clothing, of entertainment, of amusement, the Senator enjoys?

Mr. BYRNES. Mr. President, I do not exactly understand what the Senator refers to. If he means to ask whether some employee of the Government here in this city could enjoy the comforts I enjoy, I would say that most of them enjoy more comforts and certainly more entertainment than I do. It depends on a man's mode of life. The standards of living have not changed. When my clerk hands me a notice of overdraft this morning, it is not my first experience. The same thing has occurred when I was in private life and had a larger income. My observation is that we all have our standards of living, and generally manage to spend what we have. As income increases, obligations increase, demands increase.

Mr. TRAMMELL. The point is that the committee propose to take a flat rate off everyone's salary, they propose to reduce the standard of living of people with lower salaries by that flat-rate reduction, and in placing only a flat rate on the higher salaries, they would not change or in any wise interfere with the living standards of persons getting the larger salaries.

Mr. BYRNES. Mr. President, in response to that, let me say this, that this is not permanent legislation, it is temporary legislation. It is only asking each and every employee of the Government of the United States, from President to porter, whether in this crisis he is willing to give 10 per cent of what he is making this year to the Government of the United States. We say we do not disturb the relative positions of the employees of the Government. If they are drawing $2,000, or $1,000, or $3,000, there is no change in their status. If we make an exemption, we immediately begin to change the relative positions of the employees, and we do not want to do that. That would require permanent legislation. It would be saying some particular man should have a greater exemption because he has a larger family, or because he needs the money more. We thought it would be the wise thing not to affect in any way the relative positions of the employees of the Government but to say that if they are living to-day in Washington and have an income of $3,000, and the standard of living is based upon that $3,000 income, just to give up 10 per cent of that, telling them that even with that reduction they can live just as well as they did two years ago. If that is true, they are not hurt. If it is not true, then to the extent to which it is not true, just to that extent and no more, are they hurt. But we do not attempt to interfere with the relative position of employees and say that the man drawing $2,000 should take a bigger cut than the fellow drawing $1,800, or $1,500, or $1,200. Let me direct my attention to that, because so many Senators have asked about it.

Mr. TRAMMELL. Mr. President, I would like to know why the committee proposes to change the policy in dealing with salaries from the policy which has always prevailed in levying taxes upon incomes. Why did the committee do that?

Mr. BYRNES. Mr. President, the committee has had nothing to do with levying taxes, and I am glad we have not had. The job we have had has been sufficiently difficult for me without entering upon that. The only question is whether we will proceed with the policy which has been pursued by the Senate of deducting 10 per cent from all appropriations, resulting in kicking thousands of people out of the employ of the Government of the United States, and turning them into the streets or take 10 per cent from the salaries of employees of the United States and let the Government use that money in order to keep all the employees on the rolls. The time has arrived when one of two things is essential, to deduct 10 per cent from all the appropriation bills, meaning that the men and women on the rolls would have to leave the service; and who knows what demoralization would result? There is only one way to avoid that, and that is to apply the 10 per cent reduction to salaries, and apply the money saved to keeping people in their jobs. We can do the other thing, cut them out entirely, go on kicking people out of the Government service, but I can conceive of no more inhumane thing than that at this very time. It is not the time to do it.

As to the poorly paid employee, every man must feel kindly toward him. I could not be as eloquent as some Senators in picturing the hardship that would come to the charwomen. Some Senators stated to me that they would hate to take 10 per cent from the pay of the charwomen. I would, too. I do not like to take 1 per cent from the pay of any man or woman in the service of the Government of the United States. But why should we discriminate?

When one Senator asked that question I sought the information, and we may as well know the facts. The chairman of the committee and I were informed that charwomen—if we are going to wreck this economy bill because of our sympathy for them—get 50 cents an hour, $4 a day for an 8-hour day, if they work 8 hours, and the great majority of them work 8 hours a day. Of course, standards of living vary in all cities, and it may not be fair to make this suggestion, yet I say that in my State there are thousands of people being turned out of mills to-day, without a dollar to look forward to, who would rejoice at the opportunity to get on the Government roll at $3.60 a day, knowing that it is but temporary and that at the end of the year they would go back to $4 a day, to perform that service.

My friend the Senator from California [Mr. JOHNSON] asked yesterday for some information which the committee did not have, because it involved a mathematical calculation that was different from that upon which they had proceeded. He wanted to know the amount of salary reduction for the several groups. As I recall, the Senator's inquiry was directed particularly to what would be the amount of reduction for the group drawing from $1,500 to $1,800. The amount of salary reduction from the group getting from $1,500 to $1,800 would be $12,370,000.

The amount of reduction in the group drawing from $1,800 to $2,000 would be $13,210,000.

The amount of the reduction in the group drawing from $2,000 to $2,500 would be $46,030,000.

I think that covers the range of the inquiry. If not, I shall be glad to supplement it if I have the information.

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

Mr. BYRNES. I yield.

Mr. JOHNSON. Will the Senator repeat the last figure he gave?

Mr. BYRNES. The amount of the reduction for the group drawing from $2,000 to $2,500 would be $46,030,000.

Mr. JOHNSON. When the Senator says that, does he mean that the $46,000,000 represents all below $2,500, or represents only the amount between $2,000 and $2,500?

Mr. BYRNES. Only between $2,000 and $2,500; but I will say to the Senator that this table shows that if there is added to that the amount taken from all those drawing below that, the inquiry the Senator now makes, the amount would be $89,450,000.

Mr. JOHNSON. That can hardly be accurate, can it, if we start with those drawing from $1,500 to $1,800? There are some salaries below $1,500, however, I suppose.

Mr. BYRNES. Yes.

Mr. JOHNSON. That accounts for the difference. Now, let me check these figures.

Mr. BYRNES. I shall be glad to turn this table over to the Senator.

Mr. JOHNSON. On those drawing between $1,500 and $1,800 the reduction would be $12,370,000; from $1,800 to $2,000 it would be $13,210,000; from $2,000 to $2,500 it would be $46,030,000; the total for all under $2,500 being $89,000,000?

Mr. BYRNES. Yes; $89,450,000.

Mr. JOHNSON. I thank the Senator.

Mr. BYRNES. Mr. President, of course there is a reason for these figures. When we looked into the reason for that large figure covering employees receiving between $2,000 and $2,500, we found that the largest number of employees is in that group. We can not make reductions where there are no employees. The greatest reductions must necessarily come from the group where the greatest number of employees are, and that group, according to the table, embraces the employees drawing from $2,000 to $2,500 a year. As we get beyond $2,500, and go to $3,000, the amount decreases to $12,000,000; then, in the next group, drawing from $3,000 to $3,500, the amount is only $4,988,000, because the number of employees necessarily is smaller as we go into the higher brackets.

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

Mr. BYRNES. I yield.

Mr. TYDINGS. I have in my hand a table showing the range in salaries from a thousand dollars up, by hundreds, of all Government employees. I have just made a calculation, which shows that if all Government employees receiving $2,150 a year or less were exempted from this reduction, it would mean that all who received $2,150 a year or more would have to stand a 20 per cent cut to arrive at the same figure. In other words, the man who is getting $2,400 a year, instead of losing $240 a year, would have to lose $480 a year, and that would be, in my judgment, with his rents and building association payments and the cost of his home going on, a greater hardship on that class than if there were a gradual reduction over the whole list.

Mr. BYRNES. Mr. President, I wish to proceed, because I do not want to take much more time of the Senate. We recognize the strong argument that can be made along the lines several Senators have indicated in favor of an exemption. On the other hand, whenever we draw a line, there we cause dissatisfaction on the part of the man who has to pay more. An exemption would necessarily have to be arbitrary. The figures I have just read to the Senator from California so indicate. Whenever you make an exemption, the man whose salary is cut says: "Why exempt some and not exempt me? I have a family to support. Look at that man over there. He is a bachelor, he has no dependents upon him, and by reason of the exemption he does not lose anything." But when we apply the reduction to all, there is no man who would not have to say, "I have not been changed in so far as my status, with relation to my neighbor, is concerned. He gives up 10 per cent and I give up 10 per cent. I know I can live, on about the same standard, with 10 per cent less than I received last year."

I had hoped that throughout the entire service of the Government of the United States the employees might say, "The Congress is not making a permanent change in our law. It is not seeking to disturb our salaries in the future. The Congress has simply said that when our relatives at home are being driven out of their homes and off the farms and their places being sold, and when they are unable to pay taxes, we should be willing to make the sacrifice ourselves of 10 per cent for this year, knowing that at the end of the year our salaries will go back where they were."

Let us face the situation frankly. If we provide an exemption of $1,500 and apply a 10 per cent cut, it will save only $35,000,000. If we provide an exemption of $2,000, the saving will be $16,000,000, and that is all. The President of the United States has talked about saving by this bill $238,000,000. The Finance Committee had the Secretary of the Treasury sit in with them. He said, "When you talk about balancing the Budget, you will have to save $231,000,000." Whenever we put in an exemption we might as well be frank enough to say that instead of saving through this reduction in salaries $128,000,000, we are going to save only $30,000,000." The Finance Committee will then have to be called in session again. If we are not going to reduce expenditures, then we have to increase our revenues in some way. It means more taxes if the Budget is to be balanced.

If we do not take it off here the Finance Committee is going to have to raise more by taxation or else when the other appropriation bills come up we have got to say there must be a reduction not of 10 per cent but of 15 or 20 per cent, and that means dismissal of employees. If we do not make a reduction of some sort, postal employees must be dismissed, Government employees of Washington must be turned out on the streets. When they are turned out they will come to your office and mine and ask for assistance. They will ask that some other man or woman be dismissed. Remember, if you pass this bill, you may save them, because if you do this they can be kept in the service of the Government, even if they do get a 10 per cent cut.

We get many letters and telegrams to-day. Everybody is in favor of economy provided you do not reduce his salary or reduce the appropriation for some activity in which he is interested.

I do not quarrel with those people. That is human nature. But I have heard from many who patriotically say they recognize there must be some reduction in their salaries. My observation of employees of the Government in Washington is that the great majority of them are patriotic public servants who work overtime when necessary and never complain. There may be a few, and there always are, who try to reach the elevator before 4.30; but the vast majority of them are faithful workers. I ask the Members of the Senate to remember, when we receive protests from employees, that after all we never hear from more than 5 per cent of the people of our respective States. The 95 per cent we will never hear from. They rely upon us to consider their interests. They to-day can not pay the taxes levied upon them and they are asking for relief and rely upon us to try to bring about a reduction of Government expenditures in a fair and impartial manner.

Mr. CONNALLY. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from South Carolina yield to the Senator from Texas?

Mr. BYRNES. I yield.

Mr. CONNALLY. I notice on page 46 of the bill the Economy Committee has provided an exemption for the enlisted personnel of the Army, Navy, and Marine Corps. I am wondering why that is done in view of the fact that many of the enlisted personnel receive salaries as high as $2,200 a year?

Mr. BYRNES. I do not think they receive that much. The theory upon which that exemption is based, and it is the only exemption in the compensation provision, is that

a man in the Marine Corps or the Army and the Navy is there under enlistment. He can not resign. If I am in the Government service and want to get out, I can resign if I do not like the 10 per cent cut. But if I am in the Army or the Navy or the Marine Corps and leave, they can put me in jail.

Mr. CONNALLY. None of them will leave with the salaries they are drawing as high as $2,200, and in addition to that getting allowances for quarters.

Mr. BYRNES. That exemption was included at the request of the President of the United States and for reasons which appealed to us as justifying the exemption.

Mr. LOGAN. Mr. President, I have listened to the Senator from South Carolina [Mr. BYRNES] with a great deal of interest. I must confess a very distinct disappointment in the report of the Economy Committee. I think the bill is but a delusion and a snare. I think it is a sham.

The hour has come which I have expected ever since I have been here, which has been only a brief time. I believe every vote I have cast and every word I have said would indicate that I am in favor of economy. I have felt the time would come when we would play the ostrich act by hiding our head in the sand, cutting salaries because the public thinks all the money which is expended goes for salaries, and that if we could apply our economy plan to the small-salaried Federal employees, then we could go back home and say, "You know we have done the very best we could. Didn't we cut our own salaries?" And then we fool ourselves into trying to believe that our constituency would be satisfied. We are satisfied to take $120,000,000 away from the employees of the Government, while horse leeches' daughters gnaw at the very vitals of the Republic. When it comes to economy we will never bring it about by reduction of small salaries.

I think that I shall probably vote for a reduction in salaries above $3,000. When I cast that vote I shall do it, knowing that I am casting a vote I ought not to cast. There ought to be no reduction in salaries, because the salaries are not too high except in a few instances, where some men and women are working for the Government probably receive more than they are entitled to get.

I shall vote to cut my own salary, and when I do it I may make it necessary to go back home and go to work to make a living, because there is no Senator, unless he has an outside income of some nature, who can more than live on what is paid him, and every Senator knows it. If it be the desire of the people of the United States and of those who make up the Congress that the Senate shall only be made up of rich men who do not have to depend upon their salaries, I shall say well and good, although I may believe that it is not for the best interests of the Nation.

I have seen many men come out of the Senate after having served a number of years. I knew one of the most distinguished Senators that my State ever sent to this body who was buried by charity and whose grave is now unmarked. I know another distinguished Senator who had a long service in the House and in the Senate of the United States and his grave is also unmarked.

I have seen many men come from the Senate or the House of Representatives after long service and they have become derelicts, floating about, depending upon their relatives and friends to support them. Yet there are men in the Senate of the United States to-day who say that "I think only of my election to this body next time, and I believe that it is necessary to cut salaries because I will be a good fellow with my constituents when I go back home." Let me tell those Senators what their constituents think about it. They will think that you are not competent to represent them if you do not know any better than to believe that you can deceive them by such a fallacy as that.

But, as I said, I shall vote to make all of the Members of Congress dollar-a-year men, if that be their desire. I have no objection. I do not have to stay in the United States Senate. In fact, I never had any great desire to be here, and I have much less desire to be here now than I did before I came. [Laughter.]

Let me call attention to this reduction in salaries. Remember always that it is made for one purpose, so we can go back home and tell our people what a great thing we have done because we have reduced salaries. We are proposing to take from Government employees, the poorly paid Government employees who have always been poorly paid, $121,000,000, so we can give a dollar each to the people of the United States. That is what we are going to do.

It is said by the Senator from South Carolina [Mr. BYRNES] that if we take $300 from a man that it is not going to hurt him much. It may mean that his boy or his girl will have to stay home from school. It may mean that he will be unable to purchase books and clothing to keep his children in school. It may mean that he will be unable to make the payment on his little home. It may mean that he will be unable to contribute to the support of an indigent father and mother or brother and sister. It may mean infinitely more than it appears to some to whom money does not seem to mean very much.

But beyond all that, fellow Members of the Senate, let me say that we ought to approach this question of economy with intelligence and with good sense. I believe, and I said on the floor of the Senate some months ago, that there should have been a reduction of $1,000,000,000 this year and I believe it, but I do not believe that we should leave the "pork barrel" untouched at the expense of Federal employees who have been giving their lives to the work which they have qualified themselves to perform. It is not fair.

It has been said, and I heard it said by a very distinguished Senator, that we can afford to reduce salaries because the cost of living is so much less than it has been heretofore. That is not true. Let us see whether it is true or not. Have your interest charges been reduced any? Not a cent; but increased, if anything. Have your insurance premiums, life and fire, been reduced any? Indeed, they have not. Have the expenses of sending your boys and girls to school been reduced? Not at all. Have the payments on your mortgage on your home been reduced any? Not a cent. Has your rent been reduced any? Not a cent. The only reduction that there has been, so far as I recall at this time, is that food and clothing have been reduced. What part of the Budget of the average family receiving $3,000 a year does the food and clothing amount to? It amounts to about 20 per cent. If that item has been reduced by 20 per cent, as some Senators have said, then the total reduction in living costs has been only 4 per cent. So that claim falls to the ground.

Then I heard another distinguished Senator say not so long ago on the floor of the Senate that if we cut salaries the psychological effect it will have throughout the country will be wonderful. I thought at the time, although I did not say it, that it appears to me the trouble with this Government and its operations to-day is that we have been running it by psychology for the last year or two instead of by common sense. Let us not try any further to run the Government by psychology.

I have this idea about it. I am assuming that the bill is going to pass, and that nothing I can say and nothing any other Senator can say will prevent the passage of the bill. I probably shall vote for it in some form, boldly admitting that I am doing that which is unjustified when I cast the vote; but if we should exempt those employees receiving salaries below $2,000 a year, as suggested, I think, by the distinguished Senator from Michigan [Mr. COUZENS], that would reduce the amount of savings by $40,000,000; that is all. I have the figures here, and I want to give them to the Senate because we have had so much difficulty in finding out from the committee just what it was all about.

In the case of salaries of $1,000 and less the reduction in the estimated saving would be $4,330,000; on salaries between $1,000 and $2,000 the reduction would be $36,500,000, or a total of $40,000,000 if we shall exempt those employees receiving salaries below $2,000.

But it is said, "Where are we going to make it up?" It is claimed that we can not afford to fail in the passage of this legislation, because it is said, "Look what happened when the House refused to pass a similar bill!"

I am going back to just a little plain common sense. The reason this question has been so difficult is because we have been going at it in the wrong way. As I said some weeks ago, I do not believe much in the reduction of salaries, as Senators will see, but I do believe that there are many employees on the pay rolls of the Government in the different departments and bureaus who should be eliminated; some of them because they are inefficient, some of them because the services which they are rendering can be dispensed with, some of them, probably, for one reason and some for another. Suppose we cut out this $40,000,000 by exempting those employees receiving salaries of $2,000 and less, it is asked what are we going to do about it; where are we going to make it up? I will tell the Senate what we ought to do about the whole thing. My candid judgment is that we should throw this whole proposition into the wastebasket and then we could make it up in this way: If we reduce the appropriations for the departments by $40,000,000, considering that item alone, then what will happen? The heads of the bureaus and departments will be compelled to make reductions. How are they going to make them? I assume these officials are honest, I believe they are honest American citizens, who desire to give the best government that it is within their power to give. They will go through the departments and will eliminate those employees whom they can best spare and who are least necessary. I have no doubt that in the departments there are men who have toiled throughout the years faithfully and efficiently; they need every cent they can earn; but there are others who have shirked at every opportunity, who probably do not need the money that they receive from the Government. I take it for granted that the heads of the departments will eliminate those whom it will hurt the least.

When they have done that they will have eliminated $40,000,000 in salaries, because it is our duty to cut the cloth; it is our duty to say how much the departments shall have, and it is the duty of the heads of the departments to use, to the best advantage, that which we give them. It is no business of ours to say that we are going to cut the salaries in the departments. We should furnish the money that we think the departments ought to have and allow the heads of the departments to distribute the money in a way that will bring about the most efficiency in service.

Mr. COPELAND. Mr. President——

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

Mr. LOGAN. I yield.

Mr. COPELAND. I was very much interested in the figures given by the Senator, but I did not quite retain them in my mind. Is it correct that if we were to cut 10 per cent the salaries below $1,000 the saving would be $4,000,000?

Mr. LOGAN. It would be $4,330,000.

Mr. COPELAND. Can the Senator let me have the figures as to salaries below $1,500?

Mr. LOGAN. I do not have those figures; I have the figures as to salaries between $1,000 and $2,000.

Mr. COPELAND. How much would the saving be in that bracket?

Mr. LOGAN. It would be $36,500,000, and, adding that to those below a thousand dollars, the saving would be $40,830,000.

Mr. COPELAND. The Senator has not the figures as to salaries of $1,500.

Mr. LOGAN. As to those receiving $1,500, I have the data, but have not made the computation.

Mr. BRATTON. If the Senator from Kentucky will permit me, I have those figures.

Mr. LOGAN. I will be glad if the Senator from New Mexico will furnish them to the Senator from New York.

Mr. BRATTON. Employees drawing salaries up to $1,500 receive a total of $127,557,853, 10 per cent of which would be $12,755,785.

Mr. COPELAND. That is, if the salaries of employees were exempt up to $1,500, the loss in the estimated savings would be $12,000,000?

Mr. BRATTON. It would be $12,755,785.

Mr. COPELAND. Then if we exempt salaries up to $2,000, how much would the loss in the estimated savings be?

Mr. LOGAN. If we exempt all employees receiving salaries up to $2,000, the loss would be $40,830,000.

Mr. COPELAND. How much would it be if the exemption were applied to those receiving salaries of $2,500?

Mr. LOGAN. If the exemption should be made as to employees receiving salaries up to $2,500, that would add, I estimate, about $26,000,000 more. I do not have from that up.

If an exemption were made as to salaries up to $3,000, it will add to the loss by $57,300,000; so that if we exempted all salaries below $3,000, the loss in round numbers would be about $100,000,000.

Mr. BRATTON. If we should exempt those up to $2,500, the loss would be $82,000,000 plus.

Mr. COPELAND. If we should exempt salaries up to $2,000, how much would the loss be?

Mr. BRATTON. According to my figures, the loss would then be $38,690,000.

Mr. LOGAN. That is correct.

Mr. COPELAND. Does that mean if the employee were receiving $3,000, that $2,000 of his salary would be exempt?

Mr. LOGAN. I have not so figured it. I have figured that if there should be provided an exemption up to $2,000, then as to everyone receiving a salary over $2,000 the 10 per cent reduction would apply to the entire salary.

Mr. COPELAND. I thank the Senator.

Mr. LOGAN. Mr. President, let me say a word further, and then I shall have concluded. We have heard a great deal about the furlough plan. This bill contains a provision that that plan may be put into effect if necessary. If we should reduce the amount that we expect to save by cutting salaries by $40,000,000 or $90,000,000 or $100,000,000, whatever the sum might be, and cut the appropriations for the departments an equal amount, then is it not perfectly apparent that it would not be necessary to discharge anyone if the department heads did not desire to do so, because they could put into effect the furlough plan just as it is proposed by the pending bill to be authorized?

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

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

Mr. LOGAN. I yield.

Mr. BRATTON. It was the purpose of the committee to make a cut in salaries of $121,000,000, and then to reduce the several appropriation bills accordingly, so that no employee would have to be furloughed or dismissed permanently. The Senator will recall that as to many items in each appropriation bill—and, of course, the number is multiplied by the number of appropriation bills with which we deal—the appropriation provided is in part for salaries and in part for other purposes. We feared that, with the 10 per cent cut, we might fail to appropriate sufficient money to continue the pay roll, so if that should develop it would be necessary to dismiss some employees permanently, but by the furlough plan put into the bill, surrounding it with the best safeguards we could devise, it was intended to obviate dismissing even a small number of employees permanently. If that condition should arise through some miscalculation or oversight on the part of the Congress in failing to appropriate sufficient money to continue all the employees uninterruptedly at the 90 per cent basis—if I may so express it—we intended that the furlough plan should be brought into operation and the department head could say to a limited number of those drawing higher salaries, "I will let you go for 30 days and at the end of that period your job will be waiting for you."

Now, may I say to the Senator from Kentucky, that that was the system which we had in mind. It is the system we sought to create by the 10 per cent reduction and the furlough plan with the safeguards written into it.

Mr. LOGAN. It was the President's recommendation that the furlough plan should be the sole plan, as I recall.

Mr. BRATTON. Yes.

Mr. LOGAN. If we should make these exemptions, and that should reduce the proposed saving a certain number of million dollars, then, if we deduct an equal amount from the appropriation, the furlough plan which has been provided could be put into operation just the same as under the illustration which the Senator gave.

Mr. BRATTON. Does the Senator mean the general furlough plan?

Mr. LOGAN. Yes; I mean the furlough plan. The Senator stated that if the appropriation should be reduced and the departments should not have enough money, they could put the furlough plan into effect. Now, if we made a less appropriation, the furlough plan could be put into operation, and it would not be absolutely necessary to discharge any employees unless it should be some that ought to be discharged.

Mr. BRATTON. If the appropriation were reduced and less money were provided, there would have to be more furloughs.

Mr. LOGAN. That is right.

Mr. BRATTON. That is the whole thing.

Mr. LOGAN. That is what I meant.

Mr. BRATTON. So that as the appropriations are reduced the use of the furlough plan will be increased, with the result that we will have more men and more women on furlough.

Let me say to the Senator that we thought a flat reduction was the most equitable plan after all. It does not subject a superior in a department to the temptation of partiality, or partisanship, on the one hand and discrimination on the other. It relieves every employee of any anxiety along that line. He knows that he is not subject to partisanship or discrimination on the part of some superior; he has the absolute assurance that throughout the year he is going to draw his salary, minus 10 per cent, and he can cut his cloth accordingly; he can budget his household accordingly. I do not approve of the furlough plan, and the committee was unanimously of the same view. It is filled with fallacies; it is filled with elements certain to produce uncertainty and doubt in the minds of the employees. I think, Mr. President, that the average employee had rather have the definite assurance that he is going to receive his salary, less 10 per cent, than to be subjected to abuse or to personal likes and dislikes in a department. However, I shall not trespass upon the Senator's time.

Mr. LOGAN. I agree fully with what the Senator has said; I do not like the furlough plan, but I do like the elimination plan. I believe that the heads of departments and the heads of bureaus are much better qualified to eliminate employees whom they have to get rid of because they do not have the money with which to pay them than the Senate is to determine what those department heads should do. I still adhere to the statement I have heretofore made that there is not a department of the Government that can not eliminate one-quarter of its employees and still operate more efficiently than at the present time.

Mr. BRATTON. Mr. President——

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

Mr. LOGAN. I yield.

Mr. BRATTON. If I were not so devoted to the Senator I would express the hope that he might have the job at some time of overhauling the whole subject matter and deciding what employees should be discharged and from what departments, and so forth. I, too, thought that was a pretty simple matter until I undertook the job and devoted three weeks day and night to it. The truth is that we now have a government that is too big and too broad and too complicated; and it has grown in every direction. It is a bureaucracy, and there are commissions everywhere.

Mr. LOGAN. That is right.

Mr. BRATTON. It is an accumulation that has grown through the years, and perhaps we are all to blame for it, but it is a condition that now confronts us. If we were to undertake a comprehensive program of consolidating and abolishing departments and suspending bureaus and eliminating activities, the result would be that instead of all the 732,460 employees being reduced 10 per cent and having perhaps a living wage during this period of stress we would have scores of thousands of them without any income, with outstanding obligations incurred upon the strength of their employment, with homes mortgaged, with notes in the banks, and with other kinds of indebtedness. They would be permanently off the Government pay roll.

Mr. LOGAN. That is true of the private employee today, is it not?

Mr. BRATTON. Yes.

Mr. LOGAN. Why should the Federal employee be placed on any higher basis than the railroad employee or the factory worker? Should we, at the expense of the people, make them more secure in their jobs than others?

Mr. BRATTON. Not at all; and I express the belief that Government activities must be retrenched. We will have to curtail.

In the period from 1915 to 1930 the Government expanded just as families did, industries did, and all of us did. Times were good; we made money easily, and we spent it freely. The Government appropriated money by the millions without any hesitation, and we created bureaus and commissions right and left, and the Government did just what individuals and industries were doing.

Now, however, we have a different situation. The Government will have to retrace some of those steps. We will have to curtail. We will have to retrench. We will have to reduce, and I believe it is a process which is going to cover several years. Let me suggest to the Senator from Kentucky, however, that the process should not be so sudden that literally thousands be dismissed immediately without notice. It should not be by such a leap and bound, so severe that thousands and thousands of people will be thrown out of employment immediately, with no notice. That was what the committee thought; so we permitted the provision to remain in the bill authorizing the President to consolidate and merge and coordinate activities.

Mr. LOGAN. A mighty bad provision, too, as it is written in the bill.

Mr. BRATTON. Perhaps it is, but that can not be done by a committee in a day, nor a week, nor two weeks.

Mr. LOGAN. No, sir.

Mr. BRATTON. And I dare say that the President will find it necessary to give the matter careful consideration, covering many weeks. But with a fair and reasonable administration of that provision Government activities can be reduced and should be reduced, and I express the hope that through an effective administration of that provision much of our expansion in Government may be eliminated, and much retrenchment achieved.

Mr. FLETCHER. Mr. President——

Mr. LOGAN. I yield to the Senator from Florida.

Mr. FLETCHER. I think the Senator is absolutely right in the statement that we have too many people employed in the different departments. They are in each other's way. A number of them ought to be eliminated. I would rather eliminate useless and ineffective employees on the pay roll than to reduce some of the others, especially those of the lower salaries.

It has been stated, and I think the statement is well founded, that we have, for instance, 150 bureaus in the Government, and at least 50 of them are without constitutional authority. Why not eliminate some of these bureaus? Why not eliminate some of this surplus number of people that are found about the different departments and different bureaus and pay those that we need sufficient compensation?

I do not think the salary of the ordinary Government employee is too high at all. It is no more than he needs for his living. He must make reductions, and perhaps Government employees are situated so that they ought to be called upon in this emergency to accept for the time being, at least, a reduction; but the fault lies very largely in what the Senator from Kentucky [Mr. LOGAN] has been saying, that we have an oversupply of employees in the different departments and we have an oversupply of bureaus and commissions. We have been setting up commission after

commission at enormous Government expense. We began that some years ago. We have been continuing it. That field, I think, might well be looked into.

I have before me, as I presume all Senators have on their desks, or at any rate in their offices, a table which shows that a cut of 10 per cent in annual salaries of civilian Federal employees below $1,000 would save $4,330,902; below $2,500 it would save $82,090,505; below $3,000 it would save $92,574,817; and below $5,000 it would save $102,687,787. A 10 per cent cut would mean that saving.

Mr. LOGAN. I thank the Senator.

Mr. GLASS. Mr. President——

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

Mr. LOGAN. I do.

Mr. GLASS. We are discussing this problem from the standpoint of humaneness. The distinguished Senator from Kentucky expresses the belief that we could dispense with one-fourth of all the employees of the Government of the United States and still conduct the Government in a more efficient way, and I agree with him. If, however, we are to consider this problem from the standpoint of humaneness, I should like to inquire which would be the more humane, to discharge practically 200,000 Federal employees right offhand or to make a reduction of 10 per cent in the salaries of all of them?

Mr. LOGAN. The answer is obvious if we should consider the matter from a standpoint of humaneness or humanity. I am not considering it from that standpoint. Neither do I believe that we ought to hasten to discharge a great number of employees. I do think that if we would apply just a little old-fashioned common sense to the whole problem and not be carried away by hysteria and by the mob spirit which is aroused throughout the country from one end to the other we would find a way to solve the problem.

I will tell you what I would do if I had the matter in charge. I would not cut the salaries of any of these small-salaried employees. I think it is wrong. I do not think it is justified. I think it means that those who are most efficient, as soon as business is a little better—if it ever is—will hasten into private industry, and the Government will lose its best employees; so eventually we will have the Government run by inefficient employees, and we probably have some of them in the legislative branch, which is sufficient, without getting more of them in the executive branch. I am one of them, because I do not know what we ought to do. I am just doing the best I can; but here is my idea about it, let me say to the distinguished Senator from Virginia:

If Congress would do that which it ought to do, it would appoint or create or bring into existence in some way a committee, vesting it with full power to find out what the facts are, appropriate $1,000,000 if necessary, and authorize that committee to select the best experts it can get in the country to find out what bureaus may be eliminated and what positions in the bureaus may be eliminated, so that when we attempt economy we will have somewhere to go to secure information which we know is reliable. Instead of trying to cut salaries now, or to eliminate one-fourth of the employees, which I have no doubt can be done, I think we should give somebody authority—not the President; the President does not have any time to do things of that kind—we should give somebody authority to employ the necessary expert assistants, so that in a few months, when we meet again, he can bring their report in here and place it before us and say, "Here are the facts. You ought to eliminate some of these bureaus and departments, and some of the employees that are unnecessary."

Mr. GLASS. Mr. President, if I may interrupt the distinguished Senator again, we have not the time to do that. We must balance the Budget by the 1st of July. Had we the time to do it, suppose we should set up a joint congressional committee with instructions to do that. Talk about existing hysteria! That would create more anxiety and distress and hysteria among the 700,000 employees of the Government than anything else that I can conceive of. Every man and woman would be wondering whether he or she was to lose his or her job.

Mr. LOGAN. And, to be on the safe side, he or she probably would be making arrangements before we met in December to find a job somewhere else.

Mr. GLASS. But the trouble is that they can not make arrangements to find a job somewhere else.

Mr. LOGAN. They can not do it now.

Mr. GLASS. No.

Mr. LOGAN. But I do not see why we should have one group in the United States that should be supported by all the people of the United States when many of the others are starving. That is not fair.

Mr. GLASS. I agree with the Senator as to that; but this is an imminent matter that we must determine now. It is not something that we may deliberate about.

Mr. LOGAN. Why can we not deliberate about it?

Mr. GLASS. I agree with the Senator that we ought to exercise common sense, but I assert that we have not any common sense left; and we have not done a sound economic thing since Congress convened last December.

Mr. LOGAN. I agree with the Senator almost wholly in what he says; but we talk about balancing the Budget here. Of course, that has become a hysteria. I suppose everyone knows that we have not balanced the Budget, and that we are not going to balance the Budget.

Mr. GLASS. Everyone has not known that, because the distinguished Senator from Pennsylvania [Mr. REED] insists that we have balanced the Budget.

Mr. LOGAN. I understand; but I can not forget that Mr. Mellon—probably the most distinguished financier America has ever produced, or, at least, a good many people said that about him—two years ago gave out a statement, which he put in writing, signing his name to it, saying that at the end of the fiscal year 1931, on June 30, there would be a deficit in the Treasury of $180,000,000, and at the end of the fiscal year on June 30, 1932, there would be a surplus of $30,000,000, or a net deficit for the two years of $150,000,000. He had the laws before him, he had the previous records before him, he had all the facts, and that was his judgment. Instead of that, we had a deficit of $903,000,000 at the end of the fiscal year 1931, and we will have a deficit of more than $3,000,000,000 by the last of this month, or at least that much. So, Mr. Mellon himself, as great as he is, missed it in his estimate nearly $4,000,000,000.

When somebody says to me that we are going to raise a billion dollars by this tax bill we passed, and that is the estimate of Mr. Mills, I do not believe he is a greater man than Mr. Mellon. Of course, we are not going to raise anything like that, and every Senator here knows it; but we are governing the country by psychology, as one of my good senatorial friends said. The psychology is fine to send out the announcement to all the world that we have balanced the Budget; but when the 30th of June, 1933, comes around we will find out that we must do that which some of us thought we ought to do this time. We are going to have to go to some species of sales tax, because I do not know where else we are going to get any money.

"Well, now," they say, "this economy bill must bring about a reduction of $238,000,000." It is not going to do it. In the first place, the Senate is not going to vote to cut $121,000,000 off the small salaries. When we get to the large salaries we can not save anything. I looked at the report of the committee myself. They made a permanent reduction in the big salaries, those above $10,000, and what did they get? Ninety-seven thousand dollars. That is all they could find. That means that we relieve a thousand men of 1 cent in comparison with the total burden of taxation. If we get a thousand men of one group, we can say to them, "Boys, we have passed a wonderful law reducing salaries. On this particular group we have reduced your burden 1 cent," and the thousand men would go away happy.

Mr. WHEELER. Mr. President——

Mr. LOGAN. I yield to the Senator from Montana.

Mr. WHEELER. I am interested in what the Senator just said, and I agree with him entirely; but the other day I received a letter from the head of a large corporation suggesting to me that the thing we ought to do was to reduce the

salaries of Members of the Senate and people working for the Government and then adjourn. Yet the very corporation he was working for pays the president of that company, I will venture to say, four or five times as much as any Member of the Senate gets, and probably as much as the President of the United States of America gets.

The salaries of the employees of the United States are the smallest salaries of any business organization in the United States.

There is not a business organization in the United States to-day of any size that does not pay its president and other officers more than what the Government of the United States pays those who occupy similar positions in the Government.

Mr. GLASS. Mr. President, the Senator is treading on dangerous ground, if I may suggest it to him. The official to whom he refers may retort that he is worth more than the President of the United States or a Senator.

Mr. WHEELER. Yes; but the condition of his company would not indicate that he had earned the salary he had been drawing, or had been worth anything.

Mr. BRATTON. Was the budget of that institution two and one-half billion dollars out of balance two weeks ago?

Mr. WHEELER. I think it was out of balance, and it would have been more out of balance if it were an institution as large as the United States of America.

Mr. LOGAN. Mr. President, when it comes to cutting the salaries of Senators my position is simply this: I never had any money in my life, and I never expect to have any. I have been holding public office at intervals since I was 21 years of age. I probably have a record no one else can boast of, and I do not often boast of it; I have served the public to the best of my ability, and it has been said, I expect, that I have received much money from the Public Treasury, but I have never held an office yet that I did not have to resign and go back to work to make a living and try to pay my debts, but I kept venturing into politics and holding office until my debts grew so that I think my creditors are going to have some difficulty before I ever pay them. [Laughter.]

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

Mr. LOGAN. I yield.

Mr. LEWIS. I am greatly interested in the declaration of the distinguished Senator from Kentucky. I knew his eminence on the bench and the high place he occupied at home. I was both curious at and affected by the assertion that he had the misfortune that attends so many. He painted a picture in which I could seem to see myself as in a looking glass, that of a person who was always a debtor, never a creditor, unable to pay his debts, and public office was responsible for the unhappy catastrophe.

Mr. LOGAN. I have learned from long experience that men can live without very much money, and by living long enough those men, whom I used to envy a little, who had money, have all come to join me on my platform, and for the first time in my life I am on an equality with them so far as money is concerned.

I do not desire to take up the time of the Senate further than to say this, that if we are going to pass this bill and reduce the salaries of the Members of Congress and others, of course I shall vote for it, until we get down to the small-salaried employees, and then I will not vote for it. We ought to find some other way to balance the Budget. This effort to balance the Budget is important; the Budget ought to be balanced. But I doubt whether we should select the few hundred thousand Federal employees, poorly paid, hard worked, and make them contribute $120,000,000 toward balancing the Budget. They already are under the obligation to contribute to the retirement fund about 3½ per cent of their salaries. We have already increased the income tax until it would take about 3 per cent. We have already heaped a good many burdens on them, and their salaries have always been small.

If we do what is suggested, we will satisfy our people back at home, because they are clamoring for us to reduce salaries. I know my folks down at home are. They want me to vote to reduce every salary where a reduction is suggested. I can not do it unless I am convinced that the salary is not earned.

I shall join with others in bringing about such reduction as I think is fair, but I can not vote to take away from the families of those who work for the Government the actual necessities of life. I can not vote for a bill that will probably make them lose their homes. I can not vote for a bill that will force them to keep their children out of school. I can not vote for a bill which I know will bring great hardship on them. If it would do any good, if it were necessary to save the country, if the amount were so vast as that it would be of great help in this great economy plan, I would be willing to say that we would sacrifice them, that we would throw them before the Juggernaut, that we would offer them upon the altar of sacrifice, and say it was necessary to save the country. But the little that we would save by reason of this $100,000,000 reduction, when we need several billion dollars, is so small that I am unwilling to have it on my mind and conscience that I helped to bring disaster to those people, when it was not necessary in order to help the country.

I adhere to what I said before, that the useless employees and the useless bureaus ought to be eliminated; and if I remain in the Senate, which I may not do, because my salary may be cut too much, as long as I am here, I shall continue to insist that there should be a reorganization of the Government, that useless bureaus and departments and boards and commissions should be abolished; and if that necessarily causes public employees to be separated from their jobs, it can not be helped. But let us not do this cruel thing when it is unnecessary, and when it will not help anyone.

Mr. DICKINSON obtained the floor.

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	Davis	Kendrick	Schall
Austin	Dickinson	King	Sheppard
Bailey	Dill	La Follette	Shortridge
Bankhead	Fess	Lewis	Smith
Barbour	Fletcher	Logan	Steiwer
Barkley	Frazier	McGill	Thomas, Idaho
Bingham	George	McKellar	Thomas, Okla.
Black	Glass	McNary	Townsend
Borah	Goldsborough	Metcalf	Trammell
Bratton	Gore	Moses	Tydings
Broussard	Hale	Neely	Vandenberg
Byrnes	Hatfield	Norbeck	Walcott
Capper	Hayden	Norris	Walsh, Mass.
Carey	Hebert	Nye	Walsh, Mont.
Cohen	Howell	Oddie	Watson
Coolidge	Hull	Patterson	Wheeler
Costigan	Johnson	Pittman	White
Couzens	Jones	Robinson, Ark.	
Dale	Kean	Robinson, Ind.	

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

Mr. DICKINSON. I yield.

CORRECTION OF THE RECORD—GENERAL HINES

Mr. BINGHAM. Mr. President, I desire to make a correction of the RECORD. Yesterday I stated that General Hines receives retired pay amounting to something like $4,000 a year. I knew that General Hines had been in the Army more than 20 years, and I assumed, without asking him, that he drew the retired pay due to his rank. I find that he receives no retired pay at all.

As a matter of fact, General Hines, who is one of the most efficient officers of the Government, and has taken over the duties of the combined services formerly of the Pension Bureau, the Veterans' Bureau, and the Soldiers' Homes, and has saved the Government several million dollars by his administrative measures, receives a salary at the present time of $12,000, and does not get any retired pay. I regret to say that under this bill his salary of $12,000 is reduced to $10,000, and on that he will get a cut of 10 per cent, making the salary $9,000, or a total cut of 25 per cent. He does not draw any retired pay.

Mr. GLASS. Mr. President——

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

Mr. DICKINSON. I yield.

Mr. GLASS. I am glad to know the Senator from Connecticut has made this correction. I apprehend that the committee in this case acted upon the supposition that the statement made by the Senator from Connecticut yesterday represented the facts, and that therefore the committee included the Administrator of Veterans' Affairs in a classification of—I will not say utterly worthless commissioners and board members, but in a classification with commissioners and board members whose positions might well be abolished permanently. I give notice that while I am going along with the committee as a general proposition, perhaps in nearly every particular, I am going to offer an amendment to the section of the bill to which the Senator has referred eliminating what I conceive to be an injustice to perhaps the most responsible official of the Federal Government.

Mr. BINGHAM. If the Senator will permit me, I should like to say in this connection that actually the committee did treat the Administrator of Veterans' Affairs a little better than the House did, because the House reduced his salary to $10,000 and then put an 11 per cent cut on that. I agree entirely with what the Senator said about the injustice of reducing his salary by 25 per cent.

Mr. GLASS. If there is anyone in the Federal employment, from the President and the Supreme Court down, who earns his pay it is the Administrator of Veterans' Affairs. He has saved the Government millions upon millions of dollars and has had to endure annoyances that no other Federal official has to endure.

PERSONAL EXPLANATION

Mr. LEWIS. Mr. President, I desire to say a word in the presence of and in connection with the eminent Senator from Nebraska [Mr. NORRIS]. The CONGRESSIONAL RECORD contains a little persiflage which passed between us yesterday touching the national conventions, but there is an omission in the RECORD which I would like to have cleared up. Yesterday I stated to our learned colleague of the Senate, Senator NORRIS, that so far as I was concerned as to the Democratic National Convention it did not interest me to any great extent, certainly not to the extent where I thought I could either be an adornment to whatever arrangements they might have; nor did I hope to contribute anything that could be regarded as profitable, and added what I wish the Senator to understand, that our observations were in a humorous vein and aroused a flurry of laughter from the galleries. In this confusion on the floor the concluding observations were omitted in the report. I ended by saying, as I now say, that I agree with any other Senator who feels that public business calls us to remain in session. I agree that no demand of a mere political convention should call Senators away from a duty such as we have before us at this time, the providing for the great necessities now calling to us. Possibly what I insist on can best be described by the injunction of the Scripture, "That which thy hand finds to do, do it with all thy might."

RALPH E. WILLIAMSON

Mr. THOMAS of Oklahoma. Mr. President, on yesterday the House and the Senate passed identical bills, each being a copy of the other. The House bill is H. R. 4911 and the Senate bill is S. 2458. The House bill has reached this body and the Senate bill has gone to the House. In order to prevent complications I ask unanimous consent for the present consideration of the House bill; and if that request is granted and the bill is passed, I shall then ask unanimous consent to have a request sent to the House to return the Senate bill for indefinite postponement.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The Chair lays before the Senate a bill from the House of Representatives, which will be read.

The bill (H. R 4911) for the relief of Ralph E. Williamson for loss suffered on account of the Lawton, Okla., fire, 1917, was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $565 to Ralph E. Williamson as compensation in full for loss of property destroyed by the fire on September 24, 1917, in the city of Lawton, Okla., such loss having been the result of the inability of the fire department of the city of Lawton to control said fire because of lack of water, all available water for fire-fighting purposes having been appropriated and being used by the War Department in connection with the training of soldiers at Fort Sill and Camp Doniphan: *Provided*, That before said claim is allowed and paid the Comptroller General of the United States shall make an investigation of said claim to determine the extent and amount of such loss and damage, and such claim shall be adjusted in amount not in excess of the amount set out herein and upon certificates issued to said claimant by the said Comptroller General of the United States.

The Senate, by unanimous consent, proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed.

Mr. THOMAS of Oklahoma. I desire to enter a motion to reconsider the vote on the passage of Senate bill 2458, and ask unanimous consent that the House of Representatives be requested to return the bill to the Senate.

The PRESIDING OFFICER. The motion will be entered and, without objection, the House will be requested to return the bill to the Senate.

AMENDMENT OF RECONSTRUCTION FINANCE CORPORATION ACT

Mr. BLACK. Mr. President, before the Senator from Iowa proceeds, will he yield to me for a moment or two? A report has to-day been made by the Committee on Banking and Currency. I had hoped to ask that it be taken up. I believe it will take only a moment. If there is objection to it from any source I shall not insist on its consideration.

Mr. DICKINSON. If it does not take any time, I am glad to yield for that purpose.

Mr. BLACK. I desire to ask unanimous consent to call up the bill and explain it; and if there is any objection from any source, I shall then withdraw my request.

Mr. JONES. Mr. President, I think the bill should be read.

Mr. LA FOLLETTE. Let it be read so we may know what it is.

The PRESIDING OFFICER. The clerk will read the bill.

The Chief Clerk read the bill (S. 4780) to provide that advances under the Reconstruction Finance Corporation act may be made for crop planting or crop cultivation during the year 1932, which had been reported from the Committee on Banking and Currency with an amendment to strike out all after the enacting clause and insert:

That the first proviso in the second paragraph of section 2 of the Reconstruction Finance Corporation act is amended by inserting after the words "crop production" a comma and the words "crop planting, or crop cultivation."

Mr. BLACK. Mr. President, under the reconstruction act there was a provision for the loaning of $50,000,000 to farmers. This does not affect that appropriation in so far as increasing it is concerned. This situation has arisen. Under the ruling of the department—which may or may not be correct, but it is the ruling nevertheless—some have been deprived of the privilege of borrowing from this fund who would be included if the amendment to the act should be adopted.

There are certain growers of strawberries in some States who suffered an entire loss of their crops by reason of the freeze at the beginning of the year. The beginning of the cultivation of this crop is in July and August. It is necessary to buy fertilizer and to do all the work on the crop during the year 1932, but the strawberries are not actually picked until after January 1. The result is that under the ruling these farmers, who do all the work during this year except the picking of the strawberries, which is done the first part of next year, are deprived of securing a loan. It affects a very small number of growers, but it does affect them very vitally in certain sections of the country.

Mr. BLAINE. Mr. President, I think it also applies to those crops which are sown in the fall and harvested the next winter, such as rye and wheat.

Mr. BLACK. I imagine it would. I gave strawberries merely as an illustration.

Mr. JONES. Mr. President, I hope that an amendment may be put in the bill. There is a section in our State where we raise wheat where there must be summer fallowing; in other words, the ground must be plowed this year for the planting of wheat for next year. If the Senator from Alabama will consent to add the words "and for summer fallowing," I would appreciate it very much.

Mr. NORBECK. Mr. President, while that matter was not brought up in the committee, I think a fair construction of the amendment would include that because it is for cultivation.

Mr. BLACK. That is our understanding.

Mr. JONES. It is the Senator's understanding that it would include summer fallowing?

Mr. NORBECK. It uses the words "crop planting" or "crop cultivation."

Mr. JONES. Would there be objection to putting in the words "including summer fallowing"?

Mr. NORBECK. I can not speak for the committee, but there would be no objection so far as I am concerned. I want to say in all fairness that this came up rather suddenly. The Senator from Alabama urged it as an emergency measure on account of the situation existing with some of the berry growers down in his section, who had been disqualified because the crop was not entirely harvested within the calendar year, but is barred for that reason. We have not had a written opinion from the department on it, but it was thought to be rather a minor matter, and the committee authorized a favorable report on the bill in the belief that it was not very wide in its application.

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

Mr. TYDINGS. Mr. President, I shall not object at this time to the consideration of the matter, but I want to serve notice now that I think the next relief bill we pass ought to apply to the whole country. This business of doling out relief to different crops, as we are doing, is going to ruin the Government if we do not stop it. Any separate relief bills hereafter will meet with my opposition.

Mr. GLASS. Mr. President, as a matter of fact, I do not think there was any dissent in the committee to the proposion that the existing law was intended to include these very conditions, but that the decision of the department that production contemplated only those crops which were produced and harvested in the current year was a rather remarkable interpretation of the law. What is proposed is what was intended by the original law and what the committee unanimously insisted is a proper interpretation of existing law.

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

Mr. FESS. Mr. President, reserving the right to object, I understood the matter was presented to the Banking and Currency Committee, discussed there, and that there was no serious objection to it.

Mr. BLACK. There was no opposition at all. It was unanimously agreed that that was the original intention.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill.

The amendment of the Senator from Washington [Mr. JONES] was, on page 2, before the period and after the word "cultivation," to insert "including summer fallowing."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to provide that advances under the Reconstruction Finance Corporation act may be made for crop planting or crop cultivation, including summer fallowing, during the year 1932."

LEGISLATIVE APPROPRIATIONS

The Senate resumed the 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.

Mr. ASHURST. Mr. President, I have to-day received a large number—the word "large" hardly describes it—a vast number of telegrams, not only from Arizona but from other States as well, in relation to the so-called economy bill. It is impossible for my office force to reply to these telegrams. I do not like to reply "collect." I doubt the propriety at this time of sending replies at Government expense. I ask leave, therefore, to print in the RECORD a few of the telegrams from my own State, and I hope those of my constituents and others throughout the country who read the RECORD, as I am sure every citizen reads it daily, will thus understand that no offense or discourtesy is implied by my failure to reply to their telegrams. This is the only way I can make known to the country the number of telegrams I am receiving with reference to the bill.

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

The telegrams are as follows:

TUCSON, ARIZ., *June 2, 1932.*

Hon. HENRY F. ASHURST,
United States Senate, Washington, D. C.:

Trust you and Senate colleagues will promptly repudiate counsel despair emanating from misguided proponents so-called economy, which would complete vicious circle of panic, encourage further wage cuts in industry, and through further decreases purchasing power American people increase unemployment throughout country beyond anything yet known. It is believed wage cuts and furloughs as proposed Senate Economy Committee will make bad situation infinitely worse. We rely on you defend interest vast majority citizens Arizona and throughout country against powerful economic forces which seem to desire paralysis Government service and destruction American standard of living.

WALTER P. TAYLOR,
Fifth Vice President,
National Federation of Federal Employees.

PHOENIX, ARIZ., *June 2, 1932.*

Senator HENRY F. ASHURST,
Washington, D. C.:

Phoenix letter carriers are very thankful to you for your stand in opposition to wage cut and hope in considering economy bill you will bear in mind that titles 1 and 2 constitute wage reduction in some form.

R. T. SOULE, *Secretary.*

TUCSON, ARIZ., *June 1, 1932.*

Hon. HENRY F. ASHURST,
United States Senate, Washington:

Depending on you to oppose Senate Economy Committee's report proposing 10 per cent salary cut, etc., for Federal employees. Effect would be demoralizing on personnel of Government service and wage earners generally.

A. M. PHILIPSON,
President A. S. F. of F. E. U.

NACO, ARIZ., *June 1, 1932.*

Hon. HENRY F. ASHURST,
United States Senate, Washington:

Federal employees here strongly protest against provisions of bill reported by Senate committee relative to decreasing salaries and curtailing annual leave. We know of no agencies in Arizona wherein granting full annual leave incurs additional expense. Earnestly request you oppose legislation relative to cutting salaries and leave.

WALTER F. MILLER,
President Federal Employees' Union.

TUCSON, ARIZ., *June 2, 1932.*

Hon. HENRY F. ASHURST,
United States Senate, Washington:

Proposed bill Senate committee grossly unfair. Urge your strongest support in opposing drastic salary cut, forced furloughs, loss of annual leave, and other unjust legislation imposed on Federal employees. May we continue to receive your whole-hearted cooperation?

IRENE HENGESBACH,
First Vice President Local 81,
National Federation of Federal Employees.

TUCSON, ARIZ., *June 2, 1932.*

Senator HENRY F. ASHURST,
United States Senate, Washington:

This camp vigorously protests against radical change of policy affecting veterans which will surely result from the pauper clause

and radical reduction of pensions of certain veterans reinserted by Senate committee in the economy bill. We earnestly solicit your support in the final removal of these provisions from this bill.

T. F. McCALL,
Commander Camp Ben Daniels, No. 8,
United Spanish War Veterans.

PRESCOTT, ARIZ., *June 1, 1932.*

Hon. HENRY F. ASHURST,
United States Senate, Washington:

Informed Senate Economy Committee reported favorably bill to reduce compensation men in hospitals and other drastic slashes. Hope you will use your influence in behalf of disabled veterans.

LESLIE E. EAST,
Commander Arizona State Department,
Disabled American Veterans of World War.

CASA GRANDE, ARIZ., *June 2, 1932.*

Hon. HENRY F. ASHURST,
Senate Office Building, Washington, D. C.:

Request your support in defeating salaries cut of employees and to retain 30 days' annual leave, also in keeping Personnel Classification Board a separate unit.

CHARLES LAUGHLIN, *President.*

PHOENIX, ARIZ., *June 1, 1932.*

Hon. HENRY ASHURST,
United States Senate, Washington, D. C.:

Ask that you oppose any bill reducing salaries. Also provision suspending automatic promotion and night-work pay.

J. L. BAMMERLIN,
President Local 93.

TUCSON, ARIZ., *June 2, 1932.*

Senator HENRY F. ASHURST,
Senate Building, United States Senate, Washington, D. C:

Have just read of misnamed economy bill presented to the Senate for consideration. Sincerely hope that you will vote against this atrocity misnamed economy. Am surprised that such a reactionary measure could emanate from such an intelligent group of men as make up our Senate. Trust you will conscientiously be able to vote against this bill and hope you will work for its defeat.

TUCSON CENTRAL TRADES COUNCIL,
JOHN J. DURKIN, *Secretary.*

PHOENIX, ARIZ., *June 2, 1932.*

Hon. HENRY F. ASHURST,
United States Senate, Washington, D. C.:

Phoenix Camp, No. 1, United Spanish War Veterans, by resolution passed to-night vigorously protests against the inclusion in proposed economy or in any other bill of any provisions affecting the present pension status of Spanish War veterans. Spanish War veterans have received consideration at the hands of Congress only in the past few years for very definite reasons, which as average age 58 practically barred from remunerative employment increasing disabilities with age and for the patriotic service voluntarily rendered in a war which brought not only enormous financial benefits but also world prestige to our country.

C. P. LEE, *Commander.*

ALBUQUERQUE, N. MEX., *June 1, 1932.*

Hon. HENRY ASHURST,
Washington, D. C.:

We, the 54 members of Albuquerque and Ashfork Railway Post Office Associations vigorously protest the apparent discrimination in the present Senate economy bill. A 10 per cent salary cut will mean a loss of $230 for the average clerk, the elimination of night differential and one-third reduction of travel allowances will mean an additional reduction income of $187, making a total of $417 per clerk per year. When this matter is considered by the Senate we trust you will bear in mind these inconsistencies.

JOHN M. COOK,
Ashfork, Ariz.

PHOENIX, ARIZ., *June 1, 1932.*

Senator HENRY F. ASHURST,
Senate Office Building, Washington:

Continued assaults on Government employees' salaries and annual leave are increasing business gloom and upsetting the economic fabric of the Nation as well as overthrowing the splendid morale of the employees. An economy hysteria can be quite as suicidal as an extravagance hysteria. Such false and futile economies will actually offset the efforts of the Government to stimulate economic enterprise. Urge that you make every endeavor to defeat economy proposals injurious to Government employees, as their effect will also be harmful to the merchants and farmers of Arizona and of the Nation. Please give us telegraphic reassurance of your stand and action.

WILBERT T. ALLEN,
President Local No. 65.

DOUGLAS, ARIZ., *June 2, 1932.*

Hon. HENRY F. ASHURST,
United States Senate, Washington, D. C.:

We hope Budget can be balanced without such drastic action, deduction salaries. Reduction annual leave to 15 days will not mean saving locally.

D. C. KINNE,
President Local 196, N. F. E. U.

BISBEE, ARIZ., *June 2, 1932.*

Hon. HENRY F. ASHURST,
United States Senate, Washington, D. C.:

We urge you to use every means to prevent inclusion of pauper clause and reduction of pensions of certain veterans reinserted by Senate committee in economy bill.

G. P. LIGHT,
Commander Rex Hall Camp, No. 7,
United Spanish War Veterans.

SAN CARLOS, ARIZ., *June 2, 1932.*

HENRY F. ASHURST,
United States Senate, Washington:

That you oppose to utmost decrease in Government employees' salary, cut in annual leave, abolishment of Personnel Classification Board, and compulsory retirement is our earnest request. All of this, we feel, inimical to best interest of the Government as well as that of employees. Thirty days' leave necessary to efficiency and health. No appreciable decrease in living expenses in this locality at least. Kindly advise by wire what you feel you can do.

SAN CARLOS LOCAL FEDERAL EMPLOYEES' UNION.

Mr. DICKINSON. Mr. President, the personnel pay roll of the Federal Government is about $1,315,000,000; the total expenditures of the Government are about four and one-third billion dollars. The item for pensions of veterans of the World War and other wars obligates the Government to the extent of about a billion dollars. The two controversial items involved in this bill, therefore, have reference to salaries paid employees of the United States Government, on the one hand, and to the veterans' items, on the other, which will come up a little bit later in the consideration of the bill.

Objection is made on the ground that we are making reductions in the salaries of the lower paid employees. Luther C. Steward this morning sent to the desk of every Senator this statement:

> It is apparent that no Senator wishes to cut the pay of employees in the lower salary ranges. The bulk of the saving must be secured by cuts in this group.

Therefore if we are not to include cuts in that group we might as well abandon our plan.

I have looked up the data with reference to the amendment offered by the Senator from Nebraska [Mr. NORRIS]. I do not know that I have tabulated the figures correctly, and if the Senator has any tabulation that does not correspond with the figures I shall present I shall be glad to have them, and I want permission to revise and correct the figures I have because I have made them hurriedly. I want, however, to suggest the difference between the type of amendment suggested by the Senator from Nebraska and that recommended by the committee.

In the range of salaries from $7,500 to $10,000 and up, there are 673 people involved; the amount paid them is a little over $6,000,000; the suggestion of the Senator from Nebraska is that a 25 per cent reduction be made in such salaries; the savings which would thereby be effected would be $1,554,000 plus.

In the group receiving from $5,400 to $7,500, there are 2,770 employees; the total amount of their salaries is $16,398,000; a 20 per cent cut in those salaries would amount to $3,279,000.

In the group from $4,000 to $5,400, there are 8,404 employees; the total amount of their salaries is $37,654,000, and a 15 per cent cut would amount to $5,648,000.

In the group receiving salaries from $2,500 to $4,000, there are 100,902 employees; the total amount of their salaries is $231,038,000, and a 10 per cent cut would amount to $23,038,000.

Mr. JONES. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Washington?

Mr. DICKINSON. I yield.

Mr. JONES. I rather think the Senator is misconstruing the amendment proposed by the Senator from Nebraska. While it increases the rate on salaries in certain groups, the entire salary does not bear the increased rate, but only that portion of it in excess of a certain amount. So there is the portion of such salaries between two amounts which bear one rate and the portion in excess another and different rate. Has the Senator taken that into account?

Mr. DICKINSON. No, I have not taken that into account; I do not have the information so that I can take it into account.

Mr. JONES. That is the character of the amendment which has been offered.

Mr. DICKINSON. I wanted simply to suggest the total.

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

Mr. DICKINSON. I yield.

Mr. NORRIS. The Senator will not arrive at the correct total.

Mr. DICKINSON. No; I will not get the correct total, and that is why I said I wanted the privilege of revising and correcting my figures.

Mr. NORRIS. The Senator will reach a wrong result when he gets through because, as the Senator from Washington has said, he has started on a false basis.

Mr. DICKINSON. I am simply giving these figures to prove the point that, regardless of how much the rate of reduction is on the higher salaries, we can not thereby make up for the loss incident to the exemption of the lower salaries.

Mr. NORRIS. The Senator does not want to prove it by figures that are incorrect, does he?

Mr. DICKINSON. Does the Senator say that my figures are too high?

Mr. NORRIS. No; I say the Senator is miscalculating; he is basing his calculation on a false assumption. For instance, he is basing his calculation on the assumption that a salary, let us say of $10,000, is decreased by 25 per cent. That is not true under the amendment which has been offered. In the case of a salary of $4,000, the Senator is basing his calculation, as I understand his figures, on the theory that that salary is reduced 15 per cent; but that is not true. For instance, in the case of a salary of $4,000, $1,500 of it would be exempt; as to that portion of it there would be no reduction; on the next $1,000 the reduction would be 5 per cent, and on the next $1,500 the reduction would be 10 per cent.

Mr. DICKINSON. Then I suggest that what the Senator says proves the point I am trying to make. The amendment of the Senator from Nebraska would reduce the savings greatly beyond the figure I have suggested, which is a little less than $60,000,000. We would be sacrificing one-half of the savings under the economy program in the case of personnel if we were to adopt the theory of making greater reductions in the higher salary brackets and exempting salaries up to $1,500. In other words, the statement of Mr. Steward is correct that the bulk of the savings must be secured by the cuts in the lower-salaried group.

I believe it was Lincoln who said that the Lord loved the common people because he made so many of them. I think there is no question but that if we do not apply the proposed reduction to the group receiving the lowest salaries we are not going to secure any economy so far as Federal expenditures for services are concerned.

Mr. NORRIS. Of course, if we do that, if the Senator will permit me, we will add a good many to the class to which the Senator referred and of whom Lincoln spoke; we will have more poor than we had before.

Mr. DICKINSON. We are getting more poor all the time.

Mr. NORRIS. And we are getting more money out of the poor all the time.

Mr. DICKINSON. Here is the situation as I see it: I do not believe the Federal Government can say, regardless of the reduction of wages and salaries in the various grades of employment all over the country there is not going to be a reduction in the salaries of the large number of persons now employed by the Federal Government. I think the Government is going to be subjected to an attack that will be very far-reaching and very unwholesome so far as the Government's interests are concerned unless we show a disposition to meet the situation that is now so acute in the country, and in order to do so, I believe we have got to share and share alike all along the line.

Mr. NORRIS. Mr. President——

Mr. DICKINSON. I yield.

Mr. NORRIS. Does the Senator think he will meet that condition if he says to the country, "I have voted to reduce the salary of the clerk who is getting a thousand dollars a year by the same percentage that I have voted to reduce my own salary of $10,000 a year.

Mr. DICKINSON. I think that it is true that people all along the line obligate themselves to about the extent of the salary they are drawing and that per capita, there will be just as large a percentage in the larger salary brackets who are going to be embarrassed by the salary reduction as there will be in the lower brackets, for the reason, if you please, that those in the lower brackets are largely of two classes: A good many of them are younger people, who have not obligated themselves for the maintenance of homes; many of them have not reached out as others have in the matter of purchases; many of them are here attending school or college as well as earning salaries. I am a friend of those, but I want to say that the person who a while ago could live here in Washington on $120 a month can now live here for 10 per cent less than that under existing conditions so far as living expenses are concerned.

Mr. BORAH. Mr. President——

Mr. DICKINSON. I yield to the Senator from Idaho.

Mr. BORAH. I am quite in sympathy with the desire of the Senate to reduce salaries; but does not the Senator think that when we reach down into the lower grades, say, salaries of a thousand dollars, we meet with another question than that of economy on the part of the Government? I refer to the question whether people who receive such low salaries can live in Washington on any less amount. So an economic problem enters into consideration, and that is the question of wholesome living.

It is true that we are not going to save nearly so much if we do not cut the lower salaries, but there are appropriations, such as those for the Army and Navy, where we can reduce expenses on a tremendous scale, and, in my judgment, there is where we have got to go if we are going to make any headway at all. I favor also making heavier cuts in the larger salaries.

Mr. DICKINSON. I do not presume the Senator has given much consideration to the propaganda that is now going on all over the country to restore the 2,000 Army officers who were eliminated by the appropriation bill in the other House. The claim is being made that it is going to interfere with the national defense if we adopt that provision of the House bill.

Mr. BORAH. Yes; I have given a good deal of consideration to that propaganda, and I have answered it in my own mind.

Mr. NORRIS. Mr. President, I do not want to interrupt the Senator unless with his consent.

Mr. DICKINSON. I am perfectly willing to yield.

Mr. NORRIS. I am seeking like the Senator to get information. I should like to ask this question: The only reason that has been given, so far as I know, by the representatives of the Economy Committee, of which the Senator is a member, for making the cut in the low salaries is that it is necessary in order to save the money. Now I want to ask the Senator if there is any other reason beside that?

Mr. DICKINSON. There is no other reason, so far as I know, and I want to suggest that the necessity exists, and if we can not save money in that direction we might as well abandon the economy bill.

Mr. BORAH. No, Mr. President; I do not think that is true.

Mr. DICKINSON. The House committee went through these items; it considered the proposition; it went on the floor of the House with a bill providing a saving of $260,-

000,000, and it came out with a saving of $47,000,000. The Senate committee has considered the situation all along the line, and has come here with a bill providing a saving of $238,000,000. It may be that we have neglected some opportunity of effecting savings that the Senator believes could be availed of, but any method of saving in order to be adopted has got to be of such a character that there can be an agreement on it. For instance, one person may say, "Let us reduce the Army"; on the other hand, there will be a great many who will say, "We can not reduce the Army; it is not safe to reduce the Army." Therefore, in working out an economy bill we reach the point where we have to have a meeting of minds or at least a meeting of a sufficient number of minds so that there can be secured some unity of action.

I believe that if every Member of this body were to write an economy measure, we would have represented all phases of the differing views and opinions, and that there would not be many Senators who would agree upon very many items that ought to be included in such a bill.

Mr. BORAH. Mr. President, I am not criticizing the committee, for I think the committee has done a splendid work. I may not agree with it in detail, but it has shown courage and a willingness to meet the issue. But if it be said that we can not economize and can not reduce the expenditures of the Government unless we make a reduction in salaries of $1,000 and less, and there is nowhere else we can save, of course, we might just as well abandon the effort, because I do not believe that the Government is going to ask people to work for less than $1,000 a year.

Mr. DICKINSON. The number of people who are working for a sum below a thousand dollars a year is considerable. In this period of unemployment as we go down the scale we find that in one of our leading cities it is possible to obtain stenographers to work for $65 a month, while in the Government service I think the pay in the lowest grade is $1,440 per year. We find that situation to exist all along the line. Domestic servants who in Iowa used to get $10 a week now get three and a half or four dollars a week, and are glad to have the positions. As we go down the scale we find that the competition is keener for the position; and even though it may be said that they can not maintain themselves on these low-grade salaries, it is true that those people are occupying positions that are desired and are wanted, and would be occupied by hundreds of other people if they had the opportunity.

Mr. NORRIS. Mr. President——

Mr. DICKINSON. I yield.

Mr. NORRIS. What the Senator says is true, of course, about reductions outside of Washington; but it seems to me we can not close our eyes to the fact that a very large percentage of these people who are drawing salaries of from ten to twelve hundred dollars a year, and some of them less, live and must live in Washington, and that the cost of living in Washington is higher than at almost any other place on earth. It may be that when we fix a reduction according to the cost of living in Washington we will not be doing justice to the country in some other locality, because the cost of living there is not so great; but we must fix it in accordance with the cost of living at the most expensive place, for otherwise it would be an impossibility to conduct the Government in Washington.

I inquired of another member of the committee whether the committee had taken into consideration the question of rents. He said it had not. I do not know that they would have had any jurisdiction. It seems to me that if they had made an investigation they probably could have given us some very important information on rents. I think, from what little investigation I have been able to make, that while rents on an average in the city of Washington may have decreased to some extent, they have not come anywhere near decreasing at the same rate as rents have decreased in practically every other section of the country about which I have been able to get any information. So that the great bulk of these people have to meet these conditions that still exist, and they have to live here in order to do the work; and it seems to me that it is unreasonable to take a hundred dollars off the salary of a $1,000 clerk.

The Senator said a while ago that many of these people are young. That is true. Many of them, he said, are going to school. That is true; some of them are. The great bulk of them, however, are not. A large percentage of them are paying for homes on the installment plan. There are some, perhaps, that do not deserve the consideration that others do; but we have to deal with them as a class, and it seems to me that in dealing with them we ought to give consideration to the most meritorious of the class.

An employee of the Senate who, if he is listening, is within the sound of my voice now, told me to-day of what happened in his family. I happen to know him very well. I know his wife very well. They are fine people. His wife is one of the school-teachers of the city of Washington, a finely educated woman, who has spent a good deal of her earnings in preparing herself for her work. Just recently, within the last three months, they bought a home. They are obligated for it. They are both drawing salaries, neither one of them very large. I have a great deal of consideration for that class of people, and there are thousands and thousands in that class.

Mr. DICKINSON. Mr. President, may I answer the Senator now?

Mr. NORRIS. Yes.

Mr. DICKINSON. As a matter of fact, the large percentage of our employees who are drawing under $1,000 do not come within the class suggested. There has also been a great reduction in rents in the lower type of rental property. The rents that are higher in Washington are the rents of what might be called the upper-class type of tenants. On top of that, the District of Columbia Committee is now investigating that very question under the leadership of the Senator from Kansas [Mr. CAPPER]. We did not think we had any jurisdiction of that matter, and therefore we did not think we should go into it.

The next suggestion is this: Rents are going down in other sections of the country. Out of the 700,000 employees on the Government pay roll, only 10 per cent live in the District of Columbia. Therefore we ought not to hold up 10 per cent and say, "This is the group that has to be protected," while, as a matter of fact, they can get lower rents in practically every other city in the United States. There are some 70,000 employees in the District of Columbia in the Federal service. There are over 700,000 employees in the Federal service the United States over. Therefore, are we going to let the 10 per cent here be the criterion on which we are going to establish this policy all over the country? I want to say to you that out in the country, over the United States, where there are post-office clerks and post-office employees and different types of Federal services, there is no question but that those sections are subject to the depression that exists all over the country, and that they have the benefit of a 10 per cent reduction in practically every line of expenditure they have to make.

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

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

Mr. DICKINSON. I yield.

Mr. WHEELER. I appreciate the force of the Senator's argument, and I likewise appreciate the effect upon the people living in the various farm sections and how they feel toward the Government employees who are drawing down higher salaries and have not had their salaries reduced; but I want to ask the Senator this question:

What is the most important thing, in his opinion? Is it to deflate further in this country, or should we try to bring up the commodity price level for farm products?

Mr. DICKINSON. Oh, there is no question but that we ought to inflate and bring up farm prices, if we can; but we must meet the situation that is facing us. We can not turn around and say that because another question is confronting us therefore we ought to ignore this thing. We must carry on in the meantime. I should like to see farm prices advanced; there is no question about that; but, on the other

hand, I know that we must carry on until the time comes when farm prices do advance.

Mr. WHEELER. Let me say to the Senator that if the statesmen who compose the body of this Congress had had the courage of their convictions, and if the man in the White House had had the courage to go ahead and do something to bring up the price of farm commodities by increasing the currency and otherwise, it could have been done, instead of resorting to this foolish policy of further deflating by reducing the compensation of Federal employees. I think it is foolish economy and absolutely a foolish economic policy.

Mr. DICKINSON. That argument was used when we were trying to maintain the price of labor all over the United States, but the crisis became too keen. It was found that it could not be done. Therefore, we have to meet the situation as it confronts us now, and not as we should like to have it confront us. The fellow who thinks we can wait until we do something to-morrow, and thereby meet the crisis of to-day, is just one day late.

Mr. NORRIS. Mr. President——

Mr. DICKINSON. I yield.

Mr. NORRIS. If the cost of living has gone down as greatly as it has in Washington and Iowa and all the balance of the country, what excuse can we as Senators give, what excuse can the Senator himself give to the country and to his people for reducing his own salary only $1,000, while he is taking pretty nearly half of the salary of a good many of the lower-paid employees? If the man who is working for $1,000 can get along on $900, why can not the Senator get along on $5,000 instead of $10,000? [Applause in the galleries.]

Mr. DICKINSON. Let me answer the Senator. I practiced law out in Iowa for 20 years. I had more money at the end of the year saved up in my bank than I have ever had since I went into public life; and to say that a Senator can live and meet the obligations that are imposed upon him at a very low salary is absolutely wrong. It can not be done. I live no differently now than I did in the earlier years, and I am living in the same house.

Mr. NORRIS. The same thing ought to apply to the clerk who is getting the thousand dollars. If the Senator applied to himself the same argument that he applies to the clerk, he never could defend this motion, in my judgment, to reduce his own salary only $1,000.

Mr. DICKINSON. The argument has been presented here. I am not going to be diverted on that particular phase of it. I do not believe that there is a feeling in this country that the men who carry the burdens that the members in public life carry are excessively overpaid. If it were just a matter of livelihood, that is a different thing.

Here is some of the sentiment that is coming from States like mine. I think every Senator is getting letters of this type. This is a letter from Robert R. Macbeth, an attorney at Keokuk, Iowa. I have known him for 30 years, and I am quoting from a part of his letter. He says:

> It does seem to me, therefore, that I should appeal to you to use your influence to the fullest extent in supporting such measures as will reduce the cost of operation of the Federal Government, cut out needless bureaus and useless investigations and all that sort of stuff, and help to get down to an economic, reasonable, and sound basis. Unless something effective is done, and quickly done, along this line our people are going to revolt. Right out here in southeastern Iowa, supposedly staid and conservative, there is an undercurrent of distrust and revolt which is not only distressing but ominous. Reduction of the tax burden by reduction of the cost of government is one of the most potent barriers that may be interposed in the face of this avalanche.

We talk about reduction in Government expenditures. The Economy Committee has brought in a report. I am one of those who have voted against the 10 per cent reduction resolution on every appropriation bill that has come on the floor of the Senate; and I want to suggest to you that one of the reasons why I voted against those resolutions was because I thought they would force Federal employees out of their positions.

I noticed what the junior Senator from Kentucky [Mr. LOGAN] said about how he would abolish bureaus and how he would abolish commissions. Remember that when we abolish bureaus and abolish commissions we are dealing with the very personnel that we are dealing with here. The difference in the way we are dealing with them is that there they would have no salary and would be cut off from the Federal service, while here we are asking for a 10 per cent reduction for one year until we try to make some adjustment of the difficulties that are now facing us.

The next thing I want to suggest is simply this: If we can abolish bureaus, if we can make reductions, we had better take a year in which to do it; and whether it is done by taking away appropriations or whether it is done by Executive order or whether it is done by legislative repeal, we ought not to put these people out of a job completely at the present time. Therefore it seems to me that we are up against the proposition of either accepting a reduction of 10 per cent or putting the 10 per cent reduction on every appropriation bill; and if this economy bill is defeated, I expect to support the 10 per cent reduction from now on. Why? Because we must have these reductions.

I do not believe there is any way out of it. We have been struggling around here now for two or three weeks trying to find enough money to assure the continuance of the Government. It is an easy thing for a man to get up and say, "Why, of course, we can save a great deal of money if we will just put ourselves to the task"; but if you give him a pencil and a pad of paper and ask him to sit down and see where he is going to make the savings he will find that it is a very difficult task to do it.

Every bureau that has been created and is now in existence in this country was formed because some Members of the Senate and some Members of the House and some other people in the United States asked for the creation of that service, and used it for some benefit to themselves.

As a matter of fact, we find, when we come to consolidate bureaus that it is not an easy thing. I was amused at the suggestion that we ought to appoint a commission to make a thorough investigation of all the bureaus of the Government and see where consolidations could be made. We had a commission of that kind at one time. It spent two years on the task, and its report is getting moldy now. It has never been acted on by anyone, and it contains all the information we could possibly get if we reinvestigated the situation now.

As a matter of fact, reducing Federal services is going to be a slow, long-drawn-out process. We are not going to succeed in abolishing any particular bureau automatically and all at once. It is going to be a curtailment and a shrinking. The Government is just like an individual. Individuals thought a few years ago that they could ride in Cadillacs. Now they have found that their incomes are such that all they can afford is a Ford car or a Chevrolet, and we find that reduction is coming all along the line in personal services. Only last night I noticed in the paper that a million people in the United States who have heretofore been using automobiles are going to do without them the next year. That is one step forward, in my judgment, because it is the proper thing to curtail ourselves to meet the problems that confront us.

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

Mr. DICKINSON. I yield.

Mr. VANDENBERG. Many of us who have not had an opportunity to come intimately in contact with the problem have been preferring the philosophy of the so-called furlough plan, which apparently has been entirely dismissed by the special committee. Will the Senator, for our information, address himself, at least briefly, to the question as to why the furlough plan has had to be entirely abandoned and the straight cut substituted?

Mr. DICKINSON. Mr. President, the furlough plan has many advantages which appeal to me, but the reason for the abandonment of that plan seems to be that there are a number of phases and a number of services in which the furlough plan would not operate successfully. The next thing is that it would work a disorganization of service. It

would have to do with some one going on a furlough, and everyone would be looking for a furlough.

The next thing we find is the fact that there are a great many people who have bought homes, as the Senator from Nebraska has suggested, who could not go for a month without the pay check. They have their obligations, and therefore they want the pay checks distributed over the year. If we adopted the furlough plan, we would have to make a monthly reduction from the payroll in percentage which would be practically the same that we have here. The difference in the amount of the reduction, as I recall it, would be somewhere between $80,000,000 and $120,000,000. In other words, the furlough plan would not get the results, and, in the second place, there seemed to be even more objections to it than to the 10 per cent cut plan, if it can be applied.

The next point is this: The furlough plan applies to the low grade as well as the high grade. There is exactly the same argument against it that there is against the 10 per cent cut, because the persons getting only a thousand dollars or less simply can not get along through the year without having their pay coming in regularly once a month.

That brings me to another thing. There is no question but that every salary reduction involves hardship, and, in some cases, distress. I do not see how we can get away from that thought. But when I go into some of the other cities of the United States and find there men who were getting $20,000 and $25,000 a year now looking for anything that will give them even a meal ticket for the day, I want to say that I am convinced that the distress that we will force here is no way near as severe as the distress that is being forced on the outside by reason of the distressed conditions.

A couple was in to see me the other day. They are very fine young people, whom I admire very much, and they said to me, "We have bought a home and if we get a 10 per cent cut we can not meet all of our obligations." I said, "No; and that is true of everybody." Many times we are obligated clear up to where we can not afford to assume an additional dollar, and can not afford to have a single dollar taken away from us, but when you meet this situation, the only hope you have is to go to the man from whom you bought your home and say, "I have received this cut. You will have to share part of it." That is the only way they will be able to get relief.

Mr. NORRIS. What assurance can the Senator give us that the real-estate man would do that?

Mr. DICKINSON. The same assurances that the insurance companies are giving out in the Senator's State and in my State, where, instead of foreclosing, taking possession of all the land, they are saying, "We will carry your interest coupon for you. We are not going to foreclose this year. We are going to try it through another year with you, and see if you can not work it out."

This cut is for only one year, and there are very few real-estate men in this town or elsewhere who are going to foreclose, and have another piece of property on their hands, rather than permit the Government employee to reduce the payments 10 per cent, or the amount necessary to cover the present reduction.

There is no question but that this reduction is going to impose hardships. I have had letters from Federal employees. I have been very friendly toward Federal employees. I do not believe I ever voted against a solitary measure in which they had a keen interest. Very much to my disgust, this morning when I came to my office I found pinned on my door a letter with this plea:

> Will you please support American Federation of Labor in their efforts to prevent a drastic and unfair pay cut bill being put on the already overburdened Government employee?

I am perfectly willing to have anyone come and present that argument to me, and I make no criticism of it whatever. The next was this:

> Many are already supporting relatives back home in the States.

There is no objection to that statement; but this is what it said further:

> If such a bill is passed, we, our relatives, and friends are going to support the Federation when the day of reckoning comes.

I want to suggest that if I could find out who the committee was that pinned that on my door, and if they were Federal employees, I would see whether or not there could not be found a method whereby their services could be dispensed with from now on. I do not believe we ought to accept a mandate of that kind in seeking to prevent a man from doing what he thinks should be done in the circumstances we are facing.

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

Mr. DICKINSON. I yield.

Mr. NORRIS. Of course, I agree entirely with the Senator that that intimated threat is entirely out of place, entirely wrong, and I agree with the Senator when he censures it. But I do not agree with the Senator when he says that if he could find out who did it he would have them discharged. Too much of that kind of work has been done in our Government, where men high in office, with great political influence, use their influence sometimes to elevate somebody in violation of law; sometimes to have somebody discharged.

Mr. DICKINSON. What would be the proper censure, in the judgment of the Senator from Nebraska?

Mr. NORRIS. The proper censure would be silence. [Applause in the galleries.]

Mr. President, I am getting letters a thousand times worse than that every day from people who are making all kinds of threats. There always will be unreasonable and unfair people in the world. People who make any kind of a threat against a Senator or anybody else are entirely out of place. But there are millions making threats every day. They are not in the luxurious circumstances of a United States Senator, and it seems to me we ought to close our eyes and say nothing about them. We will never come to the time when we will get away from that kind of criticism as long as we are in public life, and while it is wrong, and I do not agree with it, we can not accomplish any good by doing the same thing they are doing, trying to censure somebody else's conduct.

Mr. DICKINSON. Mr. President, I want to suggest to the Senator from Nebraska that I have no objection to any person who is interested in any legislation coming to me and expressing his views, but when a matter of this kind is being considered on the floor of the Senate, and when one is a member of such a committee as this committee, it does not seem to me that it requires silence when a group of Federal employees will say, "We are going to see what we can do to reflect our interest back home against you when the next election comes." Although the Senator from Nebraska may approve it, I want to say to him that I do not agree to that type of ethics in matters of this kind.

Mr. NORRIS. I distinctly said that I did not approve it. But the Senator says it was a group of Federal employees. How does he know it was a group? It may have been written and put on the Senator's door by some silent, unfortunate person recently escaped from St. Elizabeths.

Mr. DICKINSON. I suggest to the Senator that the note is signed "A group of employees."

Mr. NORRIS. Very well; that does not prove anything. The Senator said he was a lawyer, and used to practice law. He ought to know that that does not mean anything. I could write a paper and sign it, "A million of your constituents," but that would not mean anything, and I do not think anybody would pay any attention to it.

Mr. DICKINSON. I want to suggest to the Senator that I do not believe in that type of tactics, even though the people do not sign their names to it. I would welcome a committee of the Federation of Labor, or of Federal employees, at any time, to discuss any of their problems, but I do not believe those who signed this paper belong to the American Federation of Labor, at least I hope they do not,

and if they do, I hope the Federation will take recognition of such action, which I think would be clearly justified.

The question is, What is the necessity for economy? We have been discussing a tax bill here all these weeks, and we find that in the economies we must not only make them in the economy bill, but that we must make them in the Federal appropriation bills which are yet to follow. I am of the opinion that if this economy bill can be passed, we can then work out a program whereby the Federal appropriations will be made in such a way that practically no one will be severed from the Federal service, and that has been my strongest hope in this whole argument. If that is not done, and the 10 per cent reductions are made, it will mean that some are going to be severed from the Federal service.

I know that there are a good many people who say, "Well, we can find 10 per cent in this item, we can find 10 per cent in that item," but in the end, labor and service is so much a factor in practically every one of the appropriation bills, that if we come to reduce the total 10 per cent, and think that it will not reflect on the personnel, we are entirely wrong, because it will. I believe that we will find that practically every reduction that has been made will be reflected in some way in the personnel of the bureau affected.

My theory is simply this, that if we can reduce 10 per cent, if we can make this reduction, it will be carried for a year, and in the meantime the vacancies which occur will not be filled, departments will be in a position to adjust themselves on an even basis, and at the end of the year, when we come along to take up the appropriation bills for 1934, we will be in position to adjust the situation so that, if the conditions permit, we can reestablish the old rates all along the line, which I think ought to be done.

I have voted for increases for Government employees. I have never voted for a reduction before, and I am sorry we have to do it now. But I want to suggest that if we can not find a way whereby we can reduce, and if we do come to the point where we have to assess war taxes, then we are going to have a serious complication all along the line.

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

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

Mr. DICKINSON. I yield.

Mr. SMITH. We have been devoting several weeks here hunting for places where we might find some hope of getting additional revenue. The economy bill is in different form, but in all effect it is a tax bill, an excise bill. We have just passed another excise tax bill. The Senator's State is no different from all the other States in the Union. They can not balance their own budgets, because the people from whom they must get their revenues are in a condition where that from which they get their revenue has ceased to be. Commodities are selling away below the cost of production. Commerce of all sorts has shrunk to where there is practically no revenue. The paradox is confronting us that in the midst of abundance we are starving, naked, bankrupt.

Does not the Senator think that if we would spend more of the zeal and energy trying to rehabilitate trade and commerce that we are spending here trying to add $1,400,000,000 of indebtedness upon an already prostrate Nation, we would be more justified in the eyes of the American people?

The paradox that confuses me is that we all recognize that the whole commercial and economic structure of the country has collapsed. Things are still going down, and in order for us to arrest the downward tendency we add $1,400,000,000 to the already insupportable load, and we are now about to discuss an appropriation of billions for the unemployed, and yet about to adopt a plan to add to the unemployed. What kind of paradox is it with which we, as the representatives of the American people, are confronted? We ought to stop now and take stock of the situation, and see to it that there is enough currency put into circulation that labor may find employment and that this terrible load may be lifted from their shoulders rather than more added to it.

As the Senator from New Mexico [Mr. BRATTON] said the other day, when we were confronted with the war we never thought of balancing the Budget. We had an objective, to win the war, and every American citizen responded, and in the hour of destruction we constructed. To-day in profound peace, with the greatest abundance America ever saw of real wealth, we have not the statesmanship or the courage to meet the situation and gladden the hearts of the American people, but instead we spend weeks adding burdens to their already broken backs. I should like to see us resolve ourselves into a Committee of the Whole and see if we can not find some way to give employment to those now unemployed and to revive commodity prices.

Mr. DICKINSON. The only trouble with trying to revive commerce is that there is none. Nobody knows where to start to revive it.

Coming back to the bill, I want to suggest that if we are not going to have an economy bill that is one thing. If we are to have an economy bill, I believe the only way we will get it will be to take the findings of the committee and do the best we can, as we did in the tax bill, sustaining the Economy Committee all the way through. We as a committee have been a jury trying to find a way by which we could adjust these various matters. The committee have made real research. We have gone into these matters very carefully. The findings we have made are the best we know of to meet the present situation.

I do not believe we can afford to say that if we can revive commerce, we will not need to reduce expenses. We have got to reduce expenses in order to revive commerce and put things on an even keel again. We are not going to proceed in a way by which we will revive the commerce of the United States unless we meet the situation that now confronts us, and that is to reduce expenditures to the point where we will have sufficient current funds to meet our expenditures. This is one source in the expenses of the United States Government, and, therefore, I can not see how we can shut our eyes, in view of all that is happening all over the United States so far as employment is concerned, and say we can not reduce the salary roll of the Government of the United States.

Therefore it is my hope that the committee bill will have the concurrence of a majority of the Members of the Senate.

Mr. BRATTON obtained the floor.

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

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

Mr. BRATTON. I yield.

The VICE PRESIDENT. The clerk will call the roll.

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

Bailey	Costigan	Hull	Robinson, Ind.
Bankhead	Couzens	Johnson	Sheppard
Barkley	Cutting	Jones	Shipstead
Bingham	Dale	Keyes	Shortridge
Black	Davis	King	Smith
Blaine	Dickinson	Logan	Stephens
Bratton	Dill	McGill	Thomas, Idaho
Broussard	Fess	McKellar	Thomas, Okla.
Bulkley	Fletcher	McNary	Townsend
Bulow	George	Moses	Trammell
Byrnes	Glenn	Neely	Tydings
Capper	Gore	Norris	Vandenberg
Carey	Hale	Nye	Walsh, Mont.
Cohen	Hatfield	Oddie	Watson
Connally	Hayden	Patterson	Wheeler
Coolidge	Hebert	Pittman	White
Copeland	Howell	Robinson, Ark.	

Mr. FESS. I desire to announce that the Senator from New Jersey [Mr. KEAN] and the Senator from Vermont [Mr. AUSTIN] are detained at a meeting of the Committee on the District of Columbia.

I also wish to announce that the Senator from South Dakota [Mr. NORBECK], the Senator from New York [Mr. WAGNER], the Senator from New Jersey [Mr. BARBOUR], and the Senator from Virginia [Mr. GLASS] are detained in a meeting of the Committee on Banking and Currency.

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

Mr. COSTIGAN. Mr. President——

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

Mr. BRATTON. I yield.

Mr. COSTIGAN. The Senator from Nebraska [Mr. NORRIS] this morning introduced an amendment to the pending bill. It provided for a graduated salary reduction, and undoubtedly sound economics and justice support the Senator in his effort to preserve decent living conditions by exempting lower Government incomes from wage reductions. May I ask the Senator from Nebraska whether he is prepared to estimate what amount of savings will result from the various graduated reductions?

Mr. NORRIS. Mr. President, I have been told by the clerk of the Committee on Appropriations, who has been in conference with the so-called experts of the departments, that my amendment would bring about a reduction in salaries and therefore a saving of about $23,000,000.

May I be permitted to say, since I have been asked the question, that in drafting the amendment and offering it I have not been moved by the amount of money that could be saved, because I knew it would not save as much as though we took something off the salaries of the lower paid employees; but I have been moved to prepare an amendment which, in my judgment, would go as far as in all consciousness and honesty I felt we had a right to go in reducing the salaries of the lower paid officials and employees of the Government.

Mr. COSTIGAN. May I say to the Senator that the purpose of my inquiry has been to secure for the Senate the benefit of this information at the earliest possible moment.

Mr. BINGHAM. Mr. President——

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

Mr. BRATTON. I yield.

Mr. BINGHAM. May I ask the Senator from Nebraska whether he makes any provision in the amendment for making up the difference between the savings which he suggests and the saving suggested by the committee, which is nearly $100,000,000?

Mr. NORRIS. I do not. I am simply going on the theory that, as I look at it, it would be practically highway robbery to take this vast amount of money out of those who are getting the least amount of pay. In other words, as I understand it, half of the savings that we propose to make through this so-called economy proposition would come out of employees and be taken away from employees who are drawing the smallest salaries.

Mr. BRATTON. Mr. President, when this measure came from the body at the opposite end of the Capitol and was referred to the special committee of 6, 3 from the majority and 3 from the minority, and I was named as a member of the committee, I entertained no hope that whatever the committee did, whatever report it made would meet with popular favor from those affected. I am not surprised that the report of the committee is meeting with stubborn opposition. Neither do I think that one side is altogether right and the other side is altogether wrong.

Mr. President, we have labored now for weeks undertaking to solve the problem of balancing the Budget and thus to maintain the stability of the Government's credit in the meantime. I am not one of those who have believed that the Budget must be balanced within 6 months or 12 months. I have never believed that that was indispensable to the maintenance of Government security. I am equally certain that the Budget can not remain out of balance to the extent of two and one-half billion dollars indefinitely and meantime maintain the stability of the Government credit. I hold to the view, Mr. President, that we must evolve a program which contemplates the restoration of the Budget to a balanced basis within a reasonable period of time, whether that be one year or two years or some other period which may be regarded a reasonable time.

Mr. President, the accomplishment of that end involves two parts—income and outlay, revenues and expenditures. For several days, aye, for more than two weeks we have dealt with the revenue phase of the problem. We completed that feature of our task night before last at 12 o'clock. Now we turn to the other phase of the problem—that is to governmental expenses.

Let me say, Mr. President, that while I supported virtually all of the rates in the revenue bill which I believed necessary and indispensable to the safety and perpetuity of the Government, I think economy and methods of reducing expenditures are more important than means of raising revenue, because in my opinion the Government has expanded far too widely during recent years. Its activities have been projected on too many lines and too far out in every direction. The time has come when the people of this country will demand with increasing determination that the Government retrench in its activities and curtail in its expenditures. So we now approach that phase of the problem.

The House sent us a bill that embraced economies of $52,272,740. Our committee worked for more than two weeks, morning, noon, and evening, in an effort to effect additional economies without visiting undue hardship upon any class of our people or any category of our activities. The committee reported a bill which effects economies of $238,605,606. In order that those who read the CONGRESSIONAL RECORD may have a picture of the respective sources from which these economies come, I shall ask to have printed at this point in the RECORD the table which is contained in the committee's report.

The VICE PRESIDENT. Without objection, that order will be made.

The table is as follows:

Statement of savings for fiscal year 1933 contained in economy amendment to legislative appropriation bill as passed the House and reported to the Senate

Description of item	Bill as passed House	Bill as reported to Senate
11 per cent reduction in salaries in excess of $2,500	$9,000,000	
10 per cent reduction in all salaries (except active enlisted personnel of the Army, Navy, and Marine Corps)		$121,050,000
Permanent salary reductions—Members of International Joint Commission, Federal Farm Board, and Board of Mediation	41,000	97,500
Suspension of automatic increases in compensation	3,090,000	3,090,000
Suspension of administrative promotions	No saving.	
Prohibition against filling of vacancies	16,700,000	16,700,000
Compulsory retirement for age	2,672,000	
Temporary reduction of travel allowances	3,056,500	3,056,500
Temporary suspension of overtime compensation	6,381,000	6,381,000
Limitation on amount of retired pay	Indeterminate.	Indeterminate.
Limitation on annual leave with pay		22,109,166
Disbanding of Philippine Scouts	Indeterminate.	
Limitation on expenditures for printing and binding	4,000,000	3,500,000
Limitation on expenditure for paper	200,000	
Limitation on expenditure for stationery	25,000	25,000
Elimination of West Potomac Park heating plant	250,000	250,000
Reorganization of Shipping Board	2,362,240	2,362,240
Increase in sale price of publications sold by Superintendent of Documents	32,000	32,000
Increase in patent fees	650,000	650,000
Charge for special services in Department of Commerce	420,000	420,000
Restrictions on transfer of Army and naval personnel	3,368,000	3,368,000
Statistics concerning hides, skins, and leather		20,000
Vocational Education		730,200
Rate of interest on judgments and overpayments		5,250,000
Temporary reduction of fees of witnesses and jurors		775,000
Reorganization of executive departments	Indeterminate.	Indeterminate.
Public Works Administration	Indeterminate.	Omitted.
Consolidation of Bureau of Navigation and Steamboat Inspection	Indeterminate.	Indeterminate.
Transfer of Personnel Classification Board to Civil Service Commission	No saving.	No saving.
Abolition of International Water Commission	25,000	25,000
Transfer of Radio Division, Department of Commerce, to Federal Radio Commission	Indeterminate.	
General adjustment of veterans' benefits		13,315,000
Veterans in institutions		5,370,000
Emergency officers' retired pay		3,386,000
Repeal of per diem allowances		300,000
Limitation of retroactive benefits		13,694,000
Transfer from compensation to pension rolls		3,649,000
Restriction on the revival of Government insurance		9,000,000
Limitation upon attorney's fees in insurance suits		
Total	52,272,740	238,605,606

Mr. BRATTON. It will be observed, Mr. President, that one of the principal items in the bill deals with reductions in salaries of Federal employees. I address myself to that matter. There are 732,460 persons employed by the Federal Government in Washington and in the field in some form or another.

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

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

Mr. BRATTON. I yield.

Mr. LOGAN. The Senator's statement does not include any employees except those in the executive department, does it? There are many more than the number he mentions who are employed in the whole Government services.

Mr. BRATTON. The Senator is perhaps right. I am dealing now with the table relating to the 732,460 persons in executive departments, whose annual salaries total $1,055,970,736.55.

Mr. President, much has been said about opposition coming from the Federal employees affected. There is no doubt that they strenuously oppose the proposed reduction, and I am not disposed to criticise them for doing so. Self-preservation is the first law of nature. It manifests itself in the breast of every one of us, those of us here and those elsewhere. That was discussed by the committee during long hours. The committee reached the conclusion that the best way to effect a reduction in Federal salaries was to make a horizontal slash that applied to every person alike.

I for one was not willing to adopt the furlough system which would subject some subordinate in perhaps some remote Government post to the whim, the pleasure, or displeasure of a superior. I was not willing to have a husband, with a wife and children dependent upon him for a livelihood, subjected to the mental anxiety from day to day that through partisanship or discrimination he might be dismissed from the service permanently and added to the ranks of the unemployed. I believed then, and I believe now, that it is vastly better for employees, high and low alike, to have a definite assurance under the civil service law and under all other laws enacted in the past and under this measure that they will be retained in Government service during this period of stress and strain even though their salaries may be reduced 10 per cent. So, Mr. President, the measure that we have proposed relieves Government employees from that anxiety and that strain and that uncertainty which would be manifested by wear and tear as the months of the coming fiscal year advance.

Mr. President, it has been said that we should not cut the low-salaried employees 10 per cent and the high-salaried employees the same percentage. We must assume, however, that the present wage scale, from top to bottom, is fair and equitable, because it has been built up through the years with care and deliberation; we must assume that the salary paid to the employee in the lower brackets is fair as compared with the salary paid to the employee in the higher bracket, and conversely. If that be true, a 10 per cent cut is fair, because the reduction in the salary of each employee will bear the same ratio to the whole reduction that his salary bears to the whole salary pay roll of the Government.

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

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

Mr. BRATTON. I yield.

Mr. FESS. When this subject was first discussed, I raised the question as to the wisdom of cutting the salaries of the employees in the lowest grades, for the reason that the Senator and the rest of us have in mind. I took the position, however, that the Senator now occupies, that if the salaries are equitable, then a cut in the one case would not be inequitable as compared to a cut in another. I recognize, however, the suffering that might come from cuts in the lower brackets. I wondered whether the committee had considered a smaller cut in the lower salary brackets without exemption? I think the exemption question is going to defeat the whole purpose; but instead of an exemption, why could there not be a cut of 5 per cent in all salaries up to, say, $1,500, and then a 10 per cent cut above that?

Mr. BRATTON. Let us see as to that. If we should make a cut of 5 per cent in salaries up to $1,000 and a 10 per cent cut in salaries above that, then if one employee is drawing $950 and another is drawing $1,050, when the reduction was applied the employee drawing $950 would have a larger income than the one drawing $1,050. So it would be at every step-up of the system; it would involve discrepancies of which the employees would complain, with much justification and much force; it would involve what they would characterize as discrimination. Some will say, "Here is one working by my side who has drawn less than I drew heretofore, and now, by reason of the larger percentage of reduction applied to me, I draw less than he does." It will be so all the way from top to bottom.

It occurred to our committee, if we assume that the present system is fair and equitable from top to bottom and apply a rule that will require every employee to stand a cut which bears the same ratio to the whole that his salary bears to the whole salary pay roll, nothing fairer could be devised as a means of meeting an unfortunate situation which every one of us deplores.

Mr. BINGHAM. Mr. President——

The VICE PRESIDENT. Will the Senator from New Mexico yield to the Senator from Connecticut?

Mr. BRATTON. I yield.

Mr. BINGHAM. May I remind the Senator that, as pointed out in the House report, if an effort were made to be fair in the exemption and to exempt the first $1,000 of all salaries, so that a person getting $1,000 would pay nothing and the person getting $1,050 would pay only a percentage of $50, the saving then would only be $61,000,000, or only one-half of what the committee has provided? May I say at this time that I was opposed entirely in the beginning to the pay cut and hoped that necessary economies might be effected in some other way, but the committee has shown so conclusively that the only way that the saving can be made is either by a pay cut or discharging between 50,000 and 100,000 employees, that it seems to me it would cause less suffering to ask every employee to take a 10 per cent cut than to ask 90,000 or 100,000 employees to go entirely without their jobs.

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

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

Mr. BRATTON. I yield.

Mr. COUZENS. I should like to ask the Senator to explain further the furlough system. I did not get his point that there might be discrimination in the application of the furlough system.

Mr. BRATTON. That was the view of the committee, because under that system it would be left to a superior in a department to say which employee should be furloughed and which should not. It would be left to the judgment of a superior to conclude that inasmuch as so many employees must be furloughed so long he would select those to be furloughed and retain those who were not to be furloughed.

Let me say to the Senator from Michigan before he addresses his next question to me that letters came to me from various parts of the country expressing the view that the system was laden with opportunities for partisanship, partiality, and discrimination; indeed, that it could be saturated with those considerations, so much so that some employees wrote saying that political considerations would govern the administration of the system. While I did not entertain that view, it being almost inconceivable that a superior in a department would stoop that low, yet the minds of many, many employees throughout the service were disturbed by that thought. I think the system is defective and unworkable and is subject to abuses from which this proposal is free.

Mr. COUZENS. May I ask the Senator, if the furlough were made mandatory, how there could be preferences and discriminations?

Mr. BRATTON. The employees, of course, are graded in classes, and they are in different bureaus and different departments. If it became necessary, out of a group of 40 in one department, to furlough 10 at a time or 20 at a time—not all—it would be incumbent upon the superior to designate those who should be furloughed and those who should remain.

Mr. COUZENS. Yes; but at some time or other all would have to be furloughed, would they not?

Mr. BRATTON. Perhaps. Perhaps some would be furloughed more than others.

Mr. COUZENS. Yes; but, as I understood, the President's program was a month's furlough for each employee. I do not just get the point as to how there is any inequity in it.

Mr. BRATTON. If the Senator will study the system, I think he will find that some employees might be furloughed two weeks and some six weeks; at least, the system could be administered in that way.

Mr. COUZENS. Assuming that we put in the bill a stipulation that each one was to be furloughed one month, how could that be abused?

Mr. BRATTON. If we put in the bill a provision that each one should be furloughed one month, no more and no less, probably that would not enter into it; but to make it elastic and to make it meet conditions as they arise during the year, we must leave it to the judgment of some one to administer. There is where the danger of the system intervenes.

Mr. COUZENS. I agree with the Senator on that; but I still do not see why Congress itself can not specify a furlough of one month for each employee.

Mr. BRATTON. Let us take it this way. Suppose he is furloughed one month without pay: That would be one-twelfth, which is less than one-tenth. One twelfth is 8⅓ per cent; and that would reduce the saving that much, by the difference between 8⅓ per cent and 10 per cent.

Mr. COUZENS. That is true; but it would not take quite so much out of the employee.

Mr. BRATTON. Quite true.

Mr. COUZENS. And the Government would still be getting its value, if present salaries are proper and adequate. In other words, whether we follow the system suggested by the Senator from Connecticut or not, the employee is not doing some work for which he is getting no pay.

Mr. BRATTON. At the end of the year, under the furlough plan, the Federal employees would be restored to their present situation, their present status, their present level. Under the 10 per cent cut here proposed at the end of the year they would be restored to their present situation, their present level, and their same status, so that the furlough plan has no advantage over the present system when viewed from that standpoint.

Mr. COUZENS. But under the furlough plan the employee would have one month in which he could do something else.

Mr. BRATTON. That is the trouble; we have so many on the pay roll that they could take an extra month off and not hurt the Government service. There are too many in Government service, and we are trying to deal with them with the least hardship.

Mr. JONES. Mr. President——

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

Mr. BRATTON. I do.

Mr. JONES. What would be the effect of a furlough with reference to a rural free-delivery carrier?

Mr. BRATTON. Of course, it will not fit in certain cases. It will not fit in the case of school-teachers here in the District of Columbia. It will not fit universally as well as a horizontal slash will serve the purpose; and the horizontal slash does not permit any injustices or discriminations among the several employees, if it is to be assumed that our present wage scale is fair.

Mr. BINGHAM. Mr. President——

Mr. BRATTON. I yield.

Mr. BINGHAM. May I say to the Senator from Michigan in connection with what he has just said, and which sounds very reasonable—that to take a month off would give the employee a chance to earn money somewhere else—that in the first place there was no suggestion on anybody's part that the furlough would come all at once. That would disrupt the Government service entirely, and we would have to hire some one else to do the job. The suggestion was that they take a day now and a day later, two days here and two days there; and that would not give them an opportunity to earn anything else, even if there were not 8,000,000 other people looking for that job.

Mr. BRATTON. Mr. President, the employees should understand that this is not a permanent cut. It is a temporary cut of one year. It is a contribution to the Government's financial situation.

Upon that point, Mr. President, let me say that there are a number of employees in the galleries. They are representative of the thousands upon thousands of others elsewhere. Their salaries have been built up by successive steps during the last several years. I voted for every one of those measures. I favor every worker in this country living according to American standards. I favor every laborer in this country, whether upon the Government pay roll or elsewhere, being so situated that he may educate his son or his daughter for useful citizenship in the American arena called life. I have never subscribed to the belief that the workers of this country should be required to compete without some protection against the laborers of other countries whose living standards are lower than ours. Accordingly, Mr. President, I have supported every increase in Government salaries since I became a Member of this body.

But this Government, with all of her power and her prestige and her prowess at home and abroad, with her record of which we are so proud, with her strength that has challenged the admiration of the world, finds itself now in a financial condition which requires sacrifice on the part of every citizen, whether he be on the Government pay roll or not; and I appeal to the Federal employees throughout the country, from patriotic motives and patriotic sentiment, to contribute this 10 per cent of their salaries during the ensuing 12 months as a means of aiding in the solution of the problem that is challenging the ingenuity of American citizenship.

Mr. COUZENS. Mr. President, will the Senator explain how it is that some of the night extras are cut off, thereby bringing about a greater percentage of cut in income in the case of those employees than others? There have been quite a number of complaints along that line.

Mr. BRATTON. Yes; I will explain that.

Under the present law if an employee works his full time and then works at night he draws extra pay. It was the belief of the committee that during this period when an employee had worked his full time during daylight hours the incentive to work at night at extra pay should be removed, so that some substitute perhaps without bread and meat or a meal ticket might do that night work.

In other words, we regarded the situation something like this: If the Government found a thousand of its citizens marooned upon an island, destitute and hungry, and the Government was able to reach them with only 500 meals, instead of dividing the people into two parts and giving 500 of them a full meal and the others nothing, it would be better to give the whole of them a half meal each. We believed that it was better to let the man who drew his regular pay work in the daytime and let some other citizen, perhaps with a family depending upon him, work at night and draw that much from the financial reservoir of the Government.

Mr. COUZENS. Mr. President, will the Senator yield further?

Mr. BRATTON. Yes.

Mr. COUZENS. I may be disclosing a lot of ignorance with respect to how these employees are compensated, and I confess that I know little about it; but are there not some of the employees who work all night, and get higher pay for working at night than others do for working in the daytime?

Mr. BRATTON. Yes.

Mr. COUZENS. Is not the higher wage for night work cut off, and, in addition to that, do they not have their 10 per cent reduction?

Mr. BRATTON. I think there are some injustices of that kind. If so, they should be corrected.

Mr. COUZENS. That is what I wanted to get at. I understand that if a man works at night, he gets higher pay; so we are going to cut off the higher pay for the night work, and then we are going to cut him down 10 per cent besides.

Mr. BYRNES. Mr. President——

Mr. BRATTON. I yield to the Senator from South Carolina.

Mr. BYRNES. May I say to the Senator from Michigan that that matter was called to the attention of the Senate yesterday in the absence of the Senator from Michigan? The purpose of the committee was to do exactly what the Senator from New Mexico has stated; and in order to make certain that nothing more than that will be done, an amendment will certainly be agreed to, so far as the conference committee is concerned, making certain that it does not apply except in the cases that were spoken of by the Senator from New Mexico.

Mr. COUZENS. I am in entire accord with that.

Mr. BYRNES. What the Senator from Michigan says is true, and we are going to correct it.

Mr. BINGHAM. Mr. President——

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

Mr. BINGHAM. That is going to be corrected, may I say to the Senator. The only object of the section to which the Senator refers was to make more jobs, not to cut anyone at all. It needs an amendment in order to correct that injustice, and that amendment will be offered by the committee.

Mr. BRATTON. Mr. President, so anxious was the body at the other end of the Capitol, so anxious was our committee, that everyone should be treated alike and everyone should contribute his proportionate share to this reduction, that we have in the bill a provision which authorizes those drawing salaries that can not be reduced under the Constitution—the President and the members of the Federal judiciary—to remit voluntarily any part of their salary that they see fit. I have a memorandum showing that if the Federal judges, from the Chief Justice of the United States down, make a 10 per cent remittance in their salaries by voluntarily paying that amount into the Treasury, that will effect a saving of $56,550, because they receive an aggregate of $565,500 annually.

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

Mr. BRATTON. I yield.

Mr. CONNALLY. While I agree with the fine spirit of this offer of the Treasury to accept the money from the Federal judiciary, has the Senator any idea that they will respond?

Mr. BRATTON. Mr. President, I have. If the members of the judiciary, who are immune from the power of Congress to reduce their compensation during their terms, fail to respond in pace with others who are engaged in public service, I shall be both surprised and disappointed in the judiciary of the Nation.

Mr. CONNALLY. Let me say to the Senator that unless they all respond, it probably would be unfair to accept refunds from some of them. My inquiry was prompted by the decision of the Federal courts which held that their salaries were exempt from income tax under the clause of the Constitution which says that we shall not reduce their salaries.

According to my view, that was not a correct decision, and was absolutely in the face of the spirit of the Constitution, because the levy of an income tax on a judge, when everybody else bearing the same relationship to the Government, receiving the same pay, has to pay that tax, is not a reduction of his salary. I hope the Senator's faith in the Federal judiciary is greater than mine in respect to the return.

Mr. BRATTON. Mr. President, I express the faith that the members of the Federal judiciary, from the Chief Justice down, will respond to the call of the country, because I should feel greatly disappointed, if, when an employee drawing a thousand dollars is required by Congressional mandate to accept a reduction of $100, and a charwoman drawing $600 is required by congressional fiat to contribute $60 annually, if the members of the Federal judiciary should fail to respond willingly to the call of the Nation. I do not expect to be subjected to that disappointment, because I believe the personnel of that department are men of such high type that they will respond readily to the call of the country by turning back into the Treasury 10 per cent of their salaries.

Mr. CONNALLY. Mr. President, will the Senator yield again?

Mr. BRATTON. I yield.

Mr. CONNALLY. May I say to the Senator that, frankly, I regard that clause in the bill as being in violation of the spirit of the Constitution, really, because while we can not reduce the salaries of judges by law, the committee is seeking to bring pressure to bear upon them to do the very thing which the Constitution prohibits. That, in effect, would be making the judiciary subservient to Congress through the power we have over their salaries through appropriations. I think this is the time when we all ought to sacrifice, but I doubt the wisdom and the propriety of that clause in the bill which seeks to highjack the Federal judiciary into making a contribution which we can not require under the law.

Mr. BRATTON. Mr. President, it is not an effort to highjack the judiciary. It is my understanding that the Treasury could not receive a remittance of this kind without express authority. So we inserted the provision in the bill authorizing the Secretary of the Treasury to receive any such rebate. Call it an invitation to the Federal judges to make that contribution if you will; I am perfectly willing to extend the invitation to them, with the confident belief that they will accept it; but if they fail to do so, I, as one Member of this body and as one citizen of this country, shall be deeply pained and deeply grieved, because they will prove themselves to be men of a different kind from what I now regard them to be.

Mr. SHIPSTEAD. Mr. President, it seems to me that the only benefit the country would derive from a contribution from the judiciary would be in the form of a graceful gesture. The savings would not amount to anything; and if it were done upon invitation, it would lose its value.

Mr. BRATTON. The saving would be $56,500, if the judges make the contribution to the amount of 10 per cent of their salaries to the Treasury, and $56,500 is worth saving.

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

Mr. BRATTON. I yield.

Mr. BINGHAM. The Senator will remember that we were told by one or two of the judges that they felt that it would be very embarrassing to them for their clerks and the officials of their courts to be cut 10 per cent, and they go right on with their salaries, that they would gladly and would prefer to put themselves on the same basis with all the employees of the courts; and under the present law the money could not be received by the Treasury.

Mr. BRATTON. That information was brought to the committee. By another provision of the bill we group the United States Shipping Board, the members of the Federal Farm Board, except the Secretary of Agriculture, the members of the Board of Mediation, the commissioners of the Interstate Commerce Commission, the Administrator of Veterans' Affairs, the commissioners of the United States Tariff Commission, the American commissioners of the General Claims Commission, United States and Mexico, and the

umpire and American commissioners of the Mixed Claims Commission, United States and Germany, and fix their salaries at $10,000 per annum, and provide further that, after June 30, 1932, no officer or employee of the Federal Farm Board, the United States Shipping Board, the Merchant Marine Corporation, or of any governmental function named in this section, shall receive a salary at a rate in excess of $10,000 per annum.

Then we provide that the 10 per cent reduction elsewhere provided in the bill shall apply to the salaries as thus reduced. In other words, a member of a commission who is now drawing $12,000 a year is first reduced to $10,000, and then the 10 per cent reduction is applied to that figure, which reduces the salary to $9,000, which means a reduction of $3,000 to members of certain commissions heretofore drawing $12,000 a year. The savings from that aggregate $97,500.

We have gone through the bill with a view of curtailing expenditures and of effecting economies the very best we could in the short period of time available to us. Some people throughout the country seemed to believe that we were a committee that would sit for months canvassing the entire machinery of the Government with a view of effecting permanent economies. I think we need that kind of a committee. I believe it could accomplish a great deal. But our committee did not occupy that position. This measure was attached as a rider to the legislative appropriation bill; the body at the other end of the Capitol sent it to us in that form; and, accordingly, it had to be dealt with promptly. We devoted two weeks to it. We effected these economies. We knew they would be unpopular in certain quarters. We recognized that they would meet stubborn opposition in this Chamber and elsewhere, and we were not deceived in that belief.

Mr. President, there arises in the equation the paramount consideration of protecting the Government, of maintaining its stability, of maintaining its credit, of maintaining its steadfast course; and I have the belief deep in my mind that every Federal employee, if he realized the seriousness of the situation, would be willing to contribute his 10 per cent during the next 12 months as a means of aiding the Nation in this time of stress and strain.

I do not call their unwillingness to do so selfishness, I do not characterize it as that, but I think they fail to appreciate the situation. I express this belief, too, that if we proceed without some curtailment in Government expenses, without some reduction in Federal salaries, the sentiment for economy throughout the country will become so strong that in less than 12 months the Federal employees will find themselves confronted with a deeper cut than 10 per cent. It requires no prophetic vision to realize that, and I say that as a devoted friend of the Federal employees throughout the country, many of whom in my own State have supported me in every way. When I stand for this cut of 10 per cent I hold to the belief that I am rendering them a real service, because I would rather see them take a temporary cut of 10 per cent than to see them required to take one much larger in 12 months or so hence, and, perhaps, thousands upon thousands of them dismissed from the service altogether.

Mr. COUZENS. Mr. President——

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

Mr. BRATTON. I yield.

Mr. COUZENS. I was wondering what information the committee had to justify the belief that the salaries would be restored within a year.

Mr. BRATTON. The provision in the law limits it to 12 months.

Mr. COUZENS. The committee must have made up its mind that the salaries would be restored after 12 months, and I would like to know what information the committee had to justify it in reaching the conclusion that the salaries could be restored after 12 months.

Mr. BRATTON. Of course, it will take an act of Congress to prevent the restoration to the present level. In other words, unless Congress takes further action, the salaries will be restored automatically. The committee expressed the hope that our condition would be improved so that we might return to the present level at the end of 12 months.

Mr. COUZENS. So that it was only a hope; we have no assurance?

Mr. BRATTON. It was only a hope, because no one of us, not even the Senator from Michigan, can foretell with certainty what will be the condition 12 months from now; but he hopes, and I hope, and every other devoted citizen of this country hopes, and earnestly hopes, that our condition will be improved at the end of 12 months, so that we may return to the present levels. But we will not contribute to that restoration, we will not contribute to that return to the higher levels unless we protect this Government and maintain the stability of its credit.

The greatest blow we could strike in the present situation, the greatest contribution we could make to its continuance would be to let our financial situation continue with our Budget out of balance to a substantial extent.

Mr. President, I know it is going to work hardship upon many Government employees to take this 10 per cent cut. Any man who would argue otherwise, here or elsewhere, should have his mental condition investigated. Many employees have bought homes and placed mortgages upon them, many employees have obligations at banks and elsewhere, many employees have arranged their financial affairs so that this cut will handicap and embarrass them tremendously. I realize that. But practically every citizen in this country, high and low alike, is unable to pay his obligations promptly. The Federal employees will be in no worse condition after this cut is applied; they will have no more mortgages upon their homes that they can not meet currently than hundreds of thousands, aye, millions of other citizens who are caught unawares and unprepared in this hour of crisis.

Mr. President, where are we going to get the money to furnish the Federal employee to pay the mortgage on his home, to liquidate the note in the bank, if the taxpayer is unable to pay the mortgage on his home and liquidate his note at the bank, and otherwise discharge his obligations? Everybody is caught in this situation alike, and it is untenable to urge that we continue the wage scale of Federal employees at 100 per cent and rely upon a depleted reservoir, namely, hard-pressed taxpayers, for the money with which to pay such salaries.

I say that with as deep sympathy for the Federal employees and the workers of this country as any man here or elsewhere. But we are confronted with a situation, and it is for every Member of this body to deal with it as his judgment dictates. My judgment is that a flat, horizontal cut, whatever we make it, is the best method for approaching the situation. If 10 per cent is too high, reduce it. If 10 per cent is too low, increase it. But whatever it is, let it be a flat, horizontal cut, which will apply to every employee alike, so that his contribution will bear the same proportion to the whole contribution that his salary bears to the total sum of salaries paid by the Government. Do not have the man with the low salary urging that his cut is out of proportion with that of the man higher up.

Mr. COUZENS. Mr. President, will the Senator yield again?

Mr. BRATTON. I yield.

Mr. COUZENS. The Senator from Florida a while ago spoke about the graduated income tax being applied on the principle of ability to pay.

Mr. BRATTON. Yes.

Mr. COUZENS. I wondered what the committee's viewpoint was about cutting a $15,000 Cabinet officer 10 per cent, and cutting 124,000 employees who receive under a thousand dollars 10 per cent.

Mr. BRATTON. We thought that when Federal salaries are compared one with the other, the whole structure of our pay roll was equitable; at least we have said so in the past because Congress fixed it; and that when the cut does exactly what I have stated, namely, the share borne by each

individual bears the same ratio to the whole that his salary bears to the whole salary expense that is fair. That is the fairest way we can make the reduction, and it rests most equitably upon all alike.

Mr. COUZENS. I believe there is some proper basis for a graduated reduction.

Mr. BRATTON. If we were dealing with it as a permanent proposition, there might be much justification in that view; but we are dealing with it as a temporary matter, as a humanitarian problem. We believe, in view of the reduction in commodity prices, that the fairest way to do it is to cut them alike on a horizontal basis. That is my conviction. I think it will work out best in the long run.

As I pointed out a while ago, we will always have in a graduated scale what might be called ragged tops. It has been suggested that we exempt all employees up to $1,000. Let us take that proposal. One employee is drawing $1,000 and another drawing $1,100. Applying the 10 per cent above the $1,000, the $1,000 man afterwards would be drawing more money than the $1,100 man. We would have innumerable complaints of discrimination and injustice in every such step-up in rates.

Mr. COUZENS. I believe there is legislative language that we could use to obviate that. I do not think that is a very serious objection to the graduated scale.

Mr. BRATTON. Perhaps the Senator from Michigan could do that. If he can, I regret seriously that the whole task of effecting these economies was not tendered him. [Laughter.]

Mr. COUZENS. I thank the Senator for his sarcasm.

Mr. BRATTON. Not at all, Mr. President. It was intended in a vein of humor.

Speaking seriously to the Senator from Michigan, it is easy to look at it and say we will make these economies without doing any injustices, but I express the belief that if the Senator had devoted two and one-half weeks to it as the distinguished Senator from Washington [Mr. JONES] and others of us did, he would have concluded long ago that any proposal we may undertake will present many complications difficult to solve and difficult to overcome.

Perhaps this proposal is not right. Perhaps it is inequitable. Perhaps it can be improved upon. But our committee devoted themselves to it during many hours. We were of one mind that this is the best way to do it, that it is the fairest way to do it, that it is the way freest from inequities and injustices that we could devise. It is only a temporary proposal. It calls upon the Federal employees to respond with a degree of patriotism to the country at this time. I addressed myself a while ago to the patriotism of the Federal judiciary. I have the same confidence in the Federal employees in this country that they will rise to the challenge which presents itself to them and will respond to it in true American fashion, and will make their contribution to the solution of the problems which confront our whole country in a most vital way.

Although there may be complaints and outcries now, although meetings may be held, although some voices may be heard, yet if the measure passes with this flat 10 per cent cut in it, I believe it will be accepted by a large, yea, an overwhelming majority of Federal employees throughout the country. Husbands will say to wives and wives will say to husbands, and it will be said around the family circle, that the cut visited hardships upon us, but we are willing to respond to the needs of the Government in what has been characterized as an economic war. I believe that young and old alike will be stalwart soldiers in this time of economic war and will acquit themselves with that degree of manhood and womanhood, bravery of manhood and bravery of womanhood, fidelity to the country, that has been typical of our citizens in all walks and in all places and under all conditions and circumstances, including those whose names now stand upon the roster of Federal employees. I believe they are as loyal and patriotic to this country as those on the outside.

In conclusion I express the confident belief that when we have written this measure, whatever it may be—and I hope the committee amendment will stand—that an almost unanimous voice will be heard from Federal employees, saying that hardships though it involves, disappointments though it means, deprivations though it casts upon them, they will accept those hardships, those disappointments, those deprivations, for a period of 12 months as their contribution to the solution of the problem and the maintenance of their Government and its safety and security, both at home and abroad.

I have here a letter from Hon. Luther C. Steward, president of the National Federation of Federal Employees, to which are attached certain tables relating to salaries paid Federal employees. I ask unanimous consent to have the letter and tables printed in the RECORD at this point.

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

NATIONAL FEDERATION OF FEDERAL EMPLOYEES,
Washington, D. C., June 1, 1932.

MY DEAR SENATOR: We are inclosing a tabular statement showing the number of civilian employees grouped by $100 salary steps. This table was prepared in the Bureau of the Budget and is authoritative.

This table shows that a cut of 10 per cent on annual salaries of civilian Federal employees below $1,000 would save $4,330,902; below $2,500 would save $82,090,505; below $3,000 would save $92,574,817; and below $5,000 would save $102,687,787.

It is apparent that no Senator wishes to cut the pay of employees in the lower salary ranges. The bulk of the savings must be secured by cuts in this group. The savings effected by cuts in the higher-paid groups is so negligible as not to warrant the United States Government lowering employment standards.

Very truly yours,

LUTHER C. STEWARD, *President.*

Number and cost of salaries of civilian employees of the executive branch of the Government

[Compiled in January, 1932, from latest available information]

Annual salary[1]	Civil			
	Number		Salary cost	
	Number in group	Cumulative total	Cost for group	Cumulative cost
Total	732,460	732,460	$1,055,970,636.55	$1,055,970,636.55
Up to $1,000	124,678	124,678	43,309,021.57	43,309,021.57
$1,000-$1,100	56,883	181,561	18,038,396.80	61,347,418.37
$1,100-$1,200	12,157	193,718	12,319,482.44	73,666,900.81
$1,200-$1,300	37,558	231,276	32,243,740.84	105,910,641.65
$1,300-$1,400	20,243	251,519	21,647,211.78	127,557,853.43
$1,400-$1,500	24,643	276,162	28,273,105.49	155,830,958.92
$1,500-$1,600	24,044	300,206	32,562,998.76	188,393,957.68
$1,600-$1,700	28,389	328,595	43,120,969.84	231,514,927.52
$1,700-$1,800	20,028	348,623	32,712,739.90	264,227,667.42
$1,800-$1,900	35,690	384,313	62,612,587.73	326,840,255.15
$1,900-$2,000	32,776	417,089	60,060,268.58	386,900,523.73
$2,000-$2,100	24,186	441,275	48,530,825.91	435,431,349.64
$2,100-$2,200	116,759	558,034	242,864,839.74	678,296,189.38
$2,200-$2,300	13,078	571,112	28,858,487.00	707,154,676.38
$2,300-$2,400	25,374	596,486	57,547,533.82	764,702,210.20
$2,400-$2,500	23,225	619,711	56,202,844.98	820,905,055.18
$2,500-$2,600	49,138	668,849	22,726,480.52	843,631,535.70
$2,600-$2,700	15,116	683,965	39,285,484.19	882,917,019.89
$2,700-$2,800	6,493	690,458	17,498,195.00	900,415,214.89
$2,800-$2,900	5,047	695,505	14,067,523.30	914,482,738.19
$2,900-$3,000	3,984	699,489	11,265,440.00	925,748,178.19
$3,000-$3,100	3,512	703,001	10,331,218.00	936,079,396.19
$3,100-$3,200	1,803	704,804	5,459,319.44	941,538,715.63
$3,200-$3,300	4,484	709,288	14,335,643.00	955,874,358.63
$3,300-$3,400	2,343	711,631	7,692,167.00	963,566,525.63
$3,400-$3,500	1,825	713,456	6,199,120.15	969,765,645.78
$3,500-$3,600	1,987	715,443	6,916,494.00	976,682,139.78
$3,600-$3,700	1,358	716,801	4,841,023.53	981,523,163.31
$3,700-$3,800	936	717,737	3,352,002.00	984,875,165.31
$3,800-$3,900	2,875	720,612	10,864,987.00	995,740,152.31
$3,900-$4,000	251	720,863	976,562.00	996,716,714.31
$4,000-$4,100	1,578	722,441	6,341,012.40	1,003,057,726.71
$4,100-$4,200	153	722,594	627,204.04	1,003,684,930.75
$4,200-$4,400	872	723,466	3,613,827.50	1,007,298,758.25
$4,400-$4,600	722	724,188	3,171,917.50	1,010,470,675.75
$4,600-$4,800	2,250	726,438	10,259,866.00	1,020,730,541.75
$4,800-$5,000	1,286	727,724	6,148,193.00	1,026,878,734.75
$5,000-$5,200	919	728,643	4,573,104.00	1,031,451,838.75
$5,200-$5,400	374	729,017	1,941,870.60	1,033,393,709.35
$5,400-$5,600	311	729,328	1,679,452.80	1,035,073,162.15
$5,600-$5,800	905	730,233	5,033,770.80	1,040,106,932.95
$5,800-$6,000	303	730,536	1,758,719.00	1,041,865,651.95
$6,000-$6,500	698	731,234	4,218,775.00	1,046,084,426.95
$6,500-$7,000	309	731,543	1,997,424.60	1,048,081,851.55
$7,000-$7,500	244	731,787	1,710,830.00	1,049,792,681.55
$7,500-$8,000	150	731,937	1,111,033.00	1,050,903,714.55
$8,000-$8,500	133	732,070	1,047,672.00	1,051,951,386.55
$8,500-$9,000	40	732,110	344,500.00	1,052,295,886.55
$9,000-$10,000	138	732,248	1,243,350.00	1,053,539,236.55
$10,000-$11,000	134	732,382	1,340,000.00	1,054,879,236.55
$11,000-$12,000	6	732,388	66,000.00	1,054,945,236.55
$12,000-$15,000	41	732,429	494,900.00	1,055,440,136.55
$15,000 and up	31	732,460	530,500.00	1,055,970,636.55

[1] Salary of civilian employees is gross salary and includes the value of quarters, subsistence, or other facilities or services furnished by the Government.

Mr. JOHNSON. Mr. President, I want first to congratulate the Senator from New Mexico [Mr. BRATTON] upon his very able and very eloquent speech. He has presented the matter in a fashion, in its presentation at least, that commends itself to every man who heard him. I feel that it could not be better presented to this body than the Senator from New Mexico has presented it, and I want him to know that I am in absolute sympathy with the work in which he has been indulging. I feel that that work has been performed with studious care, appreciated by all of those who are interested in the present finances of the Government.

What little I say I do not wish to be construed in the slightest degree as critical of the committee. I recognize their difficult task, a difficult task, sir, such as seldom has confronted a committee in the Senate. I recognize, too, that there is a difficult task presenting itself to-day to the Senate itself, a difficult task such as seldom has been presented to us.

This thing that confronts us to-day has many facets and many angles. It can not be answered in an instant by a suggestion of the necessity for money by the Government of the United States, because it involves possibilities, contingencies, future relationships, which must be considered as well. Ours is a Republic. Ours is a peculiar Government, different from any other upon the face of the earth. Ours is a Government which rests practically upon its citizenship and, sir, the Government will be just as good in the days to come as we permit its citizenship to be. If we contribute in any degree to the destruction or to the lessening of the morale, the esprit, that we love to believe is a part of the citizenship of this country, then, sir, there is no sum of money that can compensate the United States of America for the harm which we have done.

I thought the other night when we finished with the tax bill that we were over the greater part of our troubles. I fear, from what I have heard since, we are not. You have heard the whisperings, just as I have heard them, concerning the necessities of the Government and the obligation which rests upon us willy-nilly, and without regard to the merits or demerits of any proposition to pass this bill. I thought as I listened to the distinguished Senator from Pennsylvania [Mr. REED] the other night and then the day following that although all the nations of the earth were looking to us to see what we would do, and that various geographical subdivisions in Europe were listening to hear from the sounding board of the United States Senate what it might accomplish in the way of raising the taxes and the balancing of that mysterious Budget that changes like a chameleon from day to day under the ministrations of the Treasury—I thought then when we had balanced that Budget that we had escaped the many of the evils that were presented to us and that we had laid some of the bogey men that had been conjured up upon this floor and paraded up and down in front of us as bogey men who would catch us if we did not look out—bogey men local, national, and international, who but lay in wait to destroy us unless with celerity and dispatch we acted exactly as they desired.

I would like, sir, to put into the RECORD before I conclude my remarks certain telegrams which I have received of late from those abroad who are so interested in our welfare, and who have so impatiently awaited our action. There is, sir, a most reassuring dispatch from the Ahkund of Swat and another from the Majaharajah of Ratholee from their retreats in the Balkans, saying that having balanced the Budget and having passed the tax bill as was required of us, they finally could draw a full breath; that they had been waiting in the fastnesses of their retreats only to learn whether or not we had balanced the Budget and passed the tax bill that was presented to us by our friends upon the Finance Committee. They rejoice now in southeastern Europe. Again they raise their heads that were bowed in shame before, if we are to believe the Senator from Pennsylvania in the remarks that he made, and they have regained their confidence in the United States of America.

Then southeastern and southwestern Europe unite in hosannas of praise and pæans of victory because we passed our tax bill and balanced our Budget. They say apparently to us now again perhaps, unless we reduce the salaries of those who receive little in the Government of the United States, the same bogey men are going to catch us; we will have the same difficulty. I have confidence in the United States of America, and I do not believe the stability of this Republic rests upon reducing the salaries of those who receive less than $1,500, $2,000, $2,500 from the United States Government. It is said to us: Oh, that rate of 10 per cent reduction is just and equitable, applying alike to the high and the low, the rich and the poor, to those who are a part of the Congress of the United States, to those who sit in high places in the Government, and to those who have less than $1,500 a year upon which to live. The same reduction of 10 per cent to all is just and fair and equitable, it is argued.

Not so, Mr. President; not so, at all. When we take 10 per cent from a man with $1,000, $1,500, $2,000, or $2,500 as an income, what do we take from him? We take from him in part food and clothing. We take from him in part shelter and light. We take from him in part the right to bring up his children as American children are entitled to be brought up. We take from him, sir, the very necessaries of life.

When we take from those who are high up in the salaries of this Nation 10 per cent as well, what do we take? We do not take from them the absolute necessaries of life that we take from the poor. We take from them the luxuries to which they have been accustomed, and, of course, in a time like this, where the bogey man walks up and down the Chamber and is about to get us all, they, of course, will be perfectly willing to yield those luxuries and yield a greater percentage of income.

I do not believe, sir, in taking 10 per cent of incomes of $1,000, $1,500, $2,000, or $2,500. I realize that what little I may say upon the subject is of no consequence here or elsewhere, but if mine is the only such vote in this Chamber, I will not vote to take 10 per cent of the salary of a man who has little to live upon and has been accorded him in the past from a Government that has been none too grateful for services he may have rendered.

Take 10 per cent from a man with a salary of $1,500, say gentlemen who object to an exemption of $1,500—take from him $150 and say to me that it is as just as to take 10 per cent from a $15,000 salaried man! Not a bit of it, sir. No men with salaries in the lower brackets such as we have seen in the tables that have been brought here for us ought to have taken from them 10 per cent of their salary or any other amount under a measure of this sort or of any other sort.

There is an answer to what I say. Of course, the answer that gentlemen repeat again and again and again is, Where is your substitute? There must be somewhere in the Government of the United States places where economies may be accomplished, places in departments of the Government where economies may be effectuated which will relieve us of the necessity of being so cruel as to take 10 per cent out of salaries that are so small as are those which are taxed by this bill.

Mr. President, the question goes much further than mere money. A query was propounded to-day to the distinguished Senator from Iowa [Mr. DICKINSON] if this were a question of money alone, and the answer was, "Yes; it is purely a question of money." There is something else, sir, involved, and, thank God, with some of us there is something else in life as well. To tell me that this country is going to the bowwows unless we take 10 per cent of the small salaries of small people I can not for a moment accept, and I can not for a moment put any particular credence in it. Something else is involved, something in our economic life. It is the right to live as Americans can and ought to live; it is the right to have children, as every right-thinking man and woman pray for; it is the right to have light and air and heat and a bit of comfort in this life of ours; it is the right, sir, to have some of God's sunlight that has been denied to many of our people; it is the right of the United States Government to set the example to all the world, to

protect and build its citizenship that the Republic may endure. So, sir, I am opposed to taking from these small salaries any part of them.

I do not care what may be done with the upper brackets. Go ahead with them if it be desired and let every man in this body, if we are going to make a gesture of reducing the upper brackets make a gesture that is real. Take from the upper brackets every penny of salary if you wish; I will not complain and I would vote for that; but I decline to vote for taking it from those little able to pay it and those from whom it ought not to be taken.

It is not a question merely of Government employees who have their positions and ought to contribute to the emergency. Far beyond that it goes. It goes, sir, to the flowing of the national life in the fashion in which we wish it to flow; it goes to the perpetuity of American citizenship as we would like American citizenship to be maintained. It goes, sir, to the very justice of this great Government to those who have been its employees and have rendered it service and who receive but pitiful salaries in return.

So, sir, in the teeth of all the propaganda and the various articles that are presented to us throughout this land, I hope that we shall have nerve enough, I hope that we shall have the courage to stand here and do no injustice to those who really are unable to protect themselves and who need the protecting arm of those who represent them upon this floor.

Mr. JONES. Mr. President, I want to make a request for unanimous consent. I ask unanimous consent that when the Senate concludes its business to-day it take recess until 10 o'clock to-morrow morning.

Mr. JOHNSON. Mr. President, I suggest to the Senator from Washington that he change his request and ask that the Senate meet at 11 o'clock a. m. to-morrow. Ten o'clock is an extremely difficult hour if we are going to do any of the other work that is piling up for all of us.

Mr. JONES. I know that there is a great deal of work to do; but I hope we can get through with this bill as rapidly as possible. We will probably have to take more time on it.

Mr. LEWIS. Mr. President——

Mr. JONES. I yield to the Senator from Illinois.

Mr. LEWIS. May I take the liberty of agreeing with the Senator from California and of saying that our real difficulty is because of the many people who come here and want to visit members of the Cabinet and the Capitol on business matters at just about 10 o'clock.

Mr. JONES. They will have a hard time getting such matters before the members of the Cabinet in the morning.

Mr. President, I will change my request and ask that the Senate meet at 11 o'clock to-morrow morning.

The PRESIDING OFFICER. Is there objection to the request that when the Senate concludes its business to-day it take a recess until 11 o'clock to-morrow morning? The Chair hears none, and it is so ordered.

Mr. WHEELER. Mr. President, I desire to state at the outset that I intend to vote against the proposed reduction of 10 per cent in the salaries of Government employees or any other reduction in salaries at this time. Although I appreciate that perhaps the popular thing to do in the eyes of the country at this time is to slash wages of employees, particularly Government employees, I am going to vote against it, because I think it is not the thing that we ought to do at this time in view of present economic conditions.

I want to call the attention of the Senate to an editorial which appeared in the Washington Post of April 11 entitled "The Underlying Problem." I will read a portion of the editorial, as follows:

On April 1 a group of 110 representative commodities were selling for 17½ per cent less than they brought a year ago. This is superimposed upon a decline of 20 per cent in the previous year. So long as this condition remains unchanged business will be paralyzed. All the credit in the world can not induce business to go deeper into the red.

Value in the United States is being slowly concentrated into money. The dollar increases in value every day, while everything else loses some of its relative worth. In spite of the antihoarding campaign and the liberalizing of credit this situation encourages the liquidation of all other forms of wealth. The value of the dollar has reached such a high point that the people are tempted to convert all their holdings into dollars to avert further shrinkage.

Unless this vicious movement is checked it will result in panic. The extension of credit will not be sufficient. Heroic emergency measures that will arrest the fall of prices seem to be in order. How that can be done without unwarranted inflation of the currency is not clear, but every fresh wave of deflation makes more urgent the necessity of restoring some measure of balance between money and commodity prices.

The best brains of the country ought to be concentrated on this problem. This economic malady has reached a point where it can not be expected to cure itself without leaving horrible scars. Palliatives will not yield the desired effect. Business can not turn toward stability unless the whole tendency toward lower price levels is reversed. Some powerful agency must be thrown into the breach to restore the value of goods and services against the exaggerated value of money.

That, Mr. President, states the underlying problem that confronts the United States to-day. Yet nothing has been done by the Congress, nothing has been advocated by the President of the United States to strike at the root of the real underlying cause of present economic conditions. The only thing that has been suggested to the Congress is to reduce wages. It is the same old story; when the head of a great corporation finds that he can not do anything else he immediately says, "We must reduce wages." So far as I am concerned, Mr. President, I want to say that I am not going to cast my vote on the floor of the Senate to reduce the wages of Government employees when we appropriate millions upon millions of dollars for battleships with which to kill people and which in a few years are going to be of no value whatsoever to the Government or the people of the United States. I am not going to vote to reduce the wages in the United States when I see on my desk a bill, that is on the general program of business, proposing an appropriation of $125,000,000 out of the Treasury of the United States to be given to some private banking corporation. I am not going to vote to reduce wages when I see legislation pending and proposed in the Congress of the United States designed to take millions upon millions of dollars out of the Treasury, and when I know that, instead of further trying to deflate wages and trying further, if you please, to deflate the economic situation, we ought to be reversing the order and ought to be doing everything under the sun to inflate our currency and to put more money into circulation, rather than to keep it out of circulation.

Mr. COSTIGAN. Mr. President——

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

Mr. WHEELER. I yield.

Mr. COSTIGAN. In line with the interesting newspaper extract the Senator from Montana read, may I ask whether the Senator also examined a discussion reported in the last day or two in the press, and attributed to Sir Arthur Salter, who until recently long supervised the economic studies of the League of Nations, in which it was, in effect, urged that an important international contribution might be made by the United States to relieve general distress if this country might succeed in raising the present low price level in the United States?

Mr. WHEELER. I did not see the article, Mr. President; but, of course, there is not any question about it. Let me say that the British colonies are going to meet in Ottawa, I think, some time in June, with the specific purpose of trying to do something to raise the commodity price level upon the world market; and how are they going to do it? They are going to do it by inflating the currency, and that brings me to this problem:

While I have spoken on numerous occasions with reference to the problem of silver, I did not rise for that purpose at this time; but I do say that some means will have to be found to cheapen the American dollar, and I have proposed a bill for the remonetization of silver, which unquestionably would do that, and would absolutely bring up the world commodity price level.

Further than that, the question has been asked upon the floor of the Senate, "If we do not reduce these wages, how are we going to get the money to balance the Budget?"

Mr. President, let me say frankly that I am not particularly interested in whether the Budget is balanced or not. I do not think it is of very much importance whether the Budget is balanced or not. I say that in the face of all of the propaganda that has been sent out from one end of this country to the other that unless the Congress of the United States balanced the Budget at this time we were going to the bowwows; and they say, "Why, you are going off the gold standard unless you balance the Budget."

We will not go off the gold standard whether we balance the Budget or whether we do not. It will have very little effect upon the gold standard. Let me call attention, however, to the fact that France has not balanced her Budget in the last two years, and nothing very serious has happened to the great French Government. In fact, economic conditions in France have been better than they have been in almost any other country in the world; and, as I say, they have not balanced their Budget in over two years. Yet we are told in the Senate and through the press and through the propaganda that unless we cut wages, unless we balance the Budget, this whole great Government of ours, with all of its wealth, just can not last.

It is the cheapest kind of nonsense that has ever been spread throughout the length and breadth of this land. I do not know just exactly where it emanated from, and I do not know just who is responsible for it, or what the purpose of it is; but I do want to stand here upon the floor of the Senate and say that it has done us immeasurable harm for the propaganda to go forth to the world, first, that we could not balance the Budget, and then, if we did not balance the Budget, that the Government of the United States was in a frightful position.

Where could we get the money? The Senator from Maryland [Mr. TYDINGS] and the Senator from Connecticut [Mr. BINGHAM] have both introduced into the Senate bills with reference to manufacturing beer. I am not a propagandist for the manufacture of beer; but I do say that as far as I am concerned I would vote, as I have voted, to raise, as we could raise, according to all the figures that have been furnished here, $350,000,000 if the Congress of the United States and the President of the United States had the courage to come out and advocate a tax upon beer.

Why do we not do it? It is because of the fact that a lot of people are afraid of the Anti-Saloon League. That is the reason why we do not do it. We are afraid of the propaganda from the Anti-Saloon League; we are afraid to raise $350,000,000 in that way; and we would be taking it from whom? Who is getting the benefit of it now? The racketeer and the bootlegger in Chicago, in New York, in Philadelphia, in Pittsburgh. We would put a stop to that racketeering, and we would put $350,000,000 into the Treasury of the United States, if we would do what is proposed by these Senators.

We talk about threatening letters; and the Senator from Iowa [Mr. DICKINSON] told about somebody pinning a message upon his door. What the labor people put on the door of the Senator from Iowa has not been a marker to the propaganda that the Anti-Saloon League have sent out and the threats that they have made against Congressmen and Senators and every public official in the United States.

So, Mr. President, I want to repeat what I said a while ago: As long as we have not the courage to raise the revenue in the way that it ought to be raised, as long as we stand here and are afraid to vote to put a tax upon beer, as we can do under the Constitution of the United States; as long as we are afraid to raise revenue in that way, just so long will I refuse to vote to reduce wages 10 per cent or any other sum. As long as we are going to appropriate millions of dollars for battleships, just so long shall I refuse to vote to reduce wages. As long as we appropriate money out of the Treasury of the United States for a lot of other useless things, just so long will I refuse to vote for a reduction of wages; and, Mr. President, so long as this Government is afraid to face the real economic problem that confronts this country, and to do something with reference to cheapening the dollar so as to raise the commodity price level for the farmers and the other producers of this counry, just so long will I refuse to vote to balance the Budget by taking money out of the wage workers of the Government of the United States.

Mr. JOHNSON. Mr. President, I wish to inquire of the Presiding Officer what is the pending motion?

The PRESIDING OFFICER. The amendment on page 45, which will be stated:

The CHIEF CLERK. On page 45, line 6, after the word "reduced," strike out "as follows: Compensation at an annual rate of $2,500 or less shall be exempt from reduction; and compensation at an annual rate in excess of $2,500 shall be reduced by 11 per cent of the amount thereof in excess of $2,500" and insert "by 10 per cent of the amount thereof," so as to read:

SEC. 102. (a) During the fiscal year ending June 30, 1933, the compensation for each civilian and noncivilian office, position, employment, or enlistment in any branch or service of the United States Government or the government of the District of Columbia is hereby reduced by 10 per cent of the amount thereof.

The PRESIDING OFFICER. There is an amendment to the House text offered by the Senator from Nebraska [Mr. NORRIS].

Mr. JOHNSON. That is why I inquired, to see what is pending.

The PRESIDING OFFICER. The amendment offered by the Senator from Nebraska to the House text will be stated.

The CHIEF CLERK. On page 45, line 7, it is proposed to amend the House text as follows: Strike out the figures "$2,500" and insert in lieu thereof "$1,500"; and in line 8, after the semicolon following the word "reduction," strike out the balance of the paragraph and insert in lieu thereof the following:

And that part of any annual compensation in excess of $1,500 and not in excess of $2,500 shall be reduced by 5 per cent; that part of any annual compensation in excess of $2,500 and not in excess of $4,000 shall be reduced by 10 per cent; that part of any annual compensation in excess of $4,000 and not in excess of $5,500 shall be reduced by 15 per cent; that part of any annual compensation in excess of $5,500 and not in excess of $7,500 shall be reduced by 20 per cent; and that part of any annual compensation in excess of $7,500 shall be reduced by 25 per cent.

The PRESIDING OFFICER. That is the amendment.

Mr. JOHNSON. The amendment of the Senator from Nebraska is the one that is pending?

The PRESIDING OFFICER. That is correct.

Mr. JOHNSON. I desire to offer a substitute, provided the Chair rules that it may be offered as a substitute. It was originally written as an amendment.

The PRESIDING OFFICER. The amendment in the nature of a substitute will be stated.

The CHIEF CLERK. At the end of line 11, page 45, it is proposed to insert the following language:

Provided, however, That the said reduction shall not apply to the compensation or salaries herein described which are not in excess of $2,500 per annum; and compensation and salaries herein described of said $2,500 or less per annum are exempted from the provisions of this section.

Mr. JOHNSON. I ask, as a parliamentary question, if the Chair will permit me, can that be offered as a substitute for the amendment?

The PRESIDING OFFICER. Under Rule XVIII, that is in order.

Mr. JOHNSON. I do offer it, then, as a substitute and ask that it lie on the table.

Mr. NYE. Mr. President, I rise to discuss quite another question than the one I find occasion now to speak of briefly in view of what has been offered here on the floor this afternoon.

I have heard Senators ask, I have heard other Senators promise, or try to promise, how long this temporary cut in pay might have to continue. There has been offered some prophecy that this 10 per cent cut would continue for only a year. One Senator, the Senator from New Mexico [Mr. BRATTON], however, frankly declares that such an expression is merely a hope. I insist that we might well look forward

in what we do now to the possibility of having to repeat or go even farther than we go now a year from this time in effecting governmental economies.

We are going to have to continue such a program as we are engaged in now so long as there is continued ignoring of the needs of more than half of the people of these United States. For 10 or 12 years there has been persistent appeal for a rallying on the part of the Government to the needs of the agricultural people, who are seeking only a fair deal and a fair chance to enjoy that measure of equality and that measure of blessing which was flowing from the Government to industry in general here in the United States.

On yesterday there appeared in the daily press a little account of the developments in commodity prices which is only a picture of a continuation of the severe decay that set in to agriculture several years ago and has not been diminished in any degree. So long as we permit agriculture to continue on that downward trend, that long are we going to have to deal with unemployment, with inability to create such incomes as will enable us to draw in the way of taxes the needed revenue for the Government.

This article of which I speak appeared yesterday morning in the Washington Herald and is as follows:

NEW LOW SET IN PRICES FOR FARM PRODUCE—3-POINT DROP REPORTED AS AVERAGE—MEAT ANIMALS SHOW 7 PER CENT DECLINE

The index of prices of farm products on May 15 was at a new low of 56 per cent of pre-war as compared with 59 per cent on April 15, according to the United States Bureau of Agricultural Economics yesterday. Price declines for all farm commodities except potatoes, apples, and eggs accounted for the 3-point drop. On May 15 a year ago the index was 86 per cent of pre-war.

Meat animals recorded the most striking price change during the past month, the index for hogs, cattle, calves, sheep, and lambs being reported as 59 per cent of pre-war on May 15, compared with 66 per cent on April 15. The average farm price of hogs declined 20 to 80 cents per 100 pounds in practically all States; prices of cattle and calves reached a record low on May 15; sheep prices were down 8 points, and lamb prices were down 6 points.

Mr. President, our present-day difficulties in an economic way, and our difficulties in collecting revenue, are traceable directly to our continued ignoring of the needs of the agricultural people. One-third of our American population is living on the farms and dependent upon prices to be paid for their commodities. Another third of our population is residing in small communities, conducting the ordinary lines of business which every agricultural community knows.

The grocer, the dry-goods dealer, the harness maker, the doctor, the lawyer, all of the many who occupy places in professional life and in business life are dependent directly upon those agricultural people. When the farm people are unable to buy the things they want, when they are unable to get a price for their products that will enable them to go into the marketing places and purchase the things they need and want, these merchants, these business people, are in turn going to be without a buying power, and as a result they let the supplies on their shelves diminish, they do not try to keep them up to the order which was once their practice, and as a result wholesale houses and jobbers are hard pressed for business; and because there is a press there for business, mills and factories close their doors and turn onto the streets millions of unemployed men, business enjoys not its usual income, and we do not have access to the returns which ordinarily come from our levies in the way of taxation upon business and income-tax payers of the country.

If we want to continue our present condition, if we want to go from bad to worse evermore, all we need to do is to continue to shut our eyes to this agricultural situation, where very nearly two-thirds of our entire population look for their first and last success in an economic way.

That, however, is hardly what I rose to say, Mr. President. I have listened this afternoon to some splendid arguments offered in support of the 10 per cent cut. I have heard other arguments in support of the amendment offered by the senior Senator from Nebraska [Mr. NORRIS]. Much as I should like to concur in the work accomplished by the Economy Committee, which has been devoting itself most unselfishly for several weeks, I can not bring myself to a point where I can support a proposition which deals as severely with the man and the woman who are trying to get along on an income of $1,000 or $1,500 a year as it deals with those who are enjoying larger incomes as a result of their employment by the Federal Government.

If we are now going to make a straight slash of 10 per cent upon all governmental employees, mark my word, if conditions continue as they are now, we are going to come back a year from now and ask that those $1,000 and $1,500 employees accept another slash. It may be that we will have ultimately to come to that. I hope not. In any event, I think we err grievously if we now make that sort of a slash against those who are enjoying only that size of income which enables them to get by in some fashion.

If later on, a year from now, we must resort to such drastic action, well and good, but for now I am not ready to say that the individual Government employee with an income of $1,000 or $1,500 a year is as able to sacrifice 10 per cent of his salary as I am able to sacrifice 10 per cent of my salary. For that reason, while interested in economy, while knowing that we must effect economies, I think while we are effecting economies we had best beware against doing a thing which would be a grave injustice to say the least.

In view of the fact that something like 276,000 Federal employees are drawing salaries of $1,500 a year or less, I wish we might at least postpone the day when we would have to effect our economies upon those who can so ill afford the sort of sacrifice which is demanded in the committee's recommendations.

I would be the last one to suggest that the people of the United States did not have a right to demand and expect economies of the Congress. However, some two or three weeks ago I addressed myself to a certain measure then pending in the Senate and showed how inconsistent we were in our demand for economy in passing the bill that was then pending, namely, the naval construction bill.

During the course of my argument I undertook to reveal the part which had been played by certain selfish interests in this country in agitating the people by misrepresentation and by falsehood, which was occasioning their writing to their Members of Congress and demanding this, that, and the other thing in the name of economy. I mentioned names in that address, and also in that talk to the Senate I revealed the matter of expenses and economy that were being involved in the then pending measure.

Of my address the newspapers the following day carried perhaps an article of a column, not one portion of it given over to anything which I had said as to economies or my own attitude upon the question of effecting economies, but every line of it given over to what was alleged to have been my attack upon Mr. Merle Thorpe, the editor of Nation's Business, the organ of the United States Chamber of Commerce. The thought was left with those who would read that I had declared myself opposed to the program of economy which the Congress was engaged in.

Before I proceed with what I have to say to-day, in continuation of my remarks of about three weeks ago, I want to say very emphatically that I will continue to lend myself whole-heartedly to any program which will accomplish economies without working gross injustices upon those people who can least afford them.

When, some weeks back, we first began to hear from over the country, our attention was called to the fact that Mr. Merle Thorpe and other spokesmen for the larger business interests of the land were urging upon the Government all measures of economy, were selling to the public the thought that we were a most extravagant Congress, were selling to the country the thought that there were very material savings which might be effected in every department of governmental activity.

It occurred to me at the time that it would be most interesting to know whether Mr. Thorpe and the Chamber of Commerce of the United States were practicing what they preached. These people have pointed the way to where we might effect economies. They are among the leaders of those demanding this straight cut of 10 per cent upon Fed-

eral employees. If they could have their way there would be abandonment, complete abandonment, of the employment of thousands upon thousands of the men and women who are on the Federal pay roll at this time.

How consistent are they, Mr. President? They are not particularly consistent. They, the United States Chamber of Commerce, are doing anything other than practicing what they are preaching. They are not approximating, in the way of effecting economies, the work which Congress is doing.

I wish the public might know the truth. I wish the public might have more ready access to the expenditures of the Federal Government. I wish the public could know just what the Congress is aiming to accomplish through the various expenditures authorized. If they did know they would be less subject to the appeal and to the argument and to the propaganda offered by men like Merle Thorpe through their editorial efforts and through their broadcasts over networks covering the entire country.

Mr. Thorpe has little sympathy, seemingly, for the Federal employees. To him a 10 per cent cut would mean nothing if it were made to apply upon every Federal employee. Perhaps one is not to be surprised at this attitude on his part, because he seems to be rather snugly taken care of himself. He need not be alarmed about any reaction growing out of a serious pay cut.

In the Washington Daily News of January 19 of this year, under the column regularly appearing in that paper known as "9.00 to 4.30," by C. A. F., there appeared a rather interesting article, which I am going to ask to be permitted to read at this time:

> DEAR C. A. F.: The other night Merle Thorpe, arch enemy of the Government departments, quoted department appropriations a few years ago and said, "To-day, however, the Department of ——— required $———, an increase of $———, or ——— per cent." (Fill in the blanks with any names and figures you wish; I don't want this letter to be technical.)
>
> A few years ago the United States Chamber of Commerce got along with a few rooms in the Mills Building, and with a few people—Elliott Goodwin, Dave Skinner, and a few clerks. To-day it has a 4-story, $2,000,000 building, with several hundred employes, all supported by levies on business. Merle Thorpe gets $75,000 a year. Others are well paid—all by business.

Let me remark, Mr. President, that where we are responding to the economic urge now in aid of business in the United States, whatever expense is occasioned by the expense of the United States Chamber of Commerce is a tax likewise upon American business. The article continues:

> Where does Thorpe, with his presidential salary, get off in criticizing Government employes receiving from $1,200 to $12,500? You may say Thorpe's salary is his own business, but is it when you consider the function of the United States Chamber of Commerce and the manner in which, through Thorpe, it is attempting to beat down wages?

Mr. Thorpe has made many addresses this last winter on the matter of governmental economy. Some of his declarations, as they relate to Federal expenditures, have been badly misshapen, to say the least. I have before me an address which he made during the winter, and which is reported verbatim in the March, 1932, issue of the Way-Bill, an industrial organ. I am not going to read at length from this address of his, but I do want to call to the attention of the Senate some of his statements, in that they may indicate the trend of thought of the man, and the thing which may be at the bottom of his demand, and the demand of those he represents, for Federal economies. He says:

> First, the legislative department, Congress, spent in 1924, $14,000,000. It is spending this year $30,000,000. A large factor in that increase is the 33⅓ per cent increase in the salaries of Senators and Congressmen. The State Department in 1924 spent $14,000,000. Now it spends $16,000,000. The Treasury Department in that year spent $260,000,000. Now it is $310,000,000. The Department of Commerce spent $21,000,000. Now it is $53,000,000.

Some time before the adjournment of the Congress, or perhaps before this economy matter is out of the way, I shall address myself to the facts as they relate to some of these increases with reference to different departments.

In the case of the Commerce Department, for example, it is altogether unfair to recite that the costs of that department have increased from $21,000,000 to $53,000,000, without revealing that bureaus and commissions which were once a part of another department of the Government have since that time been transferred to the Department of Commerce.

He went on to state that the Department of Labor spent $6,000,000 in 1924 and now its expenditures are $14,000,000. He tells about the Department of Agriculture increase. Of the Interior Department increase he says that the department spent $328,000,000 and dropped to $78,000,000 due only to the fact, not to economies, that three of the large bureaus were transferred to other departments. The Veterans' Administration in 1924 cost $409,000,000 and this year $784,000,000. He recites the Board of Tax Appeals as another example of increase in Government expenditures; likewise the Radio Commission, the Federal Board of Vocational Education, and the Federal Farm Board.

Then, Mr. President, he comes down to those features of Federal expenditures upon which he harps most freely—the Federal Power Commission, the Interstate Commerce Commission, the Federal Trade Commission, and the Tariff Commission—all of which Mr. Thorpe and the United States Chamber of Commerce would be delighted to see dumped bag and baggage into the Potomac River. He points out that in the case of the Immigration Service there has been an increase in expenditures and shows his spleen, however, further on in his address by coming back and attacking the increased expenditures of the Interstate Commerce Commission, staying upon that subject through almost the balance of his address. He attacks, too, the Bureau of Public Health, the Children's Bureau, and other units of Government which have been set up to perform a service for the people.

Understand me, please, Mr. President, I am not one who will argue that there is not room for economies in each and every one of these departments. I think very material economies can be effected, should be effected, and are being effected with relation to all these units of our Government. I am merely reciting these assertions by Mr. Thorpe in order that I may show how thoroughly inconsistent are this man and those he represents in their great urge for economies in the Federal Government. If the United States Chamber of Commerce practiced in only a small way the economies which they would have the Federal Government practice, we might with some reason stop and listen to them.

Let me point out just how the expenditures of the United States Chamber of Commerce have grown since 1924, the same period to which Mr. Thorpe resorts in presenting the terrible growth of expenditures on the part of the Federal Government.

Mr. President, in 1925, the total expenditures of the United States Chamber of Commerce were $2,096,000. In 1930 they were $4,061,000. Of course, after 1930 we would expect the United States Chamber of Commerce to be retrenching, just as the chamber of commerce is asking Congress to retrench in the matter of Federal expenditures. We find what the chamber of commerce is doing to accomplish this retrenchment to reduce its own expenses. The chamber of commerce is understood to have discharged only 4 men and 10 girls—and they are to be congratulated for that. The men and some of the girls were let out last fall, the rest of the girls very recently.

No salary cuts were made up to March 1, 1932, when there was put into effect a salary cut relating to all employees of the United States Chamber of Commerce. But, Mr. President, that cut which was made effective by the United States Chamber of Commerce does not compare with the cut which is being demanded of the Federal employees in the bill which is before us at this time. Just observe how severely they are dealing with their employees. This March 1 cut is one of 5 per cent as relates to all United States Chamber of Commerce salaries ranging between $1,200 and $5,000. Those employees enjoying salaries of $5,000 to $10,000 must take a cut of 7½ per cent. Then poor Mr. Thorpe, who is numbered among those employees enjoying salaries between $10,000 and $25,000, or more, will suffer a cut of 10 per cent

under the schedule. In other words, those with salaries of $75,000 a year are going to suffer the infliction of a 10 per cent cut which is not different from the 10 per cent cut which is going to be laid upon the Federal employee who is drawing a salary of less than $1,500 a year.

I look upon this entire program, which has been engineered so skillfully this past winter by the United States Chamber of Commerce, as being one of the most vicious, unfair undertakings ever known in American public life. I repeat that if the United States Chamber of Commerce would practice what they preach we might with some cause listen to their advice. But here we are to-day bent upon reducing the salaries of Federal employees enjoying salaries of only $1,500 a year or less, in the same degree and with the same severity that we would use in cutting the salaries of those Federal employees who are drawing pay in the higher brackets. I hope with all my heart that we shall not have to do it now, though that matter may have to come back here to another Congress, though we may have to resort to these drastic cuts as relates to Federal employees in the lower brackets. Let us levy a larger cut on those drawing salaries in the higher brackets, including ourselves and the Members of Congress, but let us not inflict at this time, of all times, that 10 per cent cut upon particularly those Federal employees residing in Washington who are having an exceedingly difficult time "getting by," if I may use that expression, upon their very limited salaries.

Mr. SHORTRIDGE. Mr. President——

The VICE PRESIDENT. Does the Senator from North Dakota yield to the Senator from California?

Mr. NYE. I yield.

Mr. SHORTRIDGE. Has the Senator estimated what the loss of revenue would be if we exempted from the proposed reduction the salaries of all Federal employees now receiving $1,000 or less?

Mr. NYE. I have not, but I have heard the estimate which has been presented. One must admit that to exempt $1,500 salaries from any cut at this time is going to destroy a very large part of the saving that has been effected in the committee proposal before us at this time.

Mr. SHORTRIDGE. My immediate question is this: Suppose we exempted from reduction all salaries of $1,000 or less, what loss in revenue would we suffer?

Mr. NYE. I have not heard that estimated.

Mr. SHORTRIDGE. If we exempted all salaries below $1,500, what is the estimated loss?

Mr. NYE. As I recall the figures, it is $57,000,000.

Mr. SHORTRIDGE. I have heard a far less sum suggested.

Mr. NYE. Perhaps the Senator from New Mexico [Mr. BRATTON] may be able to give us that information.

Mr. SHORTRIDGE. May I say to the Senator from New Mexico that I was propounding this question: Suppose we exempt from any reduction in salaries employees receiving $1,500 or less, what amount of revenue would we lose?

Mr. JONES. Mr. President, may I answer for the Senator from New Mexico? We would get $35,691,000 with the $1,500 exemption. If we exempt the $1,500 class then our revenues from the plan would be as I have stated.

Mr. BRATTON. In other words, instead of saving $121,000,000 we would save $35,000,000.

Mr. SHORTRIDGE. Subtracting one from the other means that we would fail to receive $86,000,000. How many employees has the Government who receive $1,500 or less?

Mr. BRATTON. Mr. President, may I say to the Senator from California that I placed in the RECORD a while ago a table giving all that information.

Mr. SHORTRIDGE. Very well.

Mr. COPELAND. Mr. President, I have in my hand a resolution adopted by the citizens of Buffalo protesting against the salary cuts carried in the bill, and I ask unanimous consent that it may be inserted in the RECORD and referred to the Committee on Appropriations.

The communication was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY CITIZENS OF BUFFALO IN PROTEST AGAINST GOVERNMENT WAGE CUTS

Resolved, That this meeting, consisting of citizens of the city of Buffalo, assembled this 29th day of May, 1932, in the Teck Theater, at Buffalo, N. Y., do hereby oppose the policy or doctrine that the circumstances of the day require wage cutting on the part of the Federal employees or other wage earners.

Resolved further, That it is the sense of this meeting that such a policy, in instances where the same has been adopted in the past two or three years, has not proven of value nor has it furnished any contribution toward the restoration of good times.

Resolved further, That we believe such a policy has had just the opposite effect; that by reason of lowered purchasing power of the wage earner resulting therefrom that such a policy did not hasten the return of good times, but retarded the same.

Resolved further, That this meeting assembled this 29th day of May, do hereby register its support of the Hon. EDMUND F. COOKE, Hon. JAMES M. MEAD, Hon. ROYAL S. COPELAND, and Hon. ROBERT F. WAGNER in their unswerving opposition to a policy of wage cutting agitated at Washington.

Resolved further, That a copy of this resolution be sent to those Members and to the several other Members of Congress who supported our local national representatives in opposing a policy of wage cutting now being urged at Washington.

Mr. TRAMMELL. Mr. President, I do not know whether the Senator in charge of the bill desires to have a recess soon or whether he prefers to have the Senate remain in session some time longer.

Mr. JONES. I should like to remain in session at least until half past 5, if not later.

Mr. TRAMMELL. Mr. President, I think a very large majority of Senators have a common purpose to effect as much economy in all activities of the Government and in salary expenditures as may be made commensurate with efficiency of the service and the maintenance of the necessary governmental activities. I do not believe there is any great difference of opinion or sentiment among the Senators in that regard. I am sure that my attitude has been and my votes on the different questions which have arisen have been favorable to the elimination of useless expenditures, trying to strike from the burden of Government duplications in the different departments and bureaus, and this has been my policy not only for this session but as well in all the years past.

As the question has heretofore arisen from time to time during past years, and especially in more recent years, I have been impressed with the problem of the wage earners, either in the Government service or in private industry and activities. To my regret, those who are drawing only a small wage have not always had friends and advocates at court.

Mr. President, I have witnessed in the Senate in days gone by, even during the prosperous days of the country, active and intense opposition to increases of $50 or $100 per annum in the salary of some employee who was only on the pay roll for probably $1,000 or $1,100 or $1,200 per annum, and yet at the same time or within probably one or two days of such strenuous resistance to the poorly paid employee receiving a little increase of $50 or $100 per annum in his salary, I have witnessed the same Senators rise on this floor and, with all the vigor and eloquence at their command, advocate an increase of salary of two, three, or four or five thousand dollars to some one who already was receiving eight, ten, twelve, or fifteen thousand dollars per annum. Of course, my desire to defend the Government's interests, to adjust salaries, and to effect economies has never yet led me into that character of attitude which I believe almost anyone would consider rather or even glaringly inconsistent.

In raising the additional revenue made necessary by the depressed condition which exists in this country, I think we all desire to raise whatever may be necessary from those who are able to pay. I have heard that phrase uttered and reuttered and reiterated in the Chamber time and time again during the present session of Congress and in previous sessions.

In considering and adopting the income-tax provisions, as an illustration, a majority of the Senate—and I shared in that view—took the position that the income tax should not begin to apply to a person until after an exemption of income sufficient to enable single men and women and men who might be the heads of families, with wives and children,

to support themselves and their families. Consequently, in writing the income-tax provisions it was provided that single persons should have an exemption of $1,000 free of tax.

We may call the pending question a question of salary or something else, but in its effect and in its operation it is one of the means by which we hope to balance the Budget, by which we hope to make money by saving money. We are going to contribute to the Government exchequer by a course of salary reductions. In framing the income-tax provisions of the revenue law we provided that there should be an exemption, which was reduced to $2,500, as compared with $3,500 in the old law for heads of families and for an exemption of $400 for each dependent minor. In proposing now to reduce salaries I see no reason for changing the policy and not allowing employees to have a reasonable allowance upon which to live before the reduction shall begin to apply.

I believe, of course, that in these times which are distressing beyond all description there should be a reduction in salaries that are a little greater than actually necessary for ordinary, everyday plain living. I am favorable to a substantial reduction; but I do not mean by this I am in favor of taking from the person who makes only $50 a month $5 a month or that I wish to take from the person who makes only $60 or $70 a month $6 or $7 as a deduction; I am not in favor of exacting from the person who makes a hundred dollars a month $10 a month. In the case of salaries over $1,200 or $1,400 per annum, I would favor making a certain percentage of reduction, but I believe that if we are going to reduce salaries—and we should—the reductions should be made upon a graduated basis as set forth in the amendment submitted by the Senator from Nebraska [Mr. NORRIS].

If we are to appeal, as the Senator from New Mexico [Mr. BRATTON] did, to the patriotism of the Government employees, let those who draw salaries of $5,000, $6,000, $8,000, $10,000, $12,000, and more per annum rise to that higher degree of patriotism he so eloquently pictured and ask for a reduction in their salaries which will make a worth-while contribution to the total sum and which, forsooth, will not deprive them of, at least, a reasonably comfortable existence.

If we take 10 per cent away from a person with a salary of $500 or $600 or $1,000 a year, he or she, of course, can exist, but his or her problem is made just that much more difficult. In reference to salaries of $100 a month, a Senator said, "Well, a person in the humble walks of life could get along all right on that; let us take $10 a month from him." I said, "Oh, yes; of course I know one's station makes some difference in the demands upon him, but if you think it is easy for a person at the present time in the city of Washington and in other of the large cities throughout the country to live, except under the most circumscribed and humble conditions, on $100 a month, go out and take $100 a month and try it yourself; you will find yourself in a $20 or $30 room, with some one rooming with you, in a section of the city in which you would not care to live; you will find yourself buying your meals at the poorest class of café and often at 'Cheap John' eating places where you can get meals for 25, 30, or 50 cents; and you will find yourself having to purchase all your articles of clothing and other necessary wearing apparel at the very cheapest places where they can be purchased." So I invite those who would arbitrarily cut salaries of $50 to $100 a month as much as 10 per cent to go out and try the experiment a little while themselves and ascertain what the result is from experience. Yet there are those who want to take the 10 per cent toll from these small salaries. Many of those who advocate such policy think that a man with a salary of $4,000, $5,000, on up to $12,000 or $15,000, should only have the 10 per cent reduction applied to him. It is a drive for revenue by the route of salary reductions. Why such tender consideration for more fortunate and a heartless treatment for those with scarcely a living wage?

I would rather be fair with those employees who are getting such small salaries and reduce by more than 10 per cent the salaries of those receiving eight thousand, ten thousand, twelve thousand, and fifteen thousand dollars per annum. That is what could be done. I made a little calculation of the proposal of the Senator from Nebraska [Mr. NORRIS] and I find that a person receiving $10,000 a year would have his or her salary reduced $1,450 per annum. That would still leave one receiving a salary of $10,000, $8,500, in round numbers, on which to live and meet the demands upon him. I think that would be a more righteous policy.

Mr. THOMAS of Oklahoma. Mr. President——

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Oklahoma?

Mr. TRAMMELL. I yield.

Mr. THOMAS of Oklahoma. Will the Senator analyze the Norris amendment?

Mr. TRAMMELL. I have not the statistics for the entire amendment.

Mr. THOMAS of Oklahoma. The Senator is reading from figures.

Mr. TRAMMELL. No; I just made a calculation under the Norris amendment on a $10,000 basis. The Senator will understand that the amendment is on a graduated basis and the rate of reduction increases on the larger salaries.

Mr. President, my good friend from New Mexico [Mr. BRATTON] appealed to the patriotism of those who now have scarcely sufficient salary upon which to live in a very ordinary and simple way. I appeal to the patriotism of those who are to-day drawing salaries of from $5,000 to $25,000 and appeal to them to make their contribution toward balancing the Budget and toward a reduction in Government expenditures, which all realize is essential at this particular time.

Of course, only a blind man could not have realized what has been going on throughout the country for the past few months on the question of reducing small wages and salaries. Everyone knows the appeal for reduction has not come from the average, everyday American citizen; everyone knows the request has not come from the unemployed of the land that we should slash the salaries of Government employees down to a point where those who to-day are living in the most commonplace surroundings should have their salaries still further cut. That propaganda has been circulated and spread throughout the country in most instances by people who are enjoying incomes not of $600 to $1,200 a year—I will guarantee there is not one of them who receives an income of only $1,200 a year—but, in the main, this propaganda has been directed by people who are enjoying incomes, I will say by way of illustration, of from $10,000 to $100,000 per annum.

Mr. President, none of the unemployed are going to get any of the benefit of this reduction. There is no citizen back home, who is having a struggle with his little business, who is going to get any benefit from it. We have been in session for five or six months, and I have not seen or heard of the enactment of any legislation that has been of any material assistance or that there was any sound reason to believe would be of any material assistance to the unemployed of the country, or to those who are having a struggle to gain an honest livelihood.

We must and should make a big reduction in Government expenditures, but let us do the job with perfect fairness.

There is nothing new in this issue, Senators. Ever since my entry into public life there have been more or less of warring forces, one saying that those higher up should have greater compensation, and that those lower down in the salary scale or wage scale were getting too much, and their wages should be reduced. We know what a struggle we have had in America, covering a period of a quarter of a century and more, to get a reasonable wage for those in private employment, who for many years were compelled to labor for a mere pittance that was not sufficient to feed their families with reasonably sustaining food or to provide ordinary wearing apparel for their families, much less to give to them an opportunity to educate their children as those who were more fortunate in the matter of salary and of a competency were able to do.

I recall that when in my teens that was quite an issue. Some people thought that men who were making only $1.50

a day, who went forth at dawn to labor and worked until twilight, were receiving all the wages they ought to have, possibly in bricklaying, in carpentering, in painting, in various other lines of work; possibly some one who was working upon a railroad as a brakeman or as a fireman. Those people, good citizens, said, "We have had pressed down upon us for all these years and years a system of absolutely inadequate wages. We have had no opportunities. We feel that we are entitled to a little of opportunity"; and they began the struggle for better wages. They had to resort to organization. A great many who desired to preserve for themselves the great accumulations of wealth, and others who desired to preserve for themselves exorbitant salaries, opposed the efforts of these men to get a living at a reasonable wage. Finally, due to the patriotic sentiment of a great majority of the people of the country, not restricted to those who were directly interested but to the great body of the American people who believed in justice and in fairness and believed in building up the standard of living, the laboring people of the country, whether in the factory, in railroad employment, or what not, reached the point prior to the present panic where they were getting reasonably good wages.

Now, of course, this depression has come along and has upset the situation very much; and the whole trend now on the part of a great many is just as it was of old, except reversed. Previously it was a matter of trying to check these workers, trying to prevent them from getting a reasonably good wage. Now, since conditions have gotten worse, the first thing that happens is that those of whom I have spoken want to pounce upon the people who are making only a small wage and reduce their wages and cause them to return to the old condition of insufficient compensation upon which to live in reasonable comfort. So when we come to the question of reduction of Government salaries they rush madly in and say, "We must make a reduction of 10 per cent flat," without taking into account and distinguishing between the lowest salaries and the highest.

They demand and insist upon taking the pound of flesh; so they say, "We will reduce even the very low salaries of $600 a year, $800 or $1,000 a year." When we get above these low salaries I want to make some reduction upon a graduated scale. I am not willing, however, to take just as great a proportionate amount from those in the lower brackets as from those in the middle and high salary brackets.

Some one said that the only fair way was to take from them proportionately. If we go into a restaurant to get a meal, upon one table we find a pound of steak provided for only one person. Upon another table we find only 2 ounces provided for another person. Somebody says, "We will take some of that away from each of them. We are going to reduce them"; so they take 10 per cent off of the 2 ounces and they take 10 per cent from the pound. Ten per cent of 1 pound leaves nine-tenths of a pound. That is a pretty good meal, in fact, too much, for almost anyone; but when you take 10 per cent off the 2 ounces, which was insufficient to begin with, you are liable to cause some suffering and some hardship to the person you deprive of 10 per cent of that small amount of food, while you have caused no hardship to the other person; you have caused no hunger or suffering.

If we were going to treat everybody alike, why was not that the policy heretofore in dealing with the question of salaries? I have seen an effort to get a little increase of fifty or one hundred dollars a year in a $1,000 salary or an eleven or twelve hundred dollar salary—not over 5 per cent increase, or certainly not over 10 per cent—and I have seen that brushed aside with indifference. Upon the next day, or a few days following, I have seen an effort to raise a salary of $8,000 to $12,000 a year, which represented 50 per cent increase in the salary; and that was cheerfully and cordially and zealously done, and the increase of 50 per cent in the salary was made, though it was already $8,000 a year.

What I am endeavoring to do is to represent those who have heretofore been unfortunate and discriminated against, whether intentionally or not, and are still in the very low salary brackets—six hundred, eight hundred, one thousand, eleven or twelve hundred dollars a year. Some people talk about increases in salaries, but those in the low-salaried brackets have not had any increases of any consequence. It is in the middle and higher brackets that the salary increases have been made, and not in these lower brackets.

I am very anxious to effect all possible economy. I think we can make, and should make, substantial reductions in the salaries above the actual ordinary living expenses. I am anxious to do that. I will support a policy of that character, but we must view the entire picture.

In this debate we have heard much about the maintenance of the Government, its credit and its security.

We did not hear anything of that kind when, in the early part of this session of Congress, we were pledging the credit of America for $2,000,000,000. I do not think we have ever heard it yet with regard to that particular legislation; yet that argument is used here. At that time I suppose most of those who are supporting this 10 per cent slash on the small salaries—and those only are the ones I am endeavoring to befriend, not the others; I want that distinctly understood. At that time almost everybody said it was a very patriotic thing to use the credit of the Government to the extent of $2,000,000,000. Of course, there were all kinds of rainbows of hope held out. Somewhere along this rainbow we were going to have ushered in prosperity for everyone; but, as it turned out, it was merely a hope.

There have been some benefits. I supported the measure. There have been some benefits in our financial circles, and for this I am thankful. I share the opinion that we have to do what we can to maintain our financial institutions, because our people generally and our industries throughout the country can not be segregated from our financial institutions. Under our system of business enterprise and of operation they are all interwoven, and if we injure one we injure the other. If we help one we indirectly, at least, assist the other.

So I supported that legislation. The point I am making is that we must view the entire picture and see what has been the attitude in deliberating upon other situations here.

Senators, if we do justice as we see it by these poorly paid employees and refuse to make a flat cut of 10 per cent against them, I do not think it is going to have any effect whatever upon our financial stability or the condition of the country in any regard, except that it will be disappointing to a few people who have tried to propagandize this country into a frame of mind where it was disposed to pounce upon everybody connected with the Government.

From Members of the Senate and the House down through the Government service no one has been immune from this effort which has been made throughout the country. It is quite general. I think the standing of the average public official, wherever he is, in whatever capacity he may be serving, is at rather a low ebb, largely due to the absolutely vicious, wicked, and false misrepresentations which have been circulated throughout the country for selfish reasons.

Some one was talking to me the other day about what we see in the press, and I said, "I have always been a friend of the press, I believe in freedom of speech, and I never complain but let it go unnoticed." He said, "I tell you what I heard the other day. Whenever you read anything about a public official, divide it by 10 and believe about one-tenth of what you read and disbelieve about nine-tenths, and as a rule you will be right." I said, "I do not know that it is that bad, but, of course, they put their own color on everything. They leave out some things, and they say some things that probably will not be sustained by the record."

Anyway, this propaganda has been going on, not for the good of the country, but in the main for selfish reasons, so that some one could dominate and control and direct legislation of every character which may come before Congress.

Everyone has a right to his views. I would accord everyone that privilege, but wherever we differ on public matters,

let us differ honestly, carrying on our advocacy of a policy in a fair way and in a manner considerate for those who may oppose us. Unfortunately, Congress has not had that consideration during this time of trouble. The focus of the vision has been very largely of a selfish character, and restricted to the views of the particular person or the particular interest seeking favors or to escape a public duty.

I have had in one mail, or possibly through a telegram, an appeal to me to balance the Budget, from certain people representing certain interests. The next day I would have a communication from the same source saying, "We do not think you ought to place any tax upon this particular commodity, or this particular business, or this particular industry."

Some people denounce Congress upon the one hand for the plan for balancing the Budget, after they appeal for action in haste, and in the next breath denounce the national lawmakers for putting something in the Budget-balancing revenue bill that affects their own particular interest.

We have had a lot of that kind of thing to contend with. I merely mention it as illustrative, and in order that I may emphasize the fact that a great deal of the sentiment may have been aroused throughout the country on the question of salaries, carrying it to the point of causing Congress to make a reckless salary reduction upon a flat basis of 10 per cent as affecting those in the smallest salary brackets, who practically have not a living to-day.

I do not mean the person with a two or three or four thousand dollar income, but I am speaking of the people with salaries in the lower brackets.

Mr. President, we did not know until yesterday what the Economy Committee was going to report. I expected that it would report some reductions in salaries, and I intended to support very substantial reductions in the higher and medium salaries, and I have so stated a number of times within the past two or three months upon the floor of the Senate.

To-day in thinking of economy I said, "I think probably there is some other direction in which we could also effect some economy," and I just glanced over the hearings upon the naval appropriation bill in the House. The bill was passed by the House, and the Senate committee has not reported it, so that we have not taken it up for consideration in the Senate.

I saw in those hearings that upon inquiry of the chairman of the Ways and Means Committee in the House a representative of the Navy Department, in connection with a question relative to automobiles, an item for buying automobiles, for paying the expenses and the outlay for chauffeurs for public automobiles furnished to officials, said that the Secretary of the Navy had a Lincoln automobile paid for by the Government; that each and every one of his Assistant Secretaries had a Packard automobile, paid for by the Government; that the head of every bureau in the Navy Department had for his use a Government Packard automobile.

This representative of the department said that the Secretary of the Navy had a chauffeur paid by the Government about $1,200 or $1,400 a year; that two or three of the Assistant Secretaries had chauffeurs paid by the Government. However, the House agreed to the appropriations for that purpose.

I say, Mr. President and Senators, that we should strike those appropriations out and reduce by $110,000, at least, the amount we propose to take from people getting only six or seven hundred dollars or a thousand dollars a year. The same condition in regard to the Government furnishing automobiles applies to the Secretary of War, the Secretary of Agriculture, and all other department heads.

In these times of depression I want to commend to the country and to the Senate, in connection with furnishing Government automobiles to officials, the patriotic action and position taken by Speaker GARNER, of the House of Representatives. He said that under the circumstances he did not care to use the Government automobile and have a chauffeur furnished him for that purpose. I do not know that I would have done that; but I think it was a patriotic thing for him to do, and I honor him.

I think those getting larger salaries ought to have their salaries reduced, under the circumstances, but I can not understand why it is that some of them have not tried to cut out such items as these automobile items. I can not quite appreciate that.

I am going to offer an amendment to the bill to strike from the appropriation bill for the Navy Department the appropriation for furnishing automobiles to any official in the department, except probably the Secretary of the Navy, and really he should not be allowed this luxury at Government expense. The same thing applies to the other departments. The Government is giving away probably a half million dollars annually for people to ride around here in Lincolns and Packards at Government expense, and they have but little use for them, as far as official business is concerned. These officials get large salaries. Why should they not buy their own automobiles and pay their own expense for operating them?

I want to see the spirit of economy made general, made indiscriminate, and applied to luxurious contributions, as it is here proposed to apply to those receiving a wage that is scarcely sufficient upon which to live.

Mr. JONES. Mr. President, I want to ask the Senator not to charge that up to the Economy Committee, for it did not have to do with that. I am in sympathy with the Senator's position in regard to that matter.

Mr. TRAMMELL. I have the place marked, and will call it to the attention of the chairman of the committee when we take up the naval appropriation bill.

Mr. JONES. I agree with the Senator.

Mr. TRAMMELL. We will cooperate. We cooperated yesterday to save $25,000 which was recommended for the purchase of periodicals for the Supreme Court. We will cut out probably $100,000 in the naval appropriation bill to cover the furnishing of Lincolns and possibly some Rolls Royces to people who have no use for them as far as official business is concerned. And if we go into all departments we can probably cut expenditures along this line by a half million. I am glad the chairman of the committee displays the spirit he does.

I am not criticizing the committee, but I think that every Senator should give this matter rather serious consideration. I am merely expressing some of my own views.

Sometimes in the day of panic and of distress we just run pell-mell and roughshod in dealing with public problems, and though our intention be the best do injustices. I think that in this instance 10 per cent cut in the salaries of people receiving six or eight hundred or a thousand or twelve hundred dollars a year would really be unwarranted, and, on the other hand, substantial cuts should be made in the salaries that can stand a reduction.

Probably the course of least resistance would be to swim along down stream with this propagandized sentiment all over the country, but I do not propose to let anything of that character influence me to do what I consider would be an injustice toward those receiving small salaries, and which would not be in the interest of the Government or of the people of the country generally.

Again I repeat, no unemployed is going to get the benefit of such action. The everyday citizen back home is not going to be helped by such action. The only thing is that such a policy would tend psychologically to cause a little more despair and a little more gloom throughout this country, not merely with the person from whom we take the money, but the psychological effect of it on the country would not be good.

It would probably affect assistance some people are extending to relatives and friends or needy people, because they will be deprived of that privilege. What I would like to see is a little more cheer and a little more optimism, and not so much pessimism. We can not bring a return of prosperity by optimism, but we can work a very destructive course by indulging day in and day out in pessimism.

Down in my State of Florida we had a rather disastrous time following the great boom in 1925. Almost everywhere one would go people were expecting to make a fortune over-

night and the next morning they woke up and thought that they had succeeded. Then a year or two later deflation set in; the boom was all over, and calamity spread abroad throughout the entire State, everybody was more or less depressed and more or less affected. There was nothing to cheer one wherever he went. Enterprising, courageous, and progressive as the people of my State are, after about five or six months it dawned upon them that it was foolish to keep discussing these unpleasant experiences, and thereby making a bad situation worse.

I do not think any ordinances were actually passed by the city governments throughout the State, but by common consent throughout that enterprising Commonwealth word was passed from one end of Florida to the other, "We are going to quit talking about this disaster we have undergone, we are going to turn our faces about and march forward in the direction of progress, development, and recovery." That became the spirit—a spirit of optimism instead of a spirit of pessimism.

When this general depression came on Florida was just at the threshold of a new development; the people were becoming active in the different industries; our general conditions were greatly improved. Agriculture was reviving, not to a satisfactory degree of prosperity, but it was improving. Many of our cities and towns had begun to grow and develop, and general business conditions were getting decidedly better. Of course we have been affected more or less by the general depression, though I hope not so badly as has some other sections of the country. It is pathetic, of course, to have the terrible conditions that prevail in other parts of America; but had the people of Florida gone on groping around, complaining, and scattering despair and thinking there was nothing but a forlorn hope, they would not have made the recovery that was made before the general depression came on; and that is also true of all America as a Nation.

We have, of course, an actual condition to contend with; I realize that; but I believe the constant emphasizing of our unfortunate situation has assisted in making it far worse than it otherwise would have been. I hope the time has about arrived when our people generally will say, "We have a great Nation; we have inexhaustible resources; we have a patriotic people, a people of courage, who can combat any situation; the spirit of the forefathers has not yet entirely passed from the bosoms of the people of the present day and time; we can do something toward rescuing business and bringing back prosperous conditions in our country." I am sure that that will not detract from recovery. We have had entirely too much of the other kind of attitude. Almost every day in the Senate we hear it.

I am not going to mention the names of Senators, but just the other day a Senator who had not obtained exactly what he wanted in the tax bill, who probably preferred one particular source of taxation to another, when we thought we had about finished up a good day's work arose and made a speech of despair and despondency, and the stock market the next day broke from one to three points, not on account of his great influence on the financial world, though he is a splendid Senator and an able man; but things were rather wavering anyway, and when a very prominent Senator got up in the Senate and said that if we did not do so-and-so there was going to be some terrible disaster—that is the substance of what he said—it had an effect. His statement furnished a golden opportunity the next day for the short sellers to sell short; the stock market broke from one to four dollars a share. Such speeches do not do any good.

It is much more difficult now, of course, to bring about a better sentiment than it is to throw fuel on the fire and add to the general feeling of depression that prevails; but I think we have had a little too much talk about our troubles. When we had the tax bill about finished the other night one or two very patriotic and able Senators rose in their seats, after it had been stated that according to all the statistics that had been gathered from the experts the bill would balance the Budget, and began to occupy the attitude of doubting Thomases and said, "Well, now, you say we have provided revenue to balance the Budget, but will not this bill be two or three hundred million dollars short?" I am not lecturing anybody; I am merely saying that that kind of attitude in the country has not been conducive to any revival of business or any spirit of happiness to the American people.

I should like to see everybody gather in one common concord in every line of business and enterprise, including those representing the Government, and endeavor to remedy the situation and get our country once more going in its old way of prosperity, of happiness, and of contentment. If we make the public feel that the Government has become panicky and that there exists in the case of almost every Government official, legislative and executive, a perfectly maddening hysteria, how does the Senate expect the people of the country to have very much courage or to endeavor to restore better conditions?

I wish again to say that I am in favor of substantial reductions in the salaries, I will say, ranging from $1,500 up, but I am not in favor of a flat cut of 10 per cent in the salaries of $600, $800, $1,000, or $1,200 per annum, because I do not think it would be just.

Some Senators, in advocacy of this policy, have said, "You can cut them and the people will run here from all over the country to get the positions." I said, "Yes"—this occurred in the cloakroom but I am going to repeat it on the floor—"and if we should cut the salary of Senators to $5,000 per annum, it would take the Capitol and all the Government buildings in Washington and many of the parks in the city of Washington to hold the people, and able and capable ones, too, who would come here to take our places." So there is nothing in the argument that people would rush here to get the places. In these unfortunate times a great many people would rush to find shelter and food even if no salary were paid. I know I would if I were so unfortunate as to be without employment. I think it is the duty of those who are fortunate enough to hold positions which afford them salaries more than what is required for the ordinary necessities of life to make a contribution in the way of a substantial salary reduction.

I think the patriotic duty in that respect should be manifested in a greater measure on the part of those receiving larger salaries, because they can better afford the contribution. Therefore, I favor the amendment proposed by the Senator from Nebraska, which fixes the reduction upon a graduated basis, upon the theory that those who are best able to pay should make the greatest contribution, which is the policy which has controlled very largely congressional action for years.

REFINANCING OF FARM MORTGAGES—LETTER OF LOUIS B. MAGID

Mr. GEORGE. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from Mr. Louis B. Magid, a large grower of apples and maker of apple products in northeastern Georgia, in which he outlines a plan for the permanent refinancing of farm mortgages and discusses that question in an interesting manner.

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

Senator WALTER F. GEORGE,
Senator JOHN S. COHEN,
Congressman CHARLES R. CRISP,
Congressman JOHN S. WOOD,
Washington, D. C.

MY DEAR SIRS: During the present session of Congress newspapers from time to time carried statements of discussions in Congress of the great need for farm relief. To the best of my knowledge, no real farm relief is in evidence so far, and, as the session of the present Congress is drawing to a close, and since undoubtedly it is the desire of Congress to really provide farm relief, I respectfully submit the following suggestion and hope that it meets with your approval, and that you will interest the present Congress in this plan in enacting same as a law.

I realize in submitting my plan that it is a very brief one, but I am sure that the details can be worked out to make it a workable and stable plan.

PLAN TO PERMANENTLY FINANCE AMERICAN FARMERS

1. The United States Government should create and sell a bond issue sufficient to refinance mortgage-distressed farms which are

likely to be lost to the owner farmers by foreclosure or otherwise, the proceeds from the bond issue to be loaned to farmers on a long-time basis (possibly 50 years) at a low rate of interest, or the same that the Government will pay on its bonds, plus an additional one-half per cent to be paid by the farmers and to be placed into a sinking fund to take care of any losses the Government might sustain on some of the loans.

In that way, the bond issue sold by the Government will be self-liquidating and self-sustaining, as the interest that the Government would collect on the farm loans would pay the interest on the bonds, and the annual amortization of 2 per cent paid by the farmers on the loan would likewise be the amount of money with which the Government could amortize its bonds.

For an example, Farmer Jones in Iowa owns a farm that is reasonably valued at $10,000. Jones should be able to secure a loan of at least 80 per cent of the value of the farm lands and 60 per cent of the insurable buildings and improvements, or in all $7,500. Assuming that Farmer Jones owes $6,000 to a bank, mortgage company, insurance company, or some individual, he would be able to pay off his mortgage and have enough left for crop production and at the same time be properly and permanently financed with the Government loan at a low rate of interest, and at a small annual rate of amortization to retire the loan.

The benefits of this plan would be numerous and permanent in contrast to the present unstable financial condition and the great predicament and suffering to which the American farmers are now subject.

2. The bond issue which will aggregate several billion dollars should be in long-time bonds (possibly 50 years) and bear rate of interest.

	Per cent
For the first 5 years not exceeding	2½
For the next 5 years not exceeding	2¾
For the next 5 years not exceeding	3
For the next 5 years not exceeding	3¼
For the next 5 years not exceeding	3½
For the next 5 years not exceeding	3¾
For the next 20 years not exceeding	4

THE BENEFITS

1. Farmer Jones would be enabled to retain his farm, which may have been in the family for a long time, and he will be enabled to continue living on the farm, operate the same, and make a decent living. It will enable him to remain a good citizen in his community, support his family, as well as civic and municipal institutions, besides being a producer of food and raw material needed by the American people for their sustenance and manufacturing operations.

2. As the farmers would be able to pay off their present mortgage indebtedness to the banks, mortgage companies, insurance companies, or individuals, this would release these institutions from holding frozen assets, present over-due and maturing farm mortgages, and enable them to use this released capital in industrial channels, more quickly revolving than farm mortgages.

3. By the release of this enormous sum from frozen assets (farm mortgages), banks, mortgage companies, insurance companies, or individuals would be enabled to use their funds in newer channels for developing and carrying on home and foreign commerce.

4. It would enable banks, insurance companies, mortgage companies, and other institutions to collect the principal and overdue interest (on farm mortgages) and become solvent institutions in which the public would again have the confidence they once enjoyed.

5. The proceeds from the bonds sold by the Government would draw a considerable part of funds that are now hoarded, hidden and unused, unprofitable both to the people at large and the people who are hoarding this great amount of money. In other words, untold millions of dollars would be put back into circulation by the above plan or instrumentality.

6. The Government takes very little, if any chance of losing money by this undertaking to permanently finance American agriculture, and it is better to carry the above plan by simply lending the Government's credit to the farmers to create a dole system or stand by and see every respectable American farmer lose his farm and become a burden to the community. This would be especially true in the large cities where most of them flock or will do so, and so compete with the city people for the now almost nonexistent jobs or employment. Since the plan is self-sustaining, it is the duty of the Congress of the United States to put this plan into operation at the earliest possible moment.

SAFEGUARDS

1. One-half of 1 per cent, or any other sum that would reasonably insure a sinking fund, should be paid by the farmers in addition to the low rate of interest which would create a sinking fund to take care of such losses as the Government might sustain in the handling of these farm loans.

2. The Government should create a mutual insurance company where all the buildings subject to fire hazards would be insured and the insurance policy assigned to the Government, together with the mortgage.

3. In that way the farmers would receive a low rate of insurance, and as the hazard would be scattered all over the country, the rate of insurance would be very low.

4. The Government should create a crop-insurance company to protect the farmers from the hazards of losing all or part of their crops, or of reducing the same below the cost or investment necessary to prepare or make the crop, by the many unforeseen occurrences, such as (a) late spring or early fall frosts, (b) drought, (c) hail and windstorms, (d) floods.

The insurance should merely cover the actual investments of the crop making for that year, and a reasonable premium should be paid by each and every farmer being refinanced under this plan. As the hazards would be so widely scattered, the premium for the insurance would be very nominal, at the same time giving the farmer a chance to recoup the money invested in the attempt to make the crop should he fail for any of the above reasons. This would enable him to make a new start for the crop making the next year without being compelled to further incur additional indebtedness as heretofore.

The only hazard in the undertaking is the possibility that Farmer Jones, having borrowed $7,500 on his farm, is removed by death, is unable or is unwilling to pay the annual amount to reduce the loan and the small amount of interest on his loan. In that case the Government or the agency representing the Government could easily sell the property to some capable farmer that might be looking for a place exactly like that. Since the terms of payment for the property are so nominal and the rate of interest so low, it is believed that the Government would have no trouble to transfer the property or contract to some other capable farmer.

That the Government can not lose anything under this plan is shown by the following:

For example, the total loans made by the Government amount to $5,000,000,000. If the farmers will pay to the Government one-half of 1 per cent of this amount during the next 50 years, the amount the Government would collect in the sinking fund to take care of losses would be as follows:

One-half of 1 per cent annually for 50 years would aggregate a total of $1,250,000,000, or 25 per cent of the total original loan. I do not think the Government would lose that much money in refinancing the American farmers.

Since the plan of permanently financing the American farmers is to amortize 2 per cent annually, each year the security to be held by the Government will increase in value. Besides the natural increment of property values when properly financed, uniformly operated, by self-respecting farmers owning the farms, and having no worry as to the indebtedness because of the small annual amortization, it would be a great inducement to each and every farmer to improve his place for himself and for his children's future.

In the past most farmers were financed under heavy annual interest charges, plus heavy annual amortization, and were under a constant financial strain to the detriment of his property operating and managing his farm property.

ONE HUNDRED PER CENT FARM RELIEF ABSOLUTELY NECESSARY FOR PERMANENT SUCCESS

The colossal growth of this country began with the energetic efforts of the American farmer that built a prosperity and fortune in this country unparalleled in the history of man in any other country in the world.

It being true that the prosperity of this country started with the farmer, why not repeat this successful and positive past? Rehabilitate 100 per cent financially the American farmer to make a sound new start and when this is carried through, financial progress and stability will come to all lines of endeavor.

Many were the attempts made prior to and after the panic to rehabilitate the American farmers' financial condition, but of what did most of these undertakings consist? Nothing but patchwork, and the result has been accordingly a mass of confused uncoordinated efforts such as land banks, intermediate banks, Farm Board, and Reconstruction Finance Corporations to rehabilitate the financial chaos of this great country with practically no satisfactory, definite, or permanent results.

The present mortgage indebtedness of the American farm property is approximately $11,000,000,000. This is a large sum of money, but only a fraction of the real value of the farm property mortgaged.

The mortgages are held principally by the farm-mortgage companies, insurance companies, banks, etc. All of these institutions have already foreclosed or are contemplating foreclosure that would practically place in their control the majority of the farming property of this country, and by this process leave millions of individual farmers paupers and beggars, and without a home or a visible plan of support for themselves and their dependents.

If this was all, it might be said, "It is just too bad for these millions of individuals who have for years and years been the mainstay and backbone of this country and made up the rural community that has provided the main purchasing power of the American manufacturers of needful and even articles of luxury." But the catastrophe does not end there.

The very mortgage company, insurance company, bank, and other institutions holding these mortgages who are taking or will take possession of the millions of acres of farm lands and improvements thereon are just as bad off as the individual whose property they have confiscated by legal process, perhaps unwillingly but believing it necessary to do so in order to protect themselves. Since the mortgage company, insurance company, or bank have loaned money not belonging to themselves, but money belonging to stockholders, policyholders, and depositors, it immediately drags down to a par these people who lose their greatest savings intrusted to the mortgage company, insurance company, or bank, as these farm properties are nothing but "white elephants" in the hands of the mortgage foreclosure.

Here we have not mere millions of farmers made to become paupers but millions of other people who, by economy and self-sacrifice, saved and then intrusted their savings to these institutions to finance the farm mortgages.

If the verdict was that the American farmer has squandered the borrowed money, $11,000,000,000, in nothingness, then they should be left to their present state. But did they do that? No. The $11,000,000,000 was used intelligently and economically to improve the farm property, but because the farmer was never intelligently, economically, and sufficiently financed, he was defeated in his endeavors to maintain the mainstay of this great country by operating his farm under handicaps such as:

1. Lack of proper and intelligent financing.
2. High rate of interest.
3. High annual reduction of his borrowing.
4. High rate of taxes.
5. High cost of everything he bought.
6. High freight rates.

The spasmodic attempts to assist the farmer have done nothing but lead the farmer to beggary. What the American farmer needs is a chance to save himself and leave him to his own resourcefulness of farm production with unhampered financial conditions and obliterate the greatest crime committed against the American farmer, which I now set forth.

When Congress passed the first bill authorizing the organization of national banking system, it said to the national banks "You are authorized to receive deposits from anybody and everybody and by no means overlook the deposits from the American farmer." It further said to the national banking system, "After you have taken the deposits from the farmer, do not lend him any money but you are at liberty with a free hand to lend money to every scheme, including the financing of so-called Wall Street speculation. It was then that the American farmer was doomed. It is a fact that ever since that period the American farmer was humbugged, tricked, and kept down to a point of slavery, because of the lack of proper financial credit to farmers.

He was compelled to purchase his supplies at a high cost and borrow his permanent and operating funds from whatever source possible, except from the protected banking system under the Government's control.

JUSTIFICATION OF PLAN FOR SOUND AND PERMANENT REFINANCING OF AMERICAN AGRICULTURE

Ambassador Mellon, while Secretary of the Treasury and head of the Debt Funding Commission, made the following statement before the House of Representatives Committee on Ways and Means January 4, 1926:

"Europe is our largest customer. Unless the finances of Europe can be restored, her currency placed on a sound basis, and her people able to earn and to spend, this country will not be able to dispose of its surplus products of food, materials, and goods."

Then he added:

"The entire foreign debt is not worth as much to the American people in dollars and cents as a prosperous Europe as a customer."

This being true, what is it worth to the United States to have the American farmer properly, permanently, and soundly financed, as the American farmer was and can be made again the best and largest customer of the American manufacturer, and bring about a change in the present deplorable condition of industry, unemployment, yes, even starvation and suffering of many millions of American citizens. In cents and dollars the American farmer is a much better and larger customer to United States commerce and is worth several times Europe's trade. And besides there is nothing like a home customer.

LOANS TO FOREIGN AGRICULTURE—WHY NOT TO THE AMERICAN FARMER?

In an essay published in 1927 in the American quarterly known as Foreign Affairs by the late Dwight W. Morrow, former United States Senator and at one time partner in the international banking house of J. P. Morgan Co., after careful investigation Mr. Morrow found that 128 bond issues of foreign governmental subdivisions, cities, corporations, and for agricultural enterprises, aggregating $15,000,000,000, were sold to the American investor in the space of a few years. (This exclusive of loans made by the United States Government to foreign countries and subdivisions thereof.)

These loans were made to countries scattered the world over. Some of the names of these countries are known only to a few Americans and there was no security for these loans except the moral obligations of these cities, states, and governments. In fact, a great portion of the $15,000,000,000 was taken from the American investor and a great share from the American farmers, who are now in the greatest plight, to help agriculture in these foreign countries. That is why American surplus agricultural products can not be sold since we furnished money to produce wheat, cotton, and other products to these foreign countries and they compete with our American farmers. This stopped the sale and exports of our surplus of wheat, cotton, and other farm products.

Are the American people, through their Congress, going to vacillate for a moment in the fact of the above loans to foreign countries with no security whatsoever of their repayment to provide a small amount of loans to American farmers with an absolute 100 per cent security? And by doing so start the wheel of commerce in every line of industry in this country because the purchasing power of the American farmers of 30,000,000 people, according to our authoritative published figures, is approximately $25,000,000,000 annually. This is over twice the amount of money suggested in the positive plan to rehabilitate American agriculture. Not only for the farmer but for every American citizen, and a permanent help at no cost to the American taxpayers, as the plan of refinancing the American farmer is self-liquidating and self-sustaining.

The loans we have accorded to foreign countries were not only for improving the pressing financial structures as balancing their annual budgets; I recall a loan granted to the Dutch East Indies of $150,000,000. To do what? To pay off its floating debt. It is not necessary to enumerate all the other loans made to help agriculture, but not to the American farmer. In fact, help was given to foreign agriculture to compete with American agriculture.

It is hard to comprehend the American Government and American bankers combining to lend large sums of American credit for the purpose of extending, improving, and financing Europe's agriculture when our own was, and is, in such distressful need.

If that was proper and good business, certainly it is even better business to extend the same credit to the American farmer, who is the best customer for American commerce. In fact, without the American farmer, commerce is what it is to-day—dead.

The purchasing power of 30,000,000 American farmers is our stake. For every conceivable article of home manufacture that can be sold to farmers in turn will have every whistle and every factory calling the unemployed back to work. This is what sound financing rehabilitation to the American farmer means to this country!

The proposed refinancing of the American farmer is for productive purposes, with a constant recurring wealth to be produced from American acres for man and animal sustenance, as well as raw materials for the mills and factories. And if every American farmer was refinanced and rescued from his present hopeless plight, it would only require some $11,000,000,000.

In the words of Lloyd George, when the American people joined with European nations who "stumbled and staggered" in the World War, we find the United States spent $28,000,000,000 in money and more than 100,000 American lives and 200,000 wounded.

The above was America's part in a destructive undertaking. Can it be possible that this great country would hesitate to help itself by refinancing on a positive-repayment basis with legal interest and mortgage protection for every penny advanced in mortgage loans to the major industry of American agriculture the beggarly amount of $11,000,000,000 in comparison to the extravagant, wasteful, and destructive expenditure of $28,000,000,000 plus the loans made to European countries which, perhaps, we will never collect, as we have no security. And for the proposed loans to American farmers, we will obtain excellent security.

CONSTRUCTIVE BUSINESS PROPOSITION

Reduced to a strictly business conservative proposition, all that is proposed in this plan is for the United States Government to assemble every available unemployed dollar through the means of an obligation to be issued and sold to the public in the open market that will carry a fair rate of interest to those who buy and invest in these bonds, and the proceeds from the bond-issue loan on a conservative basis and in a safe manner to rehabilitate the first and greatest and most necessary industry—agriculture. In this plan no gifts, doles, no favoritism is contemplated, nor is there the remotest chance in evidence that one single dollar will be lost by our Government. Outside of the human consideration in the matter, it is a sound and businesslike proposition that will not only place the American farmer on a sound and self-respecting basis but will immediately open wide the flow of purchasing power of our manufactures, our trade, and our commerce in every conceivable line of industry that is now idle, stagnant, discouraged, and hopelessly at a standstill.

I am sure our Congress will see the wisdom of this plan enacted into law, and many of the present ills will vaporize, and we will find ourselves a prosperous and busy Nation as before. It is absolutely vital to this country that the farmer be restored and the farming industry be made prosperous, secure, and self-reliant. Since the American farming industry is the backbone of the country, why not start rehabilitating that fundamental and major industry first in a substantial 100 per cent way?

Assuring you in advance of my appreciation of your efforts in this matter, and, too, you will have the appreciation of many millions of distressed farmers. With personal regards, I am,

Sincerely yours,

LOUIS B. MAGID.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. FESS in the chair), as in executive session, laid before the Senate a message from the President of the United States, submitting nominations in the Regular Army, which was referred to the Committee on Military Affairs.

RECESS

Mr. JONES. Pursuant to the unanimous-consent agreement heretofore made, I move that the Senate take a recess until 11 o'clock to-morrow morning.

The motion was agreed to; and (at 6 o'clock and 15 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until to-morrow, Friday, June 3, 1932, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate June 2 (legislative day of June 1), 1932

APPOINTMENTS IN THE REGULAR ARMY OF THE UNITED STATES

The following-named cadets, United States Military Academy, who are scheduled for graduation on June 10, 1932:

To be second lieutenants with rank from June 10, 1932

CORPS OF ENGINEERS

1. Cadet Rush Blodget Lincoln, jr.
2. Cadet Stanley Tanner Wray.
3. Cadet Ellsworth Ingalls Davis.
5. Cadet George Kumpe.
6. Cadet William Ruthven Smith, jr.
7. Cadet Frank Schaffer Besson, jr.
8. Cadet Richard Roberts Arnold.
9. Cadet Herrol James Skidmore.
10. Cadet Francis Ray Hoehl.
11. Cadet Julian David Abell.
15. Cadet Allen Fraser Clark, jr.
16. Cadet Thore Fritjof Bengtson.
18. Cadet William Francis Powers.
19. Cadet James McCormack, jr.

SIGNAL CORPS

41. Cadet Kenneth Frederick Zitzman.
65. Cadet Charles Michael Baer.

CAVALRY

39. Cadet William Burns Fraser.
43. Cadet George Robinson Mather.
50. Cadet Frank Hamilton Britton.
111. Cadet John Reynolds Sutherland.
113. Cadet Richard Tide Coiner, jr.
131. Cadet Karl Laurance Scherer.
132. Cadet Charles Hardin Anderson.
137. Cadet John Ramsey Pugh.
145. Cadet Bogardus Snowden Cairns.
152. Cadet Byram Arnold Bunch.
154. Cadet Gerard Charles Cowan.
168. Cadet William Whitfield Culp.
176. Cadet Charles Marvin Iseley.
178. Cadet Sam Houston Wiseman.

FIELD ARTILLERY

4. Cadet Andrew Hero, 3d.
26. Cadet John Henry Weber.
27. Cadet Roger Derby Black, jr.
33. Cadet John Campbell Street.
35. Cadet Alexander Graham.
37. Cadet William Mencher.
38. Cadet George Wilson Power.
40. Cadet James Aloysius Cain, jr.
45. Cadet Stanley Sawicki.
49. Cadet Frank Lester Howard.
58. Cadet Samuel Watson Horner, 2d.
60. Cadet Robert Augur Hewitt.
63. Cadet Edwin Simpson Hartshorn, jr.
64. Cadet James Forsyth Thompson, jr.
68. Cadet Roland Francis Bower.
70. Cadet Joseph Edward Gill.
72. Cadet Frederick William Eilery.
73. Cadet Loren Boyd Hillsinger.
74. Cadet Horace King Whalen.
75. Cadet John Paul McConnell.
80. Cadet Walter Parks Goodwin.
82. Cadet John Abner Meeks.
86. Cadet John Clifford McCawley.
88. Cadet Edward Gibbons Shinkle.
93. Cadet Harry Cecil Porter.
94. Cadet Dwight Edward Beach.
97. Cadet Arthur Walter Blair.
100. Cadet Theodore George Burton.
103. Cadet Dale Eugene Means.
104. Cadet Hugh Willard Riley.
106. Cadet Ray James Stecker.
107. Cadet Curtis Alan Schrader.
114. Cadet Floyd Allan Hansen.
115. Cadet James Edward Godwin.
119. Cadet John Brinton Heyburn.
121. Cadet Harald Simpson Sundt.
122. Cadet Horace Freeman Bigelow.
123. Cadet Charles Albert Clark, jr.
125. Cadet James Bates Rankin.
126. Cadet David Emory Jones.
127. Cadet Harvey Porter Huglin.
129. Cadet Bernard Thielen.
130. Cadet George Dowery Campbell, jr.
136. Cadet Todd Humbert Slade.
139. Cadet Charles Ratcliffe Murray.
141. Cadet Francis Garrison Hall.
142. Cadet Charles Louis Williams, jr.
144. Cadet William Russell Huber.
156. Cadet Gordon Whitney Seaward.
158. Cadet Walter Marquis Tisdale.
160. Cadet Charles Albert Piddock.
161. Cadet Nelson Landon Head.
162. Cadet Walker Raitt Goodrich.
166. Cadet David Hamilton Kennedy.
177. Cadet Edwin Guldlin Simenson.

COAST ARTILLERY CORPS

13. Cadet Frederick Raleigh Young.
14. Cadet John Chandler Steele.
17. Cadet Christian Frederick Dreyer.
20. Cadet Russell Manly Nelson.
21. Cadet Stanley Ronald Stewart.
22. Cadet Arnold Sommer.
23. Cadet Charles Kissam Allen.
24. Cadet Sam Carroll Russell.
25. Cadet James Hutchings Cunningham, jr.
28. Cadet Archibald William Lyon.
29. Cadet Edward Ellis Farnsworth, jr.
30. Cadet Daniel Stickley Spengler.
32. Cadet Norman Robert Ford.
34. Cadet Milton Leonard Ogden.
42. Cadet John Earl Metzler.
44. Cadet Harrison Alan Gerhardt.
46. Cadet Leo Peter Dahl.
47. Cadet Howard Raymond Martindell.
48. Cadet Edgar Northrop Chace.
51. Cadet Byron Leslie Paige.
52. Cadet Torgils Grimkel Wold.
53. Cadet John Bevier Ackerman.
54. Cadet Charles Ray Longanecker.
55. Cadet Irving Donald Roth.
57. Cadet Lauri Jacob Hillberg.
59. Cadet Philip Vibert Doyle.
61. Cadet Benjamin Jepson Webster.
66. Cadet William Alden Call.
69. Cadet Dwight Benjamin Johnson.
76. Cadet Preston Steele.
77. Cadet Robert Douglass Glassburn.
79. Cadet Walter Allen Rude.
81. Cadet Erven Charles Somerville.
83. Cadet Clifford McCoy Snyder.
84. Cadet Gilbert Nevius Adams.
85. Cadet Aaron Meyer Lazar.
89. Cadet Robert Lockwood Williams, jr.
90. Cadet John Joseph Hutchison.
91. Cadet Robert Earl Schukraft.
92. Cadet Carl Morton Sciple.
96. Cadet William Massello, jr.
101. Cadet Stephen Michael Mellnik.
105. Cadet William Sammis Coit.
109. Cadet William Fletcher Spurgin.
112. Cadet Donald Linwood Hardy.
124. Cadet Francis Arkadjusz Liwski.
128. Cadet Robert Folkes Moore.
133. Cadet Dwight Drenth Edison.
140. Cadet Wallace Hawn Brucker.
148. Cadet Charles Edward Wheatley, jr.

157. Cadet Henry Graham McFeely.
164. Cadet Thomas Henry Harvey.

INFANTRY

36. Cadet Ralph Hemmings Davey, jr.
56. Cadet James Karrick Woolnough.
62. Cadet Earl Gilmore Wheeler.
67. Cadet Roger Barton Derby.
71. Cadet Everett Wayne Barlow.
78. Cadet Joe William Kelly.
87. Cadet John Morgan Price.
95. Cadet William Little.
98. Cadet Daniel Stone Campbell.
99. Cadet Richard Johnson Hunt.
102. Cadet Louis Watson Truman.
108. Cadet Charles Leonard Hassmann.
110. Cadet Kenneth Burton Hobson.
116. Cadet Harold Walmsley.
117. Cadet Gerald George Epley.
118. Cadet Bernard William McQuade.
120. Cadet Ashton Herbert Manhart.
134. Cadet Jefferson Davis Childs.
135. Cadet John Aloysius Gavin.
138. Cadet Joseph Edward Stearns.
143. Cadet William Barnes Moore.
146. Cadet Delbert Abraham Pryor.
147. Cadet Willard Sterling Garrison.
149. Cadet Meyer Abraham Braude.
150. Cadet Chester Hammond.
151. Cadet John George Ondrick.
153. Cadet Isaac Sewell Morris.
155. Cadet Hunter Harris, jr.
159. Cadet Ira Webster Porter.
163. Cadet William Harvie Freeland, jr.
165. Cadet William Halford Maguire.
167. Cadet Merle Robbins Williams.
169. Cadet Kenneth Edward Tiffany.
170. Cadet Nicholas Earnest Powel.
171. Cadet Norman Herbert Lankenau.
173. Cadet William Bing Kunzig.
174. Cadet Robert Bruce McLane.
175. Cadet Andrew Meulenberg.
179. Cadet William Gordon Beard.
180. Cadet Harvey Herman Fischer.
181. Cadet Robert Haynes Terrill.
182. Cadet Avery Madison Cochran.
183. Cadet Samuel Arthur Daniel.
184. Cadet Franklin Vines Johnston, jr.
185. Cadet Albert Edward Reif Howarth.
186. Cadet James Lee Massey.
187. Cadet Albert Edward Stoltz.
188. Cadet Thomas Connell Darcy.
189. Cadet Edmond Michael Rowan.
190. Cadet Edward Green Winston.
191. Cadet Milton Skerrett Glatterer.
192. Cadet William Henry Mikkelsen.
193. Cadet Hugh Thomas Cary.
194. Cadet Sewell Marion Brumby.
196. Cadet Clifford Harcourt Rees.
197. Cadet Arnold Leon Schroeder.
198. Cadet Graves Collins Teller.
199. Cadet Richard Henry Smith.
200. Cadet Roscoe Constantine Huggins.
201. Cadet Francis Deisher.
202. Cadet Eugene Porter Mussett.
203. Cadet Lon Harley Smith.
204. Cadet Edward Willis Suarez.
205. Cadet Paul Delmont Bunker, jr.
206. Cadet Edward Joseph Burke.
207. Cadet Walden Bernald Coffey.
208. Cadet George Reynolds Grunert.
209. Cadet James Ellison Glattly.
210. Cadet David Peter Schorr, jr.
211. Cadet William George Davidson, jr.
212. Cadet John Clinton Welborn.
213. Cadet Edwin Charles Momm.
214. Cadet Herbert Bishop Thatcher.
215. Cadet Charles Salvatore Dorsa.
216. Cadet Frederick Milton Hinshaw.
217. Cadet Robert Broussard Landry.
218. Cadet Luigi Giulio Guiducci.
219. Cadet William Hyatt Bache.
220. Cadet William Anderson McNulty.
221. Cadet Joe Edwin Golden.
222. Cadet Eldon Frederick Ziegler.
223. Cadet Frank Greenleaf Jamison.
224. Cadet James Winfield Coutts.
225. Cadet Dan Gilmer.
226. Cadet Wilfred Joseph Lavigne.
227. Cadet George Thigpen Duncan.
228. Cadet Harry Celistine Quartier.
229. Cadet Roy Edwin Moore.
230. Cadet Harley Niles Trice.
231. Cadet James Ernest Beery.
232. Cadet Arville Ward Gillette.
233. Cadet Harold Edward Shaw.
234. Cadet Charles Gates Herman.
235. Cadet Charles Alexander Carrell.
236. Cadet Lawrence Bartlett Babcock.
237. Cadet William Roy Thomas.
238. Cadet Loris Ray Cochran.
239. Cadet Robert Lynn Carver.
240. Cadet Henry Chesnutt Britt.
241. Cadet Thomas Randall McDonald.
242. Cadet Orville Wright Mullikin.
243. Cadet Romulus Wright Puryear.
244. Cadet David Harrison Armstrong.
245. Cadet Earl Sipple Eckhart.
246. Cadet John William Keating.
247. Cadet John Garnett Coughlin.
248. Cadet Thomas Robertson Hannah.
249. Cadet William Madison Garland.
250. Cadet William Elwood Means.
251. Cadet George Louis Descheneaux, jr.
252. Cadet Thomas Charles Morgan.
253. Cadet John William Bowen.
254. Cadet Frank Ward Ebey.
255. Cadet James Walter Gurr.
256. Cadet James Madison Churchill, jr.
257. Cadet Robert Lee Scott, jr.
258. Cadet Lewis Ray Briggs.
259. Cadet Harold Randall Everman.
260. Cadet Keith Allen Thompson.
261. Cadet Thomas Benjamin Spratt, jr.
262. Cadet Erskine Clark.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 2, 1932

The House met at 12 o'clock noon.

Rev. Simpson B. Daugherty, D. D., pastor of the National Memorial United Brethren Church, Washington, D. C., offered the following prayer:

O God, we thank Thee that in spite of all of the testing circumstances through which we are passing this day Thou art still on Thy throne; Thou art still calling out the great hearts of men and women to carry forward that program that shall bring confidence and renew faith in the principles of our Nation, and in our lawmakers and in this great body in particular.

We pray, O God, that Thou wilt be in this session; that Thou will lead these, Thy servants, in the way of Thy choosing, and that out of their great work there shall come that plan that shall bring us out of darkness into the light, and that we shall be encouraged and challenged to go forth and bring the hand of the Great Physician to the fevered pulse of the world, and bring order out of chaos, and usher in a reign of righteousness and peace. In His name we ask it. Amen.

THE JOURNAL

The Clerk read the Journal of the proceedings of yesterday.

Mr. PITTENGER. Mr. Speaker, before the Journal is approved, I would like to have the RECORD show something with reference to yesterday's RECORD. A part of yesterday's RECORD is not correct as to what took place. I refer to page 11780 of the RECORD, in connection with the bill H. R. 491. I tried to explain that bill yesterday and was not permitted to do it. There is a lot of stuff that appears in the RECORD that was not said on the floor yesterday. I asked my distinguished colleague the gentleman from Texas, the Democratic leader, for an opportunity to explain it. He chopped me off. That was his privilege. I asked the gentleman if he had read the hearings and, consciously or unconsciously, he said that he had not. Now the RECORD shows that the gentleman said he read a 23-page report. Then, without giving me an opportunity to explain the bill, the gentleman said he would have to object because of the amount involved, and now I find a lot of stuff about taxes. I find stuff about 15-cent picture shows and 3-cent postage that was not said on the floor at all. I want the RECORD to show that if a bill is to be objected to, without opportunity to explain to this House, there are 20,000 people in my State that are interested, and if the Democratic leader from Texas wants to take that responsibility, it is his, but I want to say the RECORD is not correct in the above particulars.

I was denied the privilege by the distinguished Democratic leader from Texas of telling the Members of this House something about the bill and explaining the merits of the bill.

Mr. BLANTON. Mr. Speaker, in order to show my reasons for objecting to that and other bills, I asked and obtained unanimous consent to extend my remarks on same.

Mr. PITTENGER. I did not hear it.

Mr. BLANTON. That is granted in the RECORD and is so shown on page 11771 in the RECORD, as follows:

> Mr. BLANTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD made to-day.
>
> The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?
>
> There was no objection.

The SPEAKER. The RECORD shows that the gentleman asked and received unanimous consent to revise and extend his remarks.

Mr. BLANTON. I did it to explain my reason for objecting to the bill.

The SPEAKER. Without objection, the Journal will stand approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 208. An act to authorize transfer of the abandoned Indian school site and building at Zeba, Mich., to the L'Anse Band of Lake Superior Indians;

H. R. 3691. An act for the relief of J. P. Moynihan;

H. R. 4143. An act for the relief of the Sherburne Mercantile Co.;

H. R. 4270. An act for the relief of Carroll K. Moran;

H. R. 4453. An act for the relief of Pasquale Mirabelli;

H. R. 7305. An act to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products;

H. R. 9254. An act to authorize the exchange of a part of the Rapid City Indian School land for a part of the Pennington County Poor Farm, South Dakota; and

H. J. Res. 341. Joint resolution providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 8031. An act to provide for expenses of the Crow and Fort Peck Indian Tribal Councils and authorized delegates of such tribes.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 276. An act for the construction and equipment of a hospital on Crow Indian Reservation;

S. 361. An act for the relief of Mary E. Stebbins;

S. 933. An act to amend section 1025 of the Revised Statutes of the United States;

S. 1594. An act for the relief of Albert Gonzales;

S. 1673. An act for the relief of Charles C. Bennett;

S. 2352. An act amending the act entitled "An act authorizing the Court of Claims to hear, determine, and render judgment in the civilization fund claim of the Osage Nation of Indians against the United States," approved February 6, 1921 (41 Stat. 1097);

S. 2375. An act for the relief of Roscoe McKinley Meadows;

S. 2458. An act for the relief of Ralph E. Williamson for loss suffered on account of the Lawton, Okla., fire, 1917;

S. 2960. An act for the relief of the estate of Anton W. Fischer;

S. 2987. An act providing for the construction and equipment of a hospital upon the Blackfeet Indian Reservation in the State of Montana;

S. 3786. An act to provide that the United States extend to foreign governments invitations to participate in the International Congress of Architects to be held in the United States during the calendar year 1933, and to authorize an appropriation to assist in meeting the expenses of the session;

S. 4020. An act to give the Supreme Court of the United States authority to prescribe rules of practice and procedure with respect to proceedings in criminal cases after verdict;

S. 4372. An act for the relief of John E. Click;

S. 4379. An act for the relief of Yvonne Hale;

S. 4443. An act for emergency relief of Palo Verde Valley, Calif.;

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;

S. 4495. An act 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);

S. 4525. An act 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;

S. 4635. An act authorizing the Commonwealth of Kentucky, by and through the State Highway Commission of Kentucky, or the successors of said commission, to construct, maintain, and operate a toll bridge across the Ohio River at or near Owensboro, and permitting the Commonwealth of Kentucky to act jointly with the State of Indiana in the construction, maintenance, and operation of said bridge;

S. 4636. An act authorizing the Commonwealth of Kentucky, by and through the State Highway Commission of Kentucky, or the successors of said commission, to construct, maintain, and operate a toll bridge across the Ohio River at or near Cairo, Ill., and permitting the Commonwealth of Kentucky to act jointly with the State of Illinois in the construction, maintenance, and operation of said bridge; and

S. J. Res. 113. Joint resolution to commemorate the one hundredth anniversary of the first public singing of "America."

BOARD OF VISITORS, UNITED STATES MILITARY ACADEMY

The SPEAKER laid before the House the following communication, which was read by the Clerk.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON APPROPRIATIONS,
SEVENTY-SECOND CONGRESS,
Washington, D. C., June 1, 1392.

The SPEAKER,
House of Representatives, Washington, D. C.

MY DEAR MR. SPEAKER: Pursuant to the act of May 17, 1928 (45 Stat. 597), I have appointed the following members of the Committee on Appropriations of the House as members of the Board of Visitors to the United States Military Academy: ROSS A. COLLINS, WILLIAM C. WRIGHT, TILMAN B. PARKS, HENRY E. BARBOUR, and FRANK CLAGUE.

Respectfully yours,

JOSEPH W. BYRNS, *Chairman.*

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to Mr. GREGORY for an indefinite period on account of serious illness of his wife.

MEMORIAL EXERCISES AT TOMB OF UNKNOWN SOLDIER

Mr. SANDLIN. Mr. Speaker, I ask unanimous consent to extend my remarks by printing in the RECORD a speech delivered by Hon. J. H. Shepherd, an employee of the House, at the memorial exercises held at Arlington Cemetery on May 30.

Mr. STAFFORD. Reserving the right to object, what was the address and where was it delivered?

Mr. SANDLIN. It is an address delivered by Hon. J. H. Shepherd, an employee of the House, an ex-Union soldier, and was delivered at Arlington Cemetery at the memorial services.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. SANDLIN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address of Hon. J. H. Shepherd, of Berwyn, Md., over the National Broadcasting Co., on the occasion of memorial exercises at the Tomb of the Unknown Soldier in Arlington Cemetery on May 30, 1932:

My fellow countrymen, it is a blessed privilege to give a message from this hallowed spot where thousands who served their country in her hour of need have their final resting place, in sight of the Capitol and under the flag of the Republic. It is fitting that the Nation should honor on this day not only those who gave "their full measure of devotion" on the battlefield, but also the survivors of the years of weary marches under burning suns who suffered hunger and cold, heard the thundering artillery, the shrieking shell, and the whistling bullet.

An English historian, describing a memorial monument erected by a city whose people had suffered a loss of 4,000 out of 7,000 people by withstanding an enemy through siege and battle, said:

"A people which takes no pride in the achievement of remote ancestors will not achieve anything worthy to be remembered by remote descendants." The English people have received their greatest inspiration for great accomplishments in military, scientific, and literary excellence and their long struggle for liberty from that temple of silence and reconciliation, Westminster Abbey, where for centuries a grateful people have honored, in marble, their noble and great. The inspiration from the contemplation of these worthies has steeled the nerves and inspired the souls of her sons in the stress of battle to die for the glory of the empire.

Thousands have received inspiration for patriotic service to country from the contemplation of the noble shaft on Bunker Hill, which commemorates the spot where 1,500 American farmers repulsed again and again thrice their number with a loss of but 450, while 1,050 trained British regulars fell, in the first battle for freedom.

After more than 100 years of neglect the National Government has erected a shaft in commemoration of Jackson's victory, on January 8, 1815, over Wellington's veteran infantry, trained in conflicts with Napoleon's battalions in Spain. The British losses were 700 killed, with the commander, and a frightful loss of officers, 1,400 wounded, and 500 prisoners. The American losses were 8 killed and 13 wounded. Thousands who visit the beautiful city of New Orleans can now see this shrine of victory. But a few years ago Texas took over the Alamo for a perpetual monument, where 150 Americans held at bay for weeks an army of 6,000 Mexicans and laid down their lives to insure Texas independence.

Mount Vernon and the Lincoln Memorial receive a constantly increasing number of visitors who can not fail to be impressed with the debt we owe to the father and to the preserver of the Union. As they read the words carved in marble of Lincoln's first inaugural they will now realize that his prophecy has been fulfilled. "We are not enemies but friends. We must not be enemies. Though passion may have strained, it must not break our bonds of affection. The mystic chords of memory, stretching from every battlefield and patriot grave to every living heart and hearthstone all over this broad land, will yet swell the chorus of the Union when touched, as surely they will be, by the better angels of our nature."

As the great war neared its close in 1865, with all its bitterness, with a near triumph in view, he says, "With malice toward none; with charity for all; with firmness in the right, as God gives us to see the right, let us strive to finish the work we are in; to bind up the Nation's wounds; to care for him who shall have borne the battle, and for his widow, and his orphan—to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations."

The fame of Abraham Lincoln has widened with the circling years; more books have been written about him than any other man who ever trod this earth, more monuments erected by people of other lands than to any other man, honored for the noble sentiments which touched the hearts of the struggling masses seeking government by the people.

Reconciliation between the people who expended four weary years and their best blood and treasure in that mighty conflict is now complete. The generation of sixty-one inherited the bitter controversies which began in the dawn of the Republic. The great armies, who displayed their dauntless courage, their patience, their suffering, melted back among their people and exercised their mighty influence in building a nobler and stronger Nation to bless not only their future generations but all mankind.

Let it never be forgotten that the war was fought by volunteers—a goodly number of boys in their teens. Those in the North utilized that training in obedience, reverence for law, ability to endure hardships and misery of body and soul to the building of a greater nation by a conquest of the prairies and mountains of the West. Thousands took up the trail to the West. The homestead act of 1862, signed by Lincoln, offered free lands to all who had the courage to brave the perils of the savage who ranged over this vast domain, and who, by tomahawk and scalping knife, determined to retain it. In covered wagons, with naught but the plough and a trusty rifle, in the course of 40 years they reduced the fertile prairies into productive farms. Great railroads were built. Cities sprang into active life. Public schools multiplied. They delved into the mountains and converted their treasures of gold, silver, and other minerals into use for man. These veterans were the pioneers of the 10 flourishing States added to the Union. The men who followed the leadership of the incomparable Lee and Jackson returned to wasted homes, their entire labor system destroyed, the social system completely disorganized. Trained to obedience, reverence for authority, to look beyond the clouds and never despair, they took up the mighty task of a reconstruction made more difficult by legislation arbitrarily imposed on them and denied any voice in the Government by an arrogant and powerful majority.

Robert E. Lee, recognized among military critics of other lands as one of the greatest military commanders in all ages, was offered the presidency of an insurance company at a large salary. Duty had been his guide in his stainless life. He took up the nobler task of the presidency of a university at a mere pittance to train young men The keynote of his efforts to build character for patience, loyalty to truth, and an integrity which could withstand temptations of every sort, with unselfish consecration to labor for the common good. The few years, too few for the task but long enough to point the way to the people whose undying affection made his word as great in peace and as ready to obey as his order at the head of a great army. The veterans of the Confederacy by many thousands, in covered wagons with a few scant belongings, poured into that empire State of Texas and which has become one of the brightest stars of the Union.

North Carolina, availing itself of the privilege of placing two statues of its most illustrious men in Statuary Hall of the Capitol filled its long vacant place with the statue of Governor Aycock, son of a Confederate soldier. He gave his State a life of devotion to the cause of education.

After years of labor he overcame the prejudice of his people against public education and placed on its statutes laws providing for the education and taxation for it of both races. It was North Carolina's spirit of resurrection from poverty to prosperity. Alabama placed in the same hall a brave Confederate soldier, J. L. M. Currey, honored, not for his valor in war but for the patriotic and unselfish devotion of his great organizing ability and intellect to the cause of public education of both races from the Potomac to the Rio Grande. He was an orator, statesman, and educator.

The Woman's Relief Corps of Washington, a few months ago, presented to Vice President CURTIS and Speaker GARNER a silk flag of our country. The first a son of a Union veteran, the second that of a Confederate, each reared in the hard school of poverty, but taught by work at an early age self-reliance, endurance, loyalty to truth, courage to stand by their convictions at all hazards. Both taught in the home the principles of the Divine Master as the surest guide in life, and the immortal life beyond. Each by continued contact with the common people and in the school of experience and by 30 years of actual service in Congress knows the practical needs in every department of this great Government. Each a thorough master of parliamentary rules of procedure, although opposed in politics. Each by absolute fairness and impartiality and by their genuine sincerity and amiability are today not only the best qualified for their often complicated and onerous duties but the most beloved presiding officers of both Houses of Congress in the past 50 years.

The mania of denouncing the Government, especially Congress, has been with us from the first session of the first one held.

There never was a more intelligent, sober, industrious, and patriotic body than the present one now sitting day and night, wrestling with the gravest problems that ever confronted a people. Do not expect the Government to cure all your afflictions. Get busy at home to suppress lawlessness, spend the evening with your children, studying the history of your fathers, who, by courage, patience, and self-reliance, wrought out their own salvation and conquered for you the many blessings you enjoy.

Let the veterans of the late wars cherish Memorial Day, not as a day for sports but a day for honoring the glorious men of the past. A day of reconsecration to the principles of justice and of righteous living. To those veterans we of the Grand Army of the Republic commit the sacred duty of keeping Memorial Day sacred to holy memories of their illustrious fathers, who, by their blood and sacrifices, built this glorious fabric of Government of a free people. The victories of peace will be greater than those of war, and you will leave as a heritage to your children something more worthy of remembrance than silver and gold.

Let us in the language of Pope's Universal Prayer be guided in this hour of sorrow by his appeal:

"Let not this weak unknowing hand
Presume thy bolts to throw,
And deal damnation round the land,
On each I judge thy foe.

"Teach me to feel for others' woes,
To hide the faults I see,
That mercy I to others show.
That mercy show to me.

"If I am right, thy grace impart,
Still in the right to stay,
If I am wrong, Oh! teach my heart
To find the better way."

COST OF GOVERNMENT

Mr. JOHNSON of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of economy.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JOHNSON of Missouri. Mr. Speaker, the question of a reduction of the cost of government is of such vital importance that it should challenge the interest and best thought of every Member of this body in order that the burdens now so heavily pressing upon the backs of the American taxpayers may be lessened.

I say to you, Members of Congress, there is no justification for the present enormous governmental deficit which necessitates an increase of the tax burdens of the people. Such deficit is solely the result of a mad orgy of wild spending of the people's money by those having charge of the Government.

The cost to the American taxpayer of the present bureaucratic government has become so burdensome that it is unbearable. Useless and extravagant bureaus, which have accomplished nothing but the expenditure of public funds, must be abolished. There must be a consolidation of departments to prevent the ever-present overlapping and duplication of activities.

A comparison of certain items of expenditure of public funds by the Sixty-seventh Congress, in 1923, with appropriations made by Congress under the present Hoover administration for 1931, reveals a vast increase in the cost of Government. I submit the following as a fair example of such increase:

OFFICE OF THE PRESIDENT

(a) Salaries to the Secretary of the President and personal services in the office of the President:	
Sixty-seventh Congress	$74,280
Appropriations, 1931	126,120
Increase	51,840
(b) Contingent expenses of President, including stationery, etc.:	
Sixty-seventh Congress	36,000
Appropriations, 1931	43,500
Increase	7,500
(c) Salaries of White House police:	
Sixty-seventh Congress	55,540
Appropriations, 1931	103,200
Increase	47,660

DEPARTMENT OF COMMERCE

(a) Salaries and other personal services in the District of Columbia:	
Sixty-seventh Congress	201,250
Appropriations, 1931	348,095
Increase	146,845

DEPARTMENT OF AGRICULTURE

(a) Salaries and personal services in the District of Columbia:	
Sixty-seventh Congress	472,520
Appropriations, 1931	736,000
Increase	263,480
(b) Miscellaneous expenses:	
Sixty-seventh Congress	156,000
Appropriations, 1931	198,000
Increase	42,000

Under the last Congress of President Wilson's administration the total appropriation for the Department of Agriculture amounted to $31,475,386, but under the present administration, in 1931, the Department of Agriculture received appropriations in the total sum of $220,288,164, an increase of $188,812,796. The farmer has received practically no benefit from this enormous increase, for he is now receiving only about one-sixth as much for his products as he received under the Wilson administration.

The following is a comparison between certain appropriations for the years 1925 and 1931:

	1925	1931	Increase
Legislative establishment	$14,648,136	$29,520,710	$14,872,574
Independent offices	411,216,020	1,169,249,797	758,033,777
Department of Commerce	24,123,472	61,300,936	37,177,464
Department of Justice	24,277,141	42,247,989	18,020,848
Department of State	15,246,097	18,778,462	3,532,365
Department of the Treasury	269,354,848	372,556,973	103,202,125
Increase of the 6 departments under the Hoover administration			934,839,153

The total appropriations by Congress for 1931 for the various governmental organization units, exclusive of appropriations for interest on the public-debt retirement, amounted to $4,129,015,062.95. It has been estimated if the cost of local and State governments be added it would make a total of more than $12,000,000,000 which the people are compelled annually to pay to support the various arms of the Government. That means that the per capita expenditure for governmental expenses in 1931 was $100 for each of our 120,000,000 of people, or $400 for each average American family.

It is thus seen that the sum of $380 was expended by the American people during every second, night and day, in 1931 for the purpose of maintaining and supporting government.

The fact is that the administrators of our Government have ruthlessly and unnecessarily expended the people's money. In the last four decades our population has increased 100 per cent, the national wealth has increased 450 per cent, but the cost of government has increased 1,000 per cent.

The public was shocked by the recent announcement that 11 luxurious limousines had been purchased with the people's money for the use of the White House.

When the new Department of Commerce Building was constructed, without reason or justification, the Government provided a private elevator for the exclusive use of the Secretary of Commerce to keep him from coming into contact with the people. The public is now paying a girl to operate and a guard to protect this private elevator. It has been stated that this building contains 12 bronze doors alleged to have cost $5,000 each, or a total of $60,000. There are 60,000,000 of people in our land each of whom is worth less than the cost of one of these doors. I say to you, ladies and gentlemen of the Congress, the people are justly aroused and they will not longer stand this unjustifiable expenditure of their money.

Thus the reason for the present deficit and the necessary tax increase is explained by the enormous increase of the cost of government under the present administration.

THE ECONOMY BILL

In a sincere effort to effect economies in the Government and to reduce the burdens of the people, the Democrats in the House introduced the economy bill recently passed by Congress.

Personally, I believe this question which so vitally affects the welfare of the Nation should be considered by the people as Americans rather than as politicians, and it is to be regretted that the President has seen fit to make a political football out of this tragedy he brought upon the Nation. By misleading statements he would confuse the minds of the people in an effort to divert their attention from the present terrible distress into which they have been plunged by his administration of the Government, but the people will not be fooled.

When Congress convened the first of December, the President appealed for the cooperation of both political parties in passing legislation providing for a moratorium on foreign debts and the Reconstruction Finance Corporation sponsored by him. At the time of the passage of the moratorium act, the President failed to advise Congress of the critical condition of the Treasury. I voted against the moratorium because I felt that it was solely for the benefit of the international bankers, and that the amount of such debts would be saddled upon the American taxpayers.

The President later informed Congress that his administration of the Nation's business had caused a governmental deficit for the fiscal year ending June, 1931, of over $900,000,000; for the year ending June, 1932, a deficit of more than $2,000,000,000; and for the year ending June, 1933, an estimated deficit of slightly less than $2,000,000,000. The deficits for 1931 and 1932 were fixed and could not in any way be changed by the present Congress. They had been caused solely by previous Congresses under the present administration, and the present Congress had nothing whatever to do with causing them. Notwithstanding the President's party had complete control of both branches of Congress and all departments when the deficits for 1931 and 1932 were caused, no effort was made to provide for such deficits nor to cut appropriations to prevent the further mounting of such deficits. Not one word was ever uttered about balancing the Budget until the Democrats had obtained a bare paper majority of only one House of Congress. The President merely placed the deficits for 1931 and 1932, which he had been three years in creating by his extravagance, at the door of this Congress without any concrete suggestions and asked it in one month to rectify his three years' mistakes.

Under an act of Congress of June, 1921, there was created what is known as the Bureau of the Budget. This law gives to the President the authority to request the bureau to make a detailed study of the departments and establishments for the purpose of enabling him to determine what changes (with a view of securing greater economy and efficiency in the conduct of the public service) should be made. Saturday morning, May 7, 1932, I called Col. J. Clawson Roop, Director of the Budget, and he informed me that President Hoover had never called on the bureau for any such study and report. It is at once apparent that his plea for economy coming after Congress had already passed on appropriation and economy bills is nothing but a political gesture.

Although there was nothing that could be done to change the enormous deficits for 1931 and 1932, the Democratic House determined to hold the 1933 deficit as low as possible. The law requires the President, through the Budget, to make an estimate and request for the various appropriations. The appropriation for the Department of Agriculture was the first considered. The amount requested by the President called for an appropriation of $186,264,405. The committee began to cut out items that might be dispensed with in times of stress like the present. When the committee began to make these reductions, the President's Secretary of Agriculture protested.

In spite of this opposition the House reduced this appropriation $14,171,120 below the amount asked by the President in the Budget. The CONGRESSIONAL RECORD, May 6, 1932, page 10018, contains a detailed report showing the savings effected on each of the appropriation bills thus far considered by the House. The appropriations by this Congress in the bills already passed have been over one-half billion dollars less than 1931 and over $200,000,000 less than President Hoover requested in his Budget.

These reductions were made over the opposition of the President's official family. If Congress had given just the departments already considered the amount President Hoover requested, it would have cost the people $200,000,000 more. The present administration has caused the largest deficit and the present Congress has reduced appropriations in the largest amounts in the history of the Nation.

I was, of course, disappointed that certain major economies in the economy bill were defeated. The largest item of economy in the bill—the consolidation of the Army and Navy Departments—was strenuously opposed by President Hoover and the Republican leaders in the House, who worked against, voted against, and secured its defeat. This was the major proposal of the economy bill, carrying with it savings of more than $100,000,000. In this crisis it was a tragedy for the President and his party, in the first attempt of Congress to effect real and permanent economy by consolidation of departments, to defeat such effort.

Since the President in his political message given to the press seeks to blame Congress for failure to pass the economy bill, it might be elucidating to look at the vote of the members of the President's party on this major economy in the bill. The record shows that 150 Republicans and 60 Democrats voted against this consolidation with a saving of over $100,000,000, and 109 Democrats and 48 Republicans and Progressives voted for same. I am glad to say that the record shows that the 12 Democratic Congressmen from Missouri, namely, BARTON, COCHRAN, LOZIER, DICKINSON, JOHNSON, ROMJUE, FULBRIGHT, WILLIAMS, SHANNON, MILLIGAN, CANNON, and NELSON, all fought and voted for this, the greatest saving in the bill, as well as for the many other economies in such bill.

I and the other Missouri Democrats voted for the law passed by this Congress reducing our own salaries as Congressmen. I thought that we should evidence a desire on our own part to economize.

The Hoover administration proposes to continue its wild orgy of spending of the people's money by obnoxious taxes upon the people including an increase in postage, a stamp tax on bank checks, and other burdensome taxes. I am opposed to, and voted against, these taxes. Personally, I believe that what the country needs is a wise reduction in governmental expenditures rather than an increase in taxes.

The Democrats have only a bare paper majority in the House, and in order to effect economies or pass remedial legislation they must have the cooperation of the Hoover administration, which controls the Senate and all other departments of the Government. The record shows that it is not receiving such cooperation. The tariff bill passed by both Houses of this Congress for the purpose of removing some of the iniquitous provisions of the present tariff law to revive commerce met with a presidential veto, and the bill passed by the House to restore commodity prices is now threatened with similar final defeat.

I say the time has come when we must apply the axe at the very root of governmental extravagance and stop all useless activities. For my part, I intend to vote for measures to effect such results regardless of what course others may pursue.

Let us return to a plain, simple, judicious, economical administration of the Government in the interest of the people.

Mr. Speaker, may I say it is to be regretted that it has been necessary for Congress to consume so much time in an effort to efface the deficit caused by the present administration, for there are many other serious conditions facing the country which must be remedied.

It is said by some that if remedial legislation were passed, it would meet the same fate and defeat as the tariff law passed by this Congress. Let us pass such legislation and let the President answer to the country for his veto. Our

farmers, our laborers, and the average business man are in ruin and despair, and it is our duty now to enact legislation which will relieve them in their terrible distress.

PERMISSION TO ADDRESS THE HOUSE

Mr. GOLDSBOROUGH. Mr. Speaker, I am very anxious to discuss, if possible, the Glass substitute for the Goldsborough stabilization bill; and with that in view, and also in view of my desire not to interfere with the Private Calendar, I ask unanimous consent to address the House on that subject to-morrow afternoon after 4 o'clock, at which time the consideration of the Private Calendar will probably be concluded.

The SPEAKER. The Chair will say that the custom has been not to grant unanimous consent for a future date to address the House. The Chair feels confident that if the gentleman will ask that permission to-morrow morning it will undoubtedly be granted to him.

Mr. SNELL. I agree to what the Speaker has said. There will be no objection to doing that to-morrow.

FRANK P. ROSS AND EARL A. ROSS

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture be discharged from consideration of the bills H. R. 12065 and H. R. 12066, and that these bills be referred to the Committee on the Public Lands.

The SPEAKER. Is that agreeable to the chairman and the ranking member of each committee?

Mr. JOHNSON of Washington. Yes; I have consulted the chairman and the ranking members, and it is agreeable to them.

Mr. STAFFORD. Reserving the right to object, may I inquire what the subject matter with reference to these two bills is?

Mr. JOHNSON of Washington. They are minor bills with reference to claims of two young men, in an effort to correct some homesteading errors. The bills were referred to the Committee on Agriculture, because the text would make it appear that it had to do with forest-reserve lands. The Senate is changing the bill to make it public lands, which would naturally go to the other committee.

The SPEAKER. Is there objection?

There was no objection.

THE LATE HON. CHARLES NEWELL FOWLER

Mr. STEWART. Mr. Speaker, I ask unanimous consent to proceed for one minute.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. STEWART. Mr. Speaker, I wish to call to the attention of the membership of this House the death of the Hon. Charles Newell Fowler, a former Representative of the fifth congressional district of New Jersey.

Mr. Fowler served as a Member of the Fifty-fourth and seven succeeding Congresses, his service covering a period of 16 years. Mr. Fowler was a distinguished member of the Committee on Banking and Currency, and served as its chairman.

ELECTION OF MEMBERS OF COMMITTEES

Mr. SNELL. Mr. Speaker, I present two privileged resolutions electing minority members to committees.

The Clerk read as follows:

House Resolution 246

Resolved, That HUGH I. SHOTT, of West Virginia, be, and he is hereby, elected a member of the Joint Standing Committee on Printing.

The resolution was agreed to.

Mr. SNELL. Mr. Speaker, I present a further privileged resolution.

The Clerk read as follows:

House Resolution 245

Resolved, That JOHN E. WEEKS, of Vermont, be, and he is hereby, elected a member of the standing Committee on Patents.

The resolution was agreed to.

HON. FRANK MURPHY

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CONNERY. Mr. Speaker, I would like to call to the attention of the constituency of the gentleman from Ohio, Mr. FRANK MURPHY, something which I consider one of the finest things which has come to my attention since I have been in Congress.

Mr. MURPHY called me about 20 minutes ago from his hotel, where he has been very sick for the past few weeks, and he said the doctor had allowed him to dress, and he was able to get downstairs this morning and telephone. He said: "If you need my name to complete that petition for the soldiers' bonus, I will be glad if you will give me an hour's notice to get out of my sick bed and come down and sign the petition."

Now, I want to say to the membership of this House that I was not surprised at Mr. MURPHY's attitude, because I know his fine courage and gameness as well as his interest in the veterans. He has always been in favor of the bonus. I want the veterans in his district particularly to know that he is willing to get out of his sick bed to come down and help them.

Mr. BLANTON. FRANK MURPHY, of Ohio, is for everything that is good. I indorse every word the gentleman has said about him.

CLYDE SHELDON

The SPEAKER. The Clerk will call the Private Calendar.

The Clerk called the first bill on the Private Calendar, H. R. 5053, for the relief of Clyde Sheldon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the United States Treasury not otherwise appropriated, the sum of $250 to Cldye Sheldon, the same being remission of a fine paid by the said Clyde Sheldon on October 9, 1929, for fishing in a closed area contrary to the form of the statute whereas it was not discovered until too late that there was no fish stream in the closed area and consequently the facts charged in the information did not constitute a crime.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ANTHONY PETER DE YOUNG

The Clerk called the next bill, H. R. 1185, for the relief of Anthony Peter De Young.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged sailors Anthony Peter De Young, formerly a water tender, United States Navy, shall hereafter be held and considered to have been honorably discharged from the naval service of the United States as a water tender on the 25th day of September, 1918: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

GEORGE DEWEY HILDING

The Clerk called the next bill, H. R. 1190, to provide for the advancement on the retired list of the Navy of George Dewey Hilding.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I may say to the gentleman from Pennsylvania who reported the bill that I have objected to other bills of similar purport even from the Committee on Naval Affairs, and also from the committee on which I have the honor to serve.

Unless there is some special merit in this case I shall be constrained to object.

Mr. COYLE. Mr. Speaker, if the gentleman from Wisconsin would ask the gentleman from Michigan who intro-

duced the bill to give him the reasons behind the bill, I feel quite certain he can do so.

Mr. STAFFORD. I am not concerned as to who gives the information. I have objected to similar bills. I would like to give the gentleman an opportunity to advance any reasons why a bill of this character should pass. Otherwise I shall object.

Mr. COYLE. Will the gentleman reserve his objection and give the gentleman from Michigan an opportunity to explain the bill?

Mr. MAPES. Mr. Speaker, I have no desire to take up the time of the House if the gentleman is going to object to the bill. The facts are fully and clearly set out in the report.

Mr. STAFFORD. Then, Mr. Speaker, I object.

FRANK E. EVANS

The Clerk called the next bill, H. R. 2087, for the relief of Col. Frank E. Evans, United States Marine Corps.

Mr. STAFFORD. Mr. Speaker, I object.

AGNES C. REDER

The Clerk called the next bill, H. R. 9004, for the relief of Agnes C. Reder.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to issue a patent to Agnes C. Reder for lands embraced in her enlarged homestead entry, Billings 029518, and her stock-raising homestead entry, Billings 029541, upon fulfillment of the usual requirements, but without reference to the limitations of the act of August 30, 1890 (26 Stat. 391).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

HARVEY COLLINS

The Clerk called the next bill, H. R. 2213, for the relief of Harvey Collins.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Harvey Collins, late of the United States Navy, shall hereafter be held and considered to have been honorably discharged from the naval service of the United States: *Provided*, That no pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

With the following committee amendments:

On page 1, line 6, strike out the words "held and considered to have been honorably," and insert the words "deemed to have been."

Page 1, line 7, after the word "discharged," insert the words "under honorable conditions."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ELMO K. GORDON

The Clerk called the next bill, H. R. 2844, for the relief of Elmo K. Gordon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Elmo K. Gordon, former seaman, first class, the sum of $648, being the amount due him for salary for one year at the rate of $54 per month, and said amount is hereby appropriated out of any money in the Treasury not otherwise appropriated: *Provided*, That no back pay, allowances, or emoluments shall become due because of the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

LAKE B. MORRISON

The Clerk called the next bill, H. R. 4166, to correct the military record of Lake B. Morrison.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Lake B. Morrison, late of Captain Horner's company, Third Regiment Potomac Home Brigade, Maryland Cavalry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of that organization on the 29th day of September, 1862: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

HELEN H. TAFT

The Clerk called the next bill, H. R. 5385, granting a pension to Helen H. Taft.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I have consistently objected to bills granting pensions to the widow of Theodore Roosevelt and to the widow of Woodrow Wilson, although the Congress did finally pass them, and I object to this bill. I think it is a bad practice.

Mr. STAFFORD. Will the gentleman withhold his objection?

Mr. BLANTON. If the House is willing; yes.

Mr. STAFFORD. Mr. Speaker, notwithstanding the statement of the gentleman from Texas that he has been opposed to the granting of a pension of $5,000——

Mr. BLANTON. Five thousand dollars each year for life.

Mr. STAFFORD. To the widows of former Presidents——

Mr. BLANTON. She not being indigent and not in necessitous circumstances.

Mr. STAFFORD. Notwithstanding that, we have granted a pension to the widow of former President Roosevelt, and during a Republican administration, to its credit, we granted a pension to Edith Bolling Galt Wilson. It is generally known that Mrs. Wilson was not in the position Mrs. Taft is, that she had an estate of her own and is interested in a large jewelry store on the Avenue; yet, carrying out the established policy of the Government, we granted her that honorarium. Now, as to the widow of President Taft, it is well known that when he ran for the Presidency of the United States his half-brother, Charles P. Taft, financed his campaign. It is well known that after he had been defeated for the Presidency he had to undertake private employment, and that he left no large estate.

Mr. BLANTON. His brother, Charles P. Taft, has one of the large landed estates in Texas, down in the district of the Speaker, in the Rio Grande Valley, some of the finest property in the world.

Mr. STAFFORD. But Mrs. Helen Taft and the former Chief Justice were not the recipients of that inheritance.

Mr. BLANTON. Oh, but this widow of our former distinguished Chief Justice is in comfortable circumstances.

Mr. STAFFORD. On what does the gentleman base that statement?

Mr. BLANTON. Just on my investigation; and I want to ask the gentleman one question.

Mr. STAFFORD. I am very pleased to yield.

Mr. BLANTON. Is the gentleman in favor of granting a pension of $5,000 a year as long as they may live to every good widow in the State of Wisconsin? If the gentleman is in favor of that, I shall withdraw my objection.

Mr. CLARKE of New York. Regular order, Mr. Speaker!

Mr. STAFFORD. It is rather unfair for the gentleman to demand the regular order on a proposition of this kind. It is only fair, in view of the precedents already established, that we have a little discussion of the matter.

Mr. CLARKE of New York. I withdraw the demand for the regular order, if we are going to have general debate.

Mr. BLANTON. So far as I am concerned, I want the gentleman to put everything in the RECORD he can to support this unwarranted proposition.

Mr. STAFFORD. I realize that my advocacy of this proposal, perhaps, is not popular in my district but when the Government of the United States has established a policy,

as we have with respect to the widows and near relatives of Members of Congress, granting them an honorarium of $10,000——

Mr. BLANTON. I am against that, too, and I hope it soon will be stopped.

Mr. STAFFORD. Nevertheless, we have adopted such a policy, and it is not fair to single out one widow for disadvantageous consideration, as we are doing in this case. We have adopted the policy—and it is a commendable policy—of granting such a pension. The gentleman from Texas does not wish any widow of a former President of the United States to live in want.

Mr. BLANTON. And I do not want any widow in Wisconsin to live in want.

Mr. STAFFORD. That has no application here.

Mr. BLANTON. I want to treat all widows in the United States alike.

Mr. STAFFORD. Then extend to Mrs. Taft the same allowance as Congress has to Mrs. Roosevelt and Mrs. Wilson.

Mr. BLANTON. I object.

PUBLIC SERVICE COORDINATED TRANSPORT OF NEWARK, N. J.

The Clerk called the next bill, S. 259, authorizing adjustment of the claim of the Public Service Coordinated Transport of Newark, N. J.

Mr. BLANTON. Mr. Speaker, this bill involves $122,442.43, which is too large a sum to be passed on by unanimous consent. This bill passed the Senate on January 20, 1932; and if we pass it now by unanimous consent in the House, it will cause the said sum of $122,442.43 to be taken out of the Public Treasury and paid to the Public Service Coordinated Transport of Newark, N. J. This bill was originally introduced for the sum of $137,442.43, and the claim at first was for the sum of $152,442.43, for alleged cost of restoring main-line tracks, car house and storage tracks. The railway company itself removed and reconstructed the car house. It kept no cost records. Representatives of the War Department who audited the account for removing the main-line tracks and distribution system asserted that the amount claimed for this work was excessive. Under the circumstances I can not permit this $122,442.43 to be taken out of the Treasury by unanimous consent. Therefore I object.

SETH B. SIMMONS

The Clerk called the next bill, H. R. 5450, for the relief of Seth B. Simmons.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Seth B. Simmons, who was a member of Company M, Fifth Regiment United States Cavalry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 19th day of December, 1908: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CON MURPHY

The Clerk called the next bill, H. R. 611, for the relief of Con Murphy.

Mr. MOUSER. Mr. Speaker, at the proper time I would like to be recognized to offer two amendments.

Mr. STAFFORD. Mr. Speaker, I reserve the right to object, to inquire whether this inquiry occurred prior to the enactment of the employees' compensation act.

Mr. CARTER of Wyoming. Yes; it occurred prior to the enactment of that act. The injury occurred in 1910 or 1912, and the act was passed in 1919, and for that reason the claimant could not take advantage of the provisions of the act.

Mr. STAFFORD. Mr. Speaker, it has been the consistent policy of this Congress not to extend the provisions of the employees' compensation act to injuries that occurred prior to the date of such enactment, and therefore I am constrained to object.

NEWARK CONCRETE PIPE CO.

The Clerk called the next bill, H. R. 689, for the relief of Newark Concrete Pipe Co.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, and there is hereby appropriated for such payment, to Newark Concrete Pipe Co. the sum of $1,824.41, in full settlement for damage due to explosions at naval ammunition depot, Lake Denmark, N. J., July 10, 1926.

With the following committee amendment:

Page 1, line 7, strike out "$1,824.41" and insert "$656.20."

The committee amendment was agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

JULIA KERR O'BLENESS

The Clerk called the next bill on the Private Calendar, H. R. 1222, for the relief of Julia Kerr O'Bleness.

The SPEAKER. Is there objection?

Mr. MOUSER. Reserving the right to object, I would like to hear from the gentleman from Ohio. In my judgment, this amount ought to be reduced to the amount of her expenses.

Mr. MOORE of Ohio. There is no objection to that. It is my purpose to ask to substitute the Senate bill, where the amount is reduced to $2,500, and that is approximately the amount that was expended.

This old lady was injured by a revolving door.

Mr. MOUSER. What is the number of the Senate bill?

Mr. MOORE of Ohio. S. 326.

Mr. STAFFORD. Reserving the right to object, I would like to ask the gentleman wherein was the Government at fault when this old lady was injured?

Mr. MOORE of Ohio. The door was so constructed that it was dangerous. There was a step just outside of this revolving door. There were others injured by the door in minor accidents. This is all set out in the statement of the custodian of the building and the Treasury Department. It appears there was fault on the part of the Government in the construction of the door and the placing of it so near the step. The door was removed and another constructed very shortly after the accident.

Mr. STAFFORD. It is difficult for me to conceive that the Government would place a revolving door in such a way that it would be injurious to life.

Mr. MOORE of Ohio. If the gentleman will permit, the building has been constructed a number of years, and probably a revolving door was not contemplated at the time it was built. A revolving door may not have been contemplated in the original construction. The step was close to the door, so that made it dangerous.

Mr. STAFFORD. I can not conceive that the Government would establish a revolving door in a place that would be injurious to life. I can conceive that this old lady, in her decrepitude, ought not to have been there without an attendant or in the custody of some other person.

Mr. MOUSER. As a matter of fact, the door was constructed in a faulty way, so that it did not revolve, but came back against her and knocked her over, down the steps. It was a faulty construction, and was immediately replaced by a new door.

Mr. MOORE of Ohio. The gentleman from Wisconsin speaks of the decrepitude of the old lady. If she could walk, she had a right to be there.

Mr. MOUSER. Let me say to the gentleman from Wisconsin that the gentleman from Ohio has agreed to accept an amendment reducing the amount to actual expenses.

Mr. STAFFORD. I am not concerned about the expenses. I am concerned about the allegation of the faulty construction of the door.

Mr. MOUSER. The door was so constructed that it did not go around, but came back and knocked her down the steps.

Mr. STAFFORD. Mr. Speaker, with the statement made by my colleague, I withdraw the reservation of objection.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER. The Chair understands there is a similar bill on the calendar, and, without objection, the Clerk will read the Senate bill.

The Clerk read as follows:

S. 326

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,500 to Abram G. O'Bleness, of Marietta, Ohio, in full settlement of all claims against the Government of the United States on account of injuries received by his wife, Julia Kerr O'Bleness, now deceased, on November 6, 1928, caused by being struck down by a revolving door in the Federal building at Marietta, Ohio.

Mr. MOUSER. Mr. Speaker, I offer the usual attorney-fee amendment to the Senate bill.

The Clerk read as follows:

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.

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time and passed.

A motion to reconsider the vote was laid on the table.

HARRISON SIMPSON

The next business on the Private Calendar was the bill (H. R. 1903) for the relief of Harrison Simpson.

The SPEAKER pro tempore (Mr. WOODRUM). Is there objection?

Mr. EATON of Colorado. Mr. Speaker, I reserve the right to object. I ask the author of the bill if this complainant was entitled to compensation?

Mr. PURNELL. Mr. Speaker, this is not my bill and I have no interest in it. The claimant is not a resident of my district. This is a bill that was introduced by the late Mr. VESTAL, and that is my only interest in it. He was vitally interested in this claim. This boy was injured in the House Office Building. He got a splinter in his eye that at first seemed not serious but which later necessitated the removal of the eye. He did not file his claim within the year. The purpose of this bill is to permit him to file his claim for compensation.

Mr. EATON of Colorado. Then there will be no objection to having the usual form for that type of claim substituted for the bill, with the proviso that no benefit shall accrue prior to the approval of the act?

Mr. PURNELL. That is customary, is it not?

Mr. EATON of Colorado. Yes.

Mr. PURNELL. I have no objection to that.

Mr. EATON of Colorado. Mr. Speaker, I withdraw the objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission shall be, and it is hereby, authorized and directed to waive the statute of limitations in the application filed by Harrison Simpson, a former employee in the House Office Building, Washington, D. C., for compensation under the provisions of an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, in order that he may receive the same consideration as though he had applied within the specified time required by law.

Mr. EATON of Colorado. Mr. Speaker, I offer the following amendment in the nature of a substitute, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. EATON of Colorado: Strike out all after the enacting clause and insert:

"That the United States Employees' Compensation Commission is hereby authorized to consider and determine the claim of Harrison Simpson in the same manner and to the same extent as if said Harrison Simpson had made application for the benefits of said act within the 1-year period required by sections 17 and 20 thereof: *Provided*, That no benefit shall accrue prior to the approval of this act."

The amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

MINOR CHILDREN OF JAMES P. CONWAY, DECEASED

The next business on the Private Calendar was the bill (H. R. 2684) to extend the benefits of the United States employees' compensation act to the widow and minor children of James P. Conway, deceased.

The SPEAKER pro tempore. Is their objection to the present consideration of the bill?

Mr. EATON of Colorado. Mr. Speaker, I reserve the right to object, and I ask the author of the bill whether he is willing to have a substitute therefor in the usual form?

Mr. BLANTON. Is this one of those bills that goes back of that act?

Mr. STAFFORD. Oh, no.

Mr. SWING. The gentleman is mistaken about that. I am sure it is not one of those that go back. I do agree that the form of the bill should be changed so that it will be a waiver.

Mr. BLANTON. Let me ask the gentleman this question. Why did this man wait 6 years and 15 days before he made any application? It occurs to me that that is a long time for a man to make up his mind as to whether or not he is injured and entitled to compensation from the Government.

Mr. SWING. He was injured on the leg and subsequently the scar developed into a growth, and when it was operated upon it was found to be of a cancerous nature. He died. He was only 15 days over the statute of limitations.

Mr. BLANTON. It was 6 years and 15 days after the injury.

Mr. SWING. I am sure the gentleman is familiar with the origin of cancer, and that a bruise is one of the recognized origins of cancer. We do not pass upon the merits of the claim here. That has all to be proven before the commission which we have set up for the purpose of making the determination. They have doctors and experts of their own who will examine the matter and make certain the Government is protected.

Mr. BLANTON. The gentleman from California can not accuse anyone of his colleagues of not having gone along with him on big propositions, because they have helped him out wonderfully, but I can not go along with him where a man is injured 6 years and 15 days before a claim is ever filed against the Government for compensation.

Mr. BLACK. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BLACK. Here is the case of an employee of the Government who does not file a claim for compensation because he believes that his injury is slight. He does not make any demand upon the Government because he figures that he has not received much of an injury and he does not put the Government to any expense because of that. Subsequently, years later, it is found that he has a cancer. This man ought to get consideration.

Mr. BLANTON. I guarantee to both gentlemen that if they will get some medical works and some medical experts' testimony, they will find that a bruise occurring six years and 15 days before the discovery of cancer is not the producing cause of the cancer.

Mr. BLACK. The evidence here is that it was the cause of the cancer.

Mr. BLANTON. Was it the evidence of laymen or of expert doctors?

Mr. BLACK. Of medical experts. Does not the gentleman think that a man who does not file a claim for a slight injury should have that much consideration shown him if it is subsequently found that he had a real injury?

Mr. BLANTON. The Government is an easy mark. Many people wait and wait, and finally when they need money they begin to file claims against the Government.

Mr. SWING. The gentleman certainly does not want to close the door against this widow having her day in court?

Mr. BLANTON. I want the Government to pay its honest debts. This is a gratuity at most.

Mr. SWING. No, no.

Mr. BLANTON. The Government owes honest debts. What is the gentleman doing to get this petition signed to pay the soldiers what the Government owes them? Is the gentleman doing anything to get that petition signed?

Mr. SWING. I want them to have their day in court.

Mr. BLANTON. They had their day in court when they were fighting in the trenches in France, and they ought to have been paid in cash when they came back.

Mr. SWING. The commission says they have not yet passed upon the merits of this. We can trust them to do so. They are not easy marks.

Mr. CLARKE of New York. Mr. Speaker, regular order!

Mr. BLANTON. Mr. Speaker, I object.

FRANK A. SMITH

The Clerk called the next bill, H. R. 2685, to extend the benefit of the United States employees' compensation act to Frank A. Smith.

Mr. EATON of Colorado. Mr. Speaker, reserving the right to object, I wish to ask the author of this bill if he will ask to have the bill changed by substituting after the enacting clause the form used for compensation cases?

Mr. SWING. I am willing to do that. I thought what was in here was a mere waiver of the statute of limitations.

Mr. BLANTON. Mr. Speaker, reserving the right to object, it is shown that this injury, if there were an injury caused under such circumstances, occurred back in 1922. That is 10 years ago, and it is now too archaic. It has moss on it, and I object.

ELLEN N. NOLAN

The Clerk called the next bill, H. R. 3414, for the relief of Ellen N. Nolan.

Mr. BLANTON. Mr. Speaker, reserving the right to object, with the understanding that the gentleman from Massachusetts will accept an amendment reducing the amount from $5,000 to $2,500, I will not object.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ellen N. Nolan the sum of $5,000 as compensation for the injuries sustained by being knocked down and injured by an automobile owned and operated by the Post Office Department.

With the following committee amendments:

Page 1, line 6, strike out "$5,000" and insert in lieu thereof "$2,500."

Page 1, line 9, insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of $150 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 $150 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."

The committee amendments were agreed to.

Mr. MOUSER. Mr. Speaker, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MOUSER: Page 1, line 6, after the amount "$2,500" insert a comma and the following: "in full settlement of all claims and demands against the Government of the United States."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

ARTHUR RICHTER

The Clerk called the next bill, H. R. 3790, for the relief of Arthur Richter.

Mr. BLANTON. I reserve the right to object. This injury is alleged to have occurred on August 18, 1916, before the enactment of the employees' compensation act. At the time he was injured he was paid $840 by the Labor Department. This is one of the class of cases that we have universally objected to, Members on both sides of the aisle, and I object to this bill.

CHARLES L. BARBER

The Clerk called the next bill, H. R. 3845, for the relief of Charles L. Barber.

Mr. STAFFORD. Reserving the right to object, I wish to inquire whether this injury occurred in service?

Mr. DOXEY. I appreciate the gentleman's right to object, and I wish to say that this bill is a bill of my colleague, the gentleman from Mississippi [Mr. COLLIER], who is unavoidably detained and can not be here.

This injury did occur in service, while the man was acting in the capacity of a superintendent of concrete work, where they were doing revetment work in Vicksburg, Miss. There is no question about it. It is recommended by all departments, by the Secretary of War, Mr. Hurley, by the Judge Advocate General's office, and by Gen. Lytle Brown, Chief of Engineers, and it is a meritorious bill, and I am sure the gentleman will not object.

Mr. STAFFORD. There is this difference, that here we establish a law known as the employees' compensation act to provide for civilian employees injured in line of duty. This claimant filed his application to gain the benefits of that law, but it was rejected because it was not filed in time. We have proceeded on the policy not to pay lump-sum appropriations to persons injured if they had a civilian status to come under the purview of that act. I would like to inquire of the chairman of the committee, unless the gentleman from Mississippi is a member of that committee and can perhaps inform us, why in this instance the committee reports in favor of a lump-sum appropriation, while in all other instances the policy is to bring the claims under the benefit of the employees' compensation act.

Mr. DOXEY. I will be delighted to answer the gentleman if he will permit. We all appreciate the work of the gentleman from Wisconsin, and he and I worked together on these claims while I was a member of the Committee on Claims.

This accident occurred by reason of a Stillson wrench being dropped 110 feet by a workman and striking this man.

Mr. STAFFORD. Assuming he has a claim against the Government, why does he not attempt to avail himself of the Employees' Compensation Commission?

Mr. DOXEY. Simply because he did not want anything except to continue in his employment, and as an employee of the Government he felt he was temporarily injured, and he never filed any claim or did anything until he became totally disabled.

Mr. BLANTON. Will the gentleman yield?

Mr. DOXEY. I yield.

Mr. BLANTON. I am sure the gentleman from Mississippi does not understand the gentleman from Wisconsin. The gentleman seems to be of the mind that this bill ought to be referred to the Compensation Commission for its regular action, and to waive any right by not having filed the claim on time. Why not submit this to them and let them pass upon this as they do all other cases?

Mr. DOXEY. This man is a total invalid.

Mr. BLANTON. The chairman of the Compensation Commission is familiar with this case; the chairman says in the report here that he knows him personally. The man's rights will not be jeopardized by submitting the case to the Compensation Commission. Let us pass the amendment of the gentleman from Wisconsin and go on with the bill.

Mr. BLACK. What is the suggestion of the gentleman from Wisconsin?

Mr. STAFFORD. I would like to inquire of the chairman of the committee what rule the committee follows in this character of cases? In this case the committee reports a lump-sum appropriation as compensatory damages for the injury received. In many instances the committee recommends that claimants have the benefits of the employees' compensation act. What rule does the committee follow in doing it one way in one case and another way in another case?

Mr. BLACK. The committee has adopted no set policy in the handling of these cases. Each case is considered on its own merits.

The Member introducing this bill wanted a lump-sum settlement. The lump-sum settlement seemed to be fair enough, so the committee reported the bill.

Mr. STAFFORD. What is the age of the person making the claim?

Mr. BLACK. He is a pretty old man.

Mr. DOXEY. He has a wife and three children.

Mr. STAFFORD. What is his age?

Mr. DOXEY. I could not say.

Mr. STAFFORD. Does not the gentleman think it would be better for the claimant to have payment of a little every month in the form of an allowance rather than to receive a lump-sum payment of $5,000?

Mr. DOXEY. Those who know the facts say this is a most meritorious claim and they recommended it.

Mr. STAFFORD. I am not talking about the merits of the claim.

Mr. DOXEY. It is most reasonable, and if he is to receive any benefits, they will have to be given him soon.

Mr. BLACK. If the gentleman insists on sending it to the Employees' Compensation Commission, I think it would be perfectly agreeable to the gentleman from Mississippi [Mr. COLLIER], and I know it would be agreeable to the committee.

Mr. STAFFORD. With that understanding, Mr. Speaker——

Mr. BLANTON. The understanding is the gentleman from Wisconsin is going to offer an amendment which will be accepted by the committee?

Mr. BLACK. Yes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, and in full settlement against the Government, the sum of $5,000 to Charles L. Barber, on account of an injury sustained July 6, 1923, while in the performance of his duty as an employee of the Government at Vicksburg, Miss.

Mr. BLANTON. Mr. Speaker, to give the gentleman from Wisconsin time in which to prepare his amendment I move to strike out the last word.

Mr. Speaker, the result of the session yesterday and of the session thus far to-day demonstrates clearly the fact that you can not improve much on the old rules of the House. It took but one session, under the new consent rule, to show the House it was nonworkable. In a whole afternoon, under the operation of the new rule, but three bills were passed, whereas yesterday in a session of less than half a day many good bills on the Private Calendar were passed and more have been passed this morning. The House has done well to abandon the new rule and return to the old one under which we can operate.

The gentleman has his amendment ready, so I yield the floor.

Mr. STAFFORD. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Strike out all after the enacting clause of H. R. 3845 and insert in lieu thereof the following:

"That the United States Employees' Compensation Commission is hereby authorized to consider and determine the claim of Charles L. Barber, who purports to have suffered injury while employed at Vicksburg, Miss., for an injury sustained July 6, 1923, in the same manner and to the same extent as if said Charles L. Barber had made application for the benefits of said act within the one-year period required by sections 17 and 20 thereof: *Provided*, That no benefits shall accrue prior to the enactment of this act."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ALFRED H. JACOBSON

The Clerk called the next bill, H. R. 4309, for the relief of Alfred H. Jacobson.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MOUSER. Mr. Speaker, I object.

Mr. BLACK. Will the gentleman reserve his objection?

Mr. MOUSER. I will.

Mr. BLACK. Mr. Speaker, I think when the House hears the statement of facts in connection with this case it will believe it is a most meritorious case and will use its influence on the gentleman from Ohio.

Mr. MOUSER. I am objecting on the ground of giving $2,000 for a secondhand Buick. I am not taking into consideration the liquor question at all. If the gentleman, in behalf of the proponent of the bill, Mrs. OWEN, who is unavoidably absent in Florida, will consent to an amendment making the amount $750, I shall not object.

Mr. STAFFORD. Will the gentleman yield?

Mr. MOUSER. I yield.

Mr. STAFFORD. Can the gentleman from Ohio or the gentleman from New York advance any good reason why this claimant did not accept the Buick when it was offered to him?

Mr. MOUSER. As a matter of fact, although you can gather the inference that the Buick which was confiscated had liquor in it, the accused was acquitted and the court ordered the car returned to him. However, the claim is that the car offered to be returned was not his car, and that somebody in the service got rid of the Buick which was confiscated.

Mr. BLACK. Here is the case of a man who was arrested by prohibition agents and his car seized. He was charged with a violation of the law.

Mr. MOUSER. Let us leave the liquor question out of it.

Mr. BLACK. He was tried, he was acquitted, and the car was ordered returned to him. However, the car was never put in the Federal warehouse. It was used for a long time by Federal agents, and they wanted to return to him an old Buick. Now, here are the equities in this case: First of all, he was tried and he was acquitted. He had to go to the expense and through the mental distress of a trial, and he had a new car taken away from him.

Mr. MOUSER. It was not a new car.

Mr. BLACK. It was practically a new car. The Government officials, instead of keeping it in a safe place, used the car for a long time. In view of all these circumstances, the man not being properly arrested, being acquitted, and the car ordered returned to him, I think this relief should be accorded him.

Mr. MOUSER. It appears there was cause for his arrest, but a jury of his peers refused to convict him.

Mr. BLANTON. Will the gentleman yield?

Mr. MOUSER. I yield.

Mr. BLANTON. The Treasury Department, which had charge of this matter at the time, makes this statement: That the record shows the agents actually found six bags of contraband whisky in the car at the time of seizure, which fact would justify the seizure and lawful custody from the time of seizure until the time of the defendant's trial. They

further state that every effort was made by the prohibition administrator's office to return the car to him, but that he refused to accept it on account of its condition, and they report the condition was due to storage while they were holding it lawfully, and I object. Bootleggers and citizens must quit carrying six bags of contraband liquor in their cars, and if they do not the Government has the right to confiscate their cars.

Mr. MOUSER. We can not go back of the jury's verdict.

Mr. BLANTON. I do not care what the jury's verdict was. In my lifetime I have represented men charged with murder. Probably they should have been hanged, but some of them were acquitted.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, I object.

RELIEF OF CERTAIN NEWSPAPERS FOR ADVERTISING SERVICES RENDERED THE PUBLIC HEALTH SERVICE

The Clerk called the next bill, H. R. 4948, for the relief of certain newspapers for advertising services rendered the Public Health Service of the Treasury Department.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. This bill seeks to pay $2,989.17 to newspapers in Chicago, New York, and Houston, Tex. Some of those who usually object seem to have cold feet, because this is a newspapers' bill, and it happens that one is a newspaper in my own State. I am as reluctant as any other Member to have them hit me because I stop their bills. I do not get much from the press boys, anyway. They rarely ever give me a square deal. That, however, has nothing to do with my objection. I do not believe that it is just to pay them this $2,989.17 out of the Public Treasury. Therefore, I object.

MRS. JOHNNIE SCHLEY GATEWOOD

The Clerk called the next bill, H. R. 5059, for the relief of Mrs. Johnnie Schley Gatewood.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, it seems to me we are going pretty far afield when we recognize liability on the part of the Government for the accidental discharge of some weapon that injures one of the audience who has gone there for her own edification. I think the amount is altogether out of keeping with the circumstances of the case. This is to pay $5,000 to a person who is still living and who appears to have been accidentally injured while observing some demonstration.

Mr. WRIGHT. Mr. Speaker, in May, 1928, what is commonly known as a sham battle was largely advertised in the local papers to occur at Fort Benning, Ga. An invitation was extended to the public to witness the battle. A grand stand was erected for the guests. This lady, who lived at Columbus, Ga., some 8 miles from Fort Benning, attended the sham battle, together with thousands of others. Many thousand people were there upon invitation, and while this lady was seated in the grand stand something like a hand grenade or a block of T. N. T. was thrown out in front of the grand stand by some of the soldiers engaged in the demonstration. It exploded, and a part of the shell struck her on the right cheek and caused a compound fracture of her cheek and tore her jaw all to pieces and made a wreck of this poor woman.

Mr. BLANTON. Will the gentleman yield?

Mr. WRIGHT. Certainly.

Mr. BLANTON. What does the gentleman say about the finding by the Hon. Patrick J. Hurley, commonly known as the Secretary of War, who says:

> The board is of the opinion that all commissioned and enlisted personnel observed all safety precautions, and the accident was not due to the negligence of anyone concerned.

Mr. WRIGHT. They were trying to exonerate the Army. They had a board, and they examined the matter to see whether these things were permissible to be used in a sham battle.

Mr. MOUSER. Will the gentleman yield?

Mr. WRIGHT. Certainly.

Mr. STAFFORD. Just one minute, if the gentleman will permit. Some years ago, perhaps more than 10 years ago, the Congress was presented with numerous claims for damages to those who witnessesd these exhibition drills, and if my memory serves me right we passed a law banning the War Department from giving such maneuvers in the presence of the public for the purpose of safeguarding the Treasury. This performance was largely for the benefit of the audience and was of no real benefit so far as military maneuvers were concerned, and I am wondering whether this law is applicable to this character of maneuvers.

Mr. WRIGHT. I do not know of any law that bans these demonstrations.

Mr. BLANTON. Will the gentleman yield?

Mr. WRIGHT. Certainly.

Mr. BLANTON. I have seen the gentleman's panorama picture exhibited here, and it is very convincing, but there are many people who are hurt by private corporations and who are still in pretty good shape, except for some disfigurement of their looks, who get less than $2,500 from juries in the courthouses. I think this woman probably ought to have something. I submit to the gentleman from Georgia, who is fair about everything, that $2,500 ought to be the full amount of the compensation paid by the Government, especially when the Government was not at fault, and if the gentleman will accept that amendment I am sure the House will pass his bill.

Mr. MOUSER. If the gentleman will permit, clearly at this demonstration of warfare, this woman was not there as a trespasser, but was there as a guest of the Army, seated in a grand stand erected for the purpose of viewing the maneuvers.

Mr. WRIGHT. That is true.

Mr. MOUSER. There is a legal liability there, in addition to the moral obligation, and the sole question, as the gentleman from Texas suggests, is the extent of her damage, and I would like to hear from the gentleman from Georgia on that question.

Mr. BLANTON. If the gentleman will permit, when the gentleman states there is a legal liability, the gentleman is in error. The United States Government in law is not responsible for any tort of any of its agents or employees. That is a fundamental proposition of law.

Mr. MOUSER. If the gentleman will permit, just because the Government is a sovereignty and can not be sued, that does not mean that an agent of the Government can not be negligent.

Mr. BLANTON. Oh, as a matter of gratuity, we do pay for torts.

Mr. MOUSER. Not as a gratuity.

Mr. BLANTON. Yes, a gratuity; but as a legal proposition the courts have held time and time again that the Government is not responsible.

Mr. MOUSER. You can not sue the Government without the Government's consent. That is why we bring in these private bills.

Mr. BLANTON. This was a tort of an agent of the United States, if a tort at all.

Mr. MOUSER. May I ask that the gentleman from Georgia [Mr. WRIGHT] be given three minutes? I am interested in this matter, and I think it is very important.

Mr. WRIGHT. I have already explained the circumstances of the case.

Mr. STAFFORD. I am more interested as to the equitable mood that the gentleman from Georgia finds himself in with respect to the amount of damages.

Mr. WRIGHT. I am going to touch on that now. I have already explained the circumstances under which the accident occurred. This lady was taken immediately to the post hospital, where she remained for about 10 days under treatment. She was under treatment afterwards for many months. She suffered the most excruciating pain. Her whole system was shocked, and she is a nervous wreck. These photographs taken in December show that before this accident occurred in May she was a fine-looking lady.

Mr. BLANTON. I am convinced that this woman ought to have something, but what is troubling me is the amount. I think $2,500 would be more than she would recover if the suit was against a private corporation.

Mr. WRIGHT. If this case went to a jury, they would have awarded not less than twelve to fifteen thousand dollars. She is simply a wreck, and her health is gone. I do not want to be put in the attitude of trading, but I will accept an amendment reducing the sum to $3,000.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to Mrs. Johnnie Schley Gatewood, of Columbus, Ga., out of any money in the Treasury not otherwise appropriated, the sum of $5,000. Such sum shall be in full settlement of all claims against the United States on account of personal injuries sustained by the said Mrs. Gatewood on the 25th day of April, 1928, at Fort Benning, Ga. While a guest at a firing demonstration conducted by United States military authorities and officers at said Fort Benning, and while occupying a seat provided for guests by said authorities and officers, an explosion occurred which caused the said Mrs. Gatewood to be struck by a large piece of metal, or other hard substance, and which metal or other substance struck the right jaw of said Mrs. Gatewood, breaking the same in two places, and knocking out four of her lower teeth, causing her great pain and suffering and resulting in her being permanently disfigured and injured.

Mr. BLANTON. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Page 1, line 6, strike out the figures "$5,000" and insert "$3,000."

The amendment was agreed to.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Amendment by Mr. STAFFORD: Beginning in line 10, strike out the remainder of the bill.

The amendment was agreed to.

Mr. BLANTON. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

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.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

DR. A. W. PEARSON AND PEABODY HOSPITAL

The Clerk called the next bill on the Private Calendar, H. R. 5538, authorizing the Secretary of the Treasury to pay Dr. A. W. Pearson, of Peever, S. Dak., and the Peabody Hospital, at Webster, S. Dak., for medical services and supplies furnished to Indians.

The SPEAKER pro tempore. Is there objection?

Mr. GRISWOLD. Reserving the right to object, I would like to ask some one if these Indians hold their property in fee simple?

Mr. BLACK. That I do not know. The Government owes money for taking care of these Indians.

Mr. STAFFORD. The Indians, as the report shows, are indigent Indians. I was going to ask some member of the committee whether they had any tribal funds from which this money could be paid, rather than from the Treasury of the United States.

Mr. GRISWOLD. From an examination of the report, one would infer that they held these lands in fee simple.

Mr. BLANTON. If this had been a proper charge, there would have been a way for the Bureau of Indian Affairs to have paid all just claims against them for services rendered. As they were not paid by the Indian administration, we have a right to assume that in this claim of Doctor Pearson for $4,764.40, and the Peabody Hospital, at Webster, S. Dak., for $11,675.97, are improper charges. They are charges made without the law, and that being the case, I do not think the bill ought to be passed by unanimous consent. I am going to object. I object.

MARY ELIZABETH O'BRIEN

The next business on the Private Calendar was the bill (H. R. 6191) to extend the benefits of the employees' compensation act of September 7, 1916, to Mary Elizabeth O'Brien, a former employee of the United States Veterans' Bureau.

The SPEAKER pro tempore. Is there objection?

Mr. EATON of Colorado. Mr. Speaker, this is another compensation case. I expect there will be no objection to substituting for the text of the bill the text now used?

Mr. BLACK. No.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission shall be, and it is hereby, authorized and directed to extend to Mary Elizabeth O'Brien, a former employee of the United States Veterans' Bureau, the provisions of an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That section 17 and 20 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, are hereby waived in favor of Mary Elizabeth O'Brien, a former employee of the United States Veterans' Bureau."

Mr. EATON of Colorado. Mr. Speaker, I offer the following amendment as a substitute for the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. EATON of Colorado as a substitute for the committee amendment: Strike out all after the enacting clause and insert:

"That the United States Employees' Compensation Commission is hereby authorized to consider and determine the claim of Mary Elizabeth O'Brien in the same manner and to the same extent as if said Mary Elizabeth O'Brien had made application for the benefits of the employees' compensation act within the 1-year period required by sections 17 and 20 thereof: *Provided*, That no benefits shall accrue prior to the approval of this act."

Mr. BLACK. Mr. Speaker, I ask the gentleman from Wisconsin to inform the House why he believes this is the proper form for these bills?

Mr. STAFFORD. Mr. Speaker, the form now under consideration was drafted by me last year after it was called to my attention that the form that had been adopted by the Committee on Claims granted to the claimant damages from the time of the injury. When bills in that form were under consideration during the last Congress I took occasion to ask the then chairman of the Committee on Claims, Doctor Irwin, as to whether he considered the claimant would be paid retroactively for the injury, and he stated unequivocally that it was his understanding that the claims dated only from the time of the passage of the act. Yet during the summer recess we learned from the Employees' Compensation Commission in one or two instances where the claimant, against the established policy of the Government in all similar instances, had received an allowance dating back to the time of the injury. One Doctor Reed received a nice large sum at the expense of the taxpayers because of that interpretation. Since then the Congress has taken the precaution to place the saving clause in the bill that no compensation shall accrue prior to the enactment of the act.

Then there is another form sometimes used where there is a question as to whether the claimant really suffered

injury in the employ of the Government, and we place the responsibility of determining that fact upon the Employees' Compensation Commission, because we are not constituted, even the Committee on Claims, to determine whether an injury itself was the direct result of the employment. We should leave that to the constituted authorities. I hope the gentleman will follow the form, especially as to the saving clause.

The SPEAKER pro tempore. The question is on agreeing to the amendment in the nature of a substitute to the committee amendment.

The amendment to the committee amendment was agreed to, the committee amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended to read: "A bill for the relief of Mary Elizabeth O'Brien."

ALEX BREMER

The next business on the Private Calendar was the bill (H. R. 7411) for the relief of Alex Bremer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $700 to Alex Bremer in full settlement of all claims which the said Alex Bremer has against the Government of the United States, under the terms of sale agreement dated June 30, 1919, being the price agreed to be paid by the Government for 35 acres of land at the price of $20 per acre.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

D. M. LEYPOLDT CO.

The next business on the Private Calendar was the bill (H. R. 8306) for the relief of D. M. Leypoldt Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the claim of D. M. Leyboldt Co. for certain oats delivered to Fort Crook and Fort Robinson, Nebr., and to allow in full and final settlement of the said claim a sum of not to exceed $966.39. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $966.39, or so much thereof as may be necessary, for payment of the claim.

Mr. SIMMONS. Mr. Speaker, I ask unanimous consent that the spelling of the word "Leypoldt" be corrected, in line 5.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

EUSTACE PARKS

The next business on the Private Calendar was the bill (H. R. 8468) for the relief of Eustace Parks.

The SPEAKER pro tempore. Is there objection?

Mr. MOUSER. I object.

JOHN N. BROOKS

The next business on the Private Calendar was the bill (H. R. 9225) for the relief of John N. Brooks.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Mr. Speaker, I object.

BENJAMIN BRAZNELL

The next business on the Private Calendar was the bill (S. 468) for the relief of the estate of Benjamin Braznell.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. I object.

ELIZABETH B. EDDY

The next business on the Private Calendar was the bill (S. 1214) to carry into effect the finding of the Court of Claims in the claim of Elizabeth B. Eddy.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Mr. Speaker, I object.

STILLWELL BROS. (INC.)

The next business on the Private Calendar was the bill (S. 1683) for the relief of Stillwell Bros. (Inc.).

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Mr. Speaker, I object.

Mr. HORR. Will the gentleman reserve his objection for a moment.

Mr. STAFFORD. Certainly.

Mr. HORR. Mr. Speaker, I would like to be heard on this for a moment. I am not the author of the bill, but I am conversant to some extent with it. I think if the gentleman will turn back to No. 189, he will find that we passed a companion bill to this one on all fours with this bill.

This is a bill that was first introduced in the last session of Congress. It passed the Senate and died in the House. Now it is being considered at this session of Congress. It carries with it all the merit in the world. I am sure the gentleman must admit this, because it is merely giving to this subcontractor the right that was given to the general contractor. In other words, reimbursements were given the general contractor on contracts entered into with the Navy Department prior to the declaration of war, where wages, through no fault of the contractor, had been increased. You gave this right to the contractor by an act of Congress in the Sixty-eighth session. In the interpretation of this act by the Navy Department, the department would not permit the subcontractor to receive the thing that you gave the general contractor. If the gentleman will turn back to Calendar No. 189 on this calendar which is being considered to-day, he will find that identical relief was given that is asked in this bill.

Mr. STAFFORD. I shall not enter into any invidious comparisons, but the case is not identical at all. I well remember the other case. The other case had the favorable recommendation of the department. In the first place, this has not. Further, even the principal contractor in this case did not have his claim recognized, the Government found on two occasions that the claim was weak, both in the case of the principal contractor and the subcontractor.

Mr. BLANTON. Will the gentleman yield?

Mr. STAFFORD. Yes; I yield.

Mr. BLANTON. I call the gentleman's attention to what the Secretary of the Navy has stated, as follows:

It was admitted that at the time the public-works officer gave instructions to complete the north end first, no objection to this method of procedure was raised, and no protest, either verbal or written, was made. It was also admitted that no specific claim for extra compensation was made until the work was practically completed.

They were informed by the bureau that their case was weak and were given no assurance of relief.

Mr. HORR. In answer to the gentleman from Texas, if the gentleman will remember, this claim was originally presented for some $27,000. Part of that was for wage increase, and the other part was for a condition prevailing in construction, which was the weak part of the claim referred to in the report. The department did recommend payment of $5,986.92, the amount of this bill.

Mr. BLANTON. This is from the Department of the Navy, a recent report on the case, and it goes directly to the merits of the case; not to the amount but to the merits of the entire claim.

Mr. HORR. But there were two particular things in mind in the merits of the case. One was the claim for construction and the other for wage increase, and the report does show that the general contractor was awarded $42,865.73.

Mr. BLANTON. I think the gentleman from Wisconsin is doing a patriotic act in objecting.

Mr. STAFFORD. Mr. Speaker, I object.

CLARENCE G. YOUNG

The Clerk called the next bill, S. 2697, for the relief of Clarence G. Young.

Mr. KENNEDY. Mr. Speaker, I object.

HERMAN INGMAN

The Clerk called the next bill, S. 2698, for the relief of Herman Ingman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Herman Ingman, assistant postmaster at Marysville, Mont., the sum of $230 in full satisfaction of his claim against the United States for services rendered in hauling the mails between Marysville and Silver City, Mont., from May 5 to June 30, 1930, both dates inclusive.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

UNITED STATES HAMMERED PISTON RING CO.

The Clerk called the next bill, S. 2325, for the relief of the United States Hammered Piston Ring Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the appropriation Aviation, Navy, 1929, act of May 21, 1928 (45 Stat. 636), is hereby made available in such sum as may be necessary, but not exceeding $4,492.73, for settlement by the Comptroller General of the United States, on principles of equity and justice, the claims of the United States Hammered Piston Ring Co., under contract with the Navy Department No. N-156-a-4703, dated June 10, 1929.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

GROVER CLEVELAND BALLARD

The Clerk called the next bill, H. R. 5971, for the relief of Grover Cleveland Ballard.

Mr. MOUSER. Mr. Speaker, reserving the right to object, I want to raise the point with the gentleman from Mississippi as to whether or not in passing this bill we will establish a precedent whereby any veteran who obtains private treatment will later on ask the Government to reimburse his physician for the treatment given. There are many emergency cases in which the local doctor should be paid for the care of the veterans, where it is impossible to get them to a Government hospital in time to save their lives by an emergency operation. I have a great deal of sympathy with this claim, but I want it understood that until the law is changed, bringing within its provisions the thousands of veterans who must have treatment from local doctors, this shall not be considered a precedent to pay other claims of this nature.

I yield the balance of my time to the gentleman from Mississippi to offer an explanation.

Mr. RANKIN. Mr. Speaker, this will not establish a precedent, and because we did not want to make it a precedent, we did not introduce a general bill.

These are the facts: This boy had his foot shot off in the war. He lay on the battlefield for a good long time, I think possibly 12 hours or longer. He was finally taken to the rear and his leg was amputated. It gave him a great deal of trouble and he suffered intensely with it after he came back home. He went to a Veterans' Bureau hospital and had it amputated again, and the information I get from him is that they went off and left him while he was under the influence of ether, and while he was coming out from under the ether he fell off the bed. Whether he hurt his leg or not I do not know, but I do know it continued to grow worse, and the Veterans' Bureau advised against another operation. The leading physicians of the country told him if he did not have it attended to he was going to die. He went to Doctor Campbell, of Memphis, one of the best surgeons in the country, had it amputated, and what we are asking is for the payment of the actual expenses of the amputation. It will not be a precedent for other cases.

Mr. STAFFORD. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. STAFFORD. Let us have a clear understanding as to what obligation is going to be put upon the Government in cases like this where a World War veteran presents himself for hospitalization attention in a Government hospital, becomes dissatisfied with the recommendation of the Government surgeons, and thereupon goes to a private surgeon for relief. Are we going to have claims presented for the reimbursement of the charges made by the private surgeon?

Mr. RANKIN. No. It was just stated this would not establish a precedent.

Mr. STAFFORD. The statement is not sufficient. The question is whether the facts will not make a precedent. Just a moment ago we had the gentleman from Washington citing a private subcontractor's bill as a precedent.

In this case I am not considering the amount. I am considering whether it would establish a precedent.

Mr. MOUSER. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. MOUSER. I do not think the gentleman need have any fear of the bill establishing a precedent in view of the gentleman's explanation, because in this case this veteran went to a veterans' hospital and the doctors, after examination, refused to operate. His leg got in a serious condition back home. There was no alternative for him other than to accept the advice of his family doctor or this specialist in Memphis, Doctor Campbell, that a further amputation would be necessary in order to save his life. That certainly is not creating a precedent. The claimant received the injury in line of duty overseas, and this is the aftermath of it. It is not an appendix case or a case of gall bladder trouble which might not be service connected. I am not trying to oppose the gentleman; I am simply explaining the case.

Mr. STAFFORD. This was down in Louisiana?

Mr. MOUSER. No; he got his leg shot off in battle.

Mr. RANKIN. His leg was shot off on the western front.

Mr. MOUSER. The facts of the case are the Veterans' Bureau hospital refused to amputate or operate, and he went to the other doctor and got relief; is that right?

Mr. RANKIN. The Veterans' Bureau advised against another operation.

Mr. MOUSER. But he got relief from the other operation.

Mr. RANKIN. His family physician advised that another operation was necessary if he was to live.

Mr. STAFFORD. I hope the gentleman from Mississippi will be here to help us in cases where there may be abuses of the privilege of the Government where World War veterans refuse the hospitalization or medical services accorded them by the Government.

I shall not press the objection, because, perchance, he may have been in critical condition that necessitated private employment, but let no one here use this as a precedent for other cases.

Mr. RANKIN. Nobody is going to have his leg shot off for that purpose.

Mr. STAFFORD. No; but they may have an appendix taken out or some little peewee ailment.

Mr. RANKIN. Well, I would not call it a "peewee" ailment for a man to have his leg shot off and injured so that he had to have it amputated three times.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $246.75 to reimburse Grover Cleveland Ballard, an ex-service man of the World War, for money expended for medical and surgical service in reamputating his leg, which was shot off below the knee during the World War.

Mr. MOUSER. Mr. Speaker, I move to strike out the last word.

I am glad the gentleman from Mississippi has presented this bill to the House to-day.

The Veterans' Bureau, because of the technicalities of the law, has no authority to pay for medical or hospital care unless the veteran files an application in duplicate for hospitalization, and finally he is granted the hospitalization. There is no way whatsoever for a veteran who may be in destitute circumstances to receive medical treatment in emergency cases requiring operations without going through red tape and the technicalities required. I know of cases where there have been gangrene appendices and acute gallbladder trouble. The doctors have called the Cleveland regional office, in my district, asking authority to take the soldier to the hospital, stating it was an emergency case requiring an operation in order to save life, and they wanted

to know if a reasonable fee would be paid. The Veterans' Bureau advised the physicians and the surgeons, as they had to under the law, that there was no authority to pay them for their services. I hope we will cut out this red tape and that the World War Veterans' Legislation Committee, of which the distinguished gentleman from Mississippi is chairman, will broaden the provisions of the present law so that when a doctor by affidavit states that it is an emergency case, a reputable surgeon in a community may be reimbursed at least nominally for his skill in saving lives of veterans.

Mr. RANKIN. Will the gentleman yield?

Mr. MOUSER. Yes.

Mr. RANKIN. Let me say to the gentleman from Ohio that I am personally acquainted with this boy and he has suffered the anguish of the damned practically ever since he was wounded.

Mr. MOUSER. I do not doubt that.

Mr. RANKIN. But if he had gone to a veterans' hospital it would have cost more than this amount if he had stayed there the average length of time that a fellow stays, under such circumstances. If this boy had wanted to do so, he could have been in a hospital from that day to this at Government expense, and that expense would not have been less than $5 a day. The truth of the business is that by going to Memphis and taking the risk of having to pay this entire bill this young man has saved the Government money, instead of costing the Government money.

Mr. MOUSER. I would like to have the gentleman state his attitude in reference to establishing a policy in the law whereby doctors in the future—not making it retroactive—can be paid for treating veterans of the several wars in emergency cases.

Mr. RANKIN. When men receive wounds in battle and are suffering from them now and it becomes necessary for them to go to an expert, I am not willing to quibble about the cost, and I am not willing to force them to be operated on by a political doctor, when they realize it is a case of life or death, and they prefer to have it done by the most skilled surgeon.

Mr. CONNERY. Will the gentleman yield?

Mr. MOUSER. Yes.

Mr. CONNERY. I would like to call the gentleman's attention to the fact that last night I saw an example of what the gentleman has been speaking about. Last night I went out to Mount Alto Hospital to see a man from my district who had been shot in action in France. The doctor explained what they had to do in his case under the present law. They had to discharge him from the hospital and bring him over to the Emergency Hospital for a particular operation due to the facilities of the Emergency Hospital. They had to discharge him in order to have this operation performed and then they brought him back to Mount Alto. Because of that the veteran had to pay $24 for anesthetic services and other services. This was no fault of the doctors or authorities at Mount Alto. They wanted to give the disabled veteran the best possible care. But with the present law they had no choice.

Mr. MOUSER. And while going through that red tape the veteran may die.

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I rise in opposition to the pro forma amendment.

I want to say to my friend from Mississippi [Mr. RANKIN] that if his committee wants to be of great help to the ex-service man, and at the same time save much money for the Government, the first thing they ought to do is to abolish all of these regional offices that at great expense are scattered all over the United States with useless overhead duplicated in every State. All of these regional offices should again be concentrated in the Veterans' Administration in Washington, so that we may eliminate all duplications and useless overhead. Much of the graft, much of the waste, and much of the extravagance connected with the Veterans' Administration is in connection with the regional offices. There are 2 in my State, 1 in Dallas and 1 at San Antonio, Tex.

If an ex-service man from the southern part of my district writes me here for hospitalization or assistance, it takes four days for his letter to come here. Then I have to write all the way back to San Antonio, to the regional office, as it has exclusive jurisdiction over his file, and that takes four more days, making eight days before the sick man's case gets started. If he is from the northern or eastern part of my district I have to take his business up with the regional office at Dallas, as it has exclusive jurisdiction over his file, and that takes four days each way. It would save an immense amount of money to have local physicians make all examinations.

Recently I received communications from two different American Legion posts, one at Legion, Tex., and also a resolution from the Disabled American Veterans of the World War at Legion, Tex., telling me that they were dissatisfied with the action of Gen. Frank T. Hines in reinstating Dr. M. W. DeBerry in the San Antonio office and asking me to investigate same. They claimed that he had been fired for malfeasance in office and properly fired, but that recently he had been put back on the pay roll by the Veterans' Bureau at San Antonio. They asked me to obtain for them the facts of that case and report to them. I made a complete investigation of it; and, Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include some excerpts in connection with this investigation.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BLANTON. Mr. Speaker, it is claimed by General Hines that such records are confidential and should not be made public. He is in error. Any record in his office that affects only the individual is confidential and should not be made public, but where an employee of this Government has been guilty of malfeasance in office and of improper conduct that was deemed sufficient to try him and remove him from office, every person in the United States is vitally interested and concerned, and his record is not confidential but should be made public.

If such records were kept confidential and not made public, it would result in all sorts of evil practices and corruption. And while I am in Congress I shall demand of all departments that such records shall be public. At the head of the rating board in the San Antonio regional office was this Dr. Marvin W. DeBerry. He is the one who makes the ratings for all ex-service men living in half of my big district. The regional manager went in there one day and found him seated at his table signing up ratings for ex-soldiers, if you please, and testified that Doctor DeBerry was so drunk he did not recognize the regional manager; and the officials there also testified before a hearing in Washington that this man has repeatedly been so drunk on the golf course that he had to be put in his automobile and sent home.

Mr. KLEBERG. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. KLEBERG. I happen to be interested in this particular case, and I think I saw the records, too. The testimony in the case could be taken either way, in my opinion.

Mr. BLANTON. I will say to my friend that I am going to put in the RECORD what the officials who passed on his case actually testified, to show what they stated under oath, and then let the American Legion posts and the Disabled Veterans of the World War there pass on whether or not there is any merit in it.

Mr. KLEBERG. Will the gentleman be fair enough to put in the RECORD, with the testimony that he inserts, certain testimony that I shall give him?

Mr. BLANTON. I presume my good friend would want me to put in the political statement, as I call it——

Mr. KLEBERG. No; not at all.

Mr. BLANTON (continuing). Which was made by the former secretary of our good friend Harry Wurzbach. This man is the attorney for this doctor now on a claim for retired pay under the emergency officers' retirement act, and

that kind of a statement from the attorney for this man is not entitled to as much credence as the statement of the regional manager.

The following is the letter that I received from the adjutant of the Dr. Millard P. Wilkins Chapter No. 8, at the United States Veterans' Hospital, at Legion, Tex., together with the resolution he sent me:

DISABLED AMERICAN VETERANS OF THE WORLD WAR,
DR. MILLARD P. WILKINS CHAPTER, NO. 8,
UNITED STATES VETERANS' BUREAU HOSPITAL,
Legion, Tex., May 7, 1932.

Hon. THOMAS BLANTON M. C.,
House of Representatives, Washington, D. C.

DEAR SIR: I have the honor to transmit herewith a copy of a resolution adopted at the regular meeting of the chapter on May 3, 1932.

Respectfully submitted.

FRANCIS KIBORT, *Adjutant.*

The following is the resolution accompanying said letter:

[Disabled American Veterans of the World War, Dr. Millard P. Wilkins Chapter, No. 8, United States Veterans' Bureau Hospital, Legion, Tex.]

Whereas Dr. W. M. DeBerry was separated from the service of the Veterans' Administration on January 26, 1932, by reason of his misconduct; he has since—through political influence, we presume—been reinstated to his former position; and

Whereas at the time of dismissal of the above-named person the Veterans' Administration evidently based its action upon the charges preferred, and assessed the usual penalty in such cases; the evidence on which the charges were based has been, it seems, put aside and the matter now stands as prior to January 26, 1932: Therefore be it

Resolved, That we, the members of Dr. Millard P. Wilkins Chapter, No. 8, Legion, Tex., duly assembled in regular session on this the 3d day of May, A. D. 1932, call upon the Administrator of Veterans' Affairs to make the proper investigation of the charges with a view of determining the eligibility of Dr. W. M. DeBerry for reinstatement. We feel the original action of the Administrator in this case was warranted, and that if the facts had been properly investigated there would have been no reinstatement; therefore be it further

Resolved, That this resolution be sent to the Administrator of Veterans' Affairs, a copy to Hon. MORRIS SHEPPARD, TOM CONNALLY, JOHN N. GARNER, Speaker of the House of Representatives; J. E. RANKIN, chairman World War Veterans' Committee; THOMAS BLANTON, R. E. THOMASON, WRIGHT PATMAN, and a copy spread upon the minutes of this chapter.

Approved in regular session May 3, 1932.

W. W. GROSS, *Commander.*

Attest:

FRANCIS KIBORT, *Adjutant.*

The following is the letter from D. F. McLaurine, of the Louis Halphen Post, No. 379, of the American Legion at Legion, Tex.:

LOUIS HALPHEN POST, NO. 379,
UNITED STATES VETERANS' HOSPITAL,
AMERICAN LEGION,
Legion, Tex., May 3, 1932.

Hon. TOM BLANTON,
Member of Congress, Washington, D. C.

MY DEAR CONGRESSMAN: I am inclosing herewith some correspondence relative to the records of Dr. W. M. DeBerry, medical member of the San Antonio regional office rating board. It appears that this man is being shielded by the administrator. The conduct of this man, if investigated, would be akin to that of William Wolff Smith, whom you have so gloriously prosecuted.

If the misconduct of veteran employees is so confidential and privileged, as stated by the administrator, we are curious to know how you obtained so much corrupt practices in the general counsel's office. Believing that you can and will obtain the specific charge against this man and forward to us, I am taking this privilege of soliciting your support in obtaining same; also, why General Hines did not cause an investigation to be made.

With very best wishes and kindest regards, I am,

Yours very truly,

D. F. MCLAURINE.

Mr. Speaker, the official records disclose that Dr. Marvin W. DeBerry, physician, regional office, Veterans' Administration at San Antonio, Tex., was notified by L. C. Chapman, regional manager, that, pursuant to the act of August 4, 1912, a charge of intoxication had been preferred against him to the effect that he appeared for duty November 12, 1931, on or about 1 p. m. at the Veterans' Administration, San Antonio, while under the influence of liquor to the extent that he was unable to perform his official duties; that he would be allowed 10 days within which to file his answer and so forth.

In a letter which said Regional Manager L. C. Chapman wrote the administrator November 12, 1931, he stated that when Doctor DeBerry reported at 1.30 p. m., that date he was not in fit condition to take care of his official duties; that he had Doctor DeBerry to come to his office. "Immediately upon his entering the room I was distinctly conscious of liquor of some sort, that in talking Doctor DeBerry was incoherent, his tongue was thick, his eyes bleary, and he was most assuredly under the influence of some intoxicant at that time. He said that he would not let him remain on duty at that time and instructed him to go home and report to him at the beginning of duty the next morning. He did not report to duty next morning, but called the regional manager, stating that he was not well. The next morning (Saturday) his wife telephoned the regional manager that the doctor had been to see Doctor DeBerry the day before and advised him to remain in bed. DeBerry reported to duty Monday morning and the regional manager had a conference with him which is not unlike conferences I have had with him in the past on the same subject. Regional Manager L. C. Chapman said that he was personally able to testify that on this particular occasion Doctor DeBerry was, due to alcoholic beverages, unable to perform his official duties."

In a letter which said Regional Manager L. C. Chapman wrote Maj. O. W. Clark, an official of the Veterans' Administration at Washington, on April 28, 1931, he states:

DeBerry has been with the bureau for many years; for a major portion of that time he has periodically had the same trouble with which he is now afflicted—mainly drinking to excess at times and being unable to perform his official duties for varying periods as a result thereof. Since my talk to him in 1930, it appears that he either can not control himself or has decided that I didn't mean what I said, because these periods have become more frequent. On Sunday, April 26, 1931, I happened to be playing golf on the same course with DeBerry in the foursome just ahead of him, and it was called to my attention by other people on the course that DeBerry seemed to be drinking. I noticed that he was actually staggering. His eyes were glassy and I doubt very seriously if he even recognized me. I got him into his car. He did not report for duty Monday.

In his answer to the charge, dated December 16, 1931, Doctor DeBerry shows that he affiliated with the bureau in Dallas in 1922, and has served continuously. He says:

I took repeated doses of [some drug] and aspirin and had some hot wine during the night, and about 11.30 I dressed and had another drink of hot wine. When I arrived at the office the lobby was apparently vacant. I signed a number of ratings. I realize the best interest of this institution can not be served with the odor of intoxicating liquor on one's breath while performing official duties, and I realize I made a grave error by coming to this office on November 12 for that reason.

The matter was referred to a committee here in Washington, which on January 22, 1932, after hearing evidence, found that the charges that he appeared for duty on November 12, 1931, while under the influence of liquor to the extent that he was unable to perform official duties, was sustained and that committee recommended that he be removed from service with prejudice. The following officials composed this committee: H. S. Chick, Leonard Nelson, Dr. C. D. Todd, and J. E. Price. That opinion and decision were approved by Assistant Administrator O. W. Clark.

Before this committee, at its hearing here in Washington, Regional Adjudication Officer J. H. Skinker testified that:

On November 12, 1931, Mr. Sherry, chairman of the rating board, told him that Doctor DeBerry had arrived during lunch in no condition to work because he was intoxicated. I sent for DeBerry at 1.05. I noticed something out of the ordinary. It was obvious to me from the moment that he stepped into my office that he was under the influence of intoxicating liquor. His face was very red, his eyes were bloodshot, and as soon as he began his conversation it was evident that it was not Doctor DeBerry in his normal condition talking to me. I arrived at the conclusion that he was in no fit condition to sit as a member of the rating board. After Congressman Wurzbach's death DeBerry came to my office and said that he just wanted to talk to me about appealing his retirement claim and he asked that Mr. Haberkorn, secretary to Wurzbach, handle it for him and Haberkorn said that he was there for that purpose. Doctor DeBerry struck out both arms, making a gesture, and said substantially as follows, "It is wide open—we are all for you. It became embarrassing for me to hear Doctor DeBerry talk in the presence of an outsider. I told Manager Chapman that Doctor DeBerry was not in any condition to perform his duties as a member of the rating board.

And he made a plea that Doctor DeBerry be not dismissed from service, but to be granted leniency.

Also, Cameron B. Sherry, who is chairman of the regional rating board at San Antonio, testified before this committee at its hearing in Washington that—

On November 12, 1931, while DeBerry was sitting at the table where ratings are signed he noticed a very marked alcoholic odor, and he noticed that others present were convinced that DeBerry's condition was not normal. Glancing at the rating sheets DeBerry was signing, I noticed his signature was not being subscribed as usual, and I convinced myself that he was not in any condition to be attending his official duties, and I went to the regional adjudication officer to request that DeBerry be excused for the afternoon. Later, going back to the board room I found DeBerry at the table and Dr. Robert E. Parrish, part-time eye, ear, nose, and throat specialist, came in for a rating on hearing on eye disabilities, and engaged Doctor DeBerry in a conversation, and after the first few remarks it was apparent that DeBerry was in no condition to carry on an intelligent conversation. It was very apparent that the alcoholic odor was very perceptible, and it was evident that he could not carry on a coordinated conversation. That was evident by both incoherent speech and by thickening speech. His eyes had the appearance of one who had partaken of alcoholic beverages.

Dr. J. C. Smith, who is general medical officer and surgeon at this regional office in San Antonio, testified that—

On that date he had a conversation with DeBerry, and that he had had intoxicating liquor to drink because of his action and the way he talked. It would have been impossible for him to have functioned efficiently.

On January 22, 1932, G. H. Sweet, chief of personnel, notified Doctor DeBerry, through the regional manager at San Antonio, in writing:

Your services as a physician, grade B, at a salary of $4,000 per annum, P and S grade service 4 and 5, has been discontinued with prejudice at the close of business, January 26, 1932.

Preceding the said letter, Chief Sweet, on January 25, 1932, personally wired the regional manager at San Antonio that charges had been sustained dismissing Doctor DeBerry, effective January 26. Then Regional Manager Chapman, on January 26, sent a 20-line telegram, Government collect, to General Hines, stating:

After careful deliberation I have come to the conclusion that it is incumbent upon me to make the following report to recommend to you that since preferment of charges against this employee, his conduct, attitude, and work have been entirely satisfactory. Both his and his wife's saving were lost recently in local bank failure. His wife is now confined to her bed, paralytic stroke. He has responsibility re several of his near relatives. He is also a disabled ex-service man. In view of these things and his long period of service, I feel constrained to submit these facts to you with request for reconsideration and recommend that some penalty less than dismissal be inflicted.

General Hines refused to suspend the dismissal order, holding that the charge had been sustained. Thereafter Doctor DeBerry appeared in Washington before the same committee of four heretofore mentioned and submitted statements, one from C. R. Quinn, an attorney, Veterans' Administration, San Antonio; one by Miss Ina B. Hill, formerly medical clerk, Veterans' Administration; one by Harry A. Haberknorg, former secretary to Wurzbach (who was then DeBerry's attorney on his claim for retired pay); one by Dr. R. E. Parrish; one by Frank L. Chapper, assistant State officer; one by Wynn S. Goode, department service officer of the American Legion, and one by Dr. J. B. Webb, of Donna, Tex., and after carefully considering all of said affidavits, the board reported:

These statements were carefully considered as well as the personal statement of Doctor DeBerry. At no time did Doctor DeBerry deny the correctness of the charge. After full hearing, the committee confirms its finding of its original report.

Signed by the same Chick, Todd, Price, and Nelson, committee.

And thus for the second time this board after due hearing held that Doctor DeBerry should be dismissed.

Veterans' Bureau Attorney Quinn's affidavit has no probative force or effect whatever but is merely negative in its character. It deserved no consideration.

Doctor Parrish testifies—

During my conversation with Doctor DeBerry I noticed the odor of alcohol on his breath, his eyes were red but his conversation was coherent.

Hence it really supported the charge.

Goode, department service officer of the American Legion, Department of Texas, gave no evidence of value, and his affidavit is of no probative force or effect, being merely negative in character, and the board at its hearing rightfully gave it little consideration.

Harry A. Haberkorn, Doctor DeBerry's said attorney, wrote a letter February 10, 1932, and admitted that Dr. J. M. Skinker in his presence told Doctor DeBerry to go to Manager Chapman's office, said Attorney Haberkorn stating:

I then told Skinker that I did not notice anything intoxicating. I am not attempting to say that Skinker or Chapman did not smell evidence of the doctor having had a drink.

Naturally the board gave little weight to this letter, of no probative force and effect whatever.

All Ina B. Hill said was that from his general reputation she was sure that hasty action had been taken in this case without proper investigation. And her letter was addressed to an official here asking him to use his influence, and so forth. Naturally, the board at its hearing disregarded her letter.

Frank L. Chapper, assistant State service officer, offered no evidence of any value, his statement is negative in character, and of no probative force and effect.

The statement by Doctor Webb, of Donna, is likewise of no value. He was wholly unfamiliar with what went on in San Antonio at this time.

On February 18, 1931, Manager Chapman sent an 18-line telegram, Government collect, from San Antonio to General Hines insisting on recision of the dismissal and reinstatement on reprimand, stating:

This information has become generally known to the ex-service men and service organizations in this locality. I do not know what their reaction will be. I would say that his reinstatement here would be in the interest of the service, but do not feel that it would be acceptable to the above reaction, which may be negative in this locality.

W. O. Tuttle, from San Antonio, February 19, 1932, wired:

Chairman states return of Doctor DeBerry to his office would be satisfactory, but it is possible ex-service men here might prevent action. Have wired General Hines I am past commander of American Legion. It is my opinion that service men will favor reconsideration of Doctor DeBerry.

On February 19, 1932, Assistant Administrator O. W. Clark recommended that DeBerry be reinstated. On March 22, 1932, the reinstatement certificate was issued and on March 26, 1932, he was notified of his reinstatement, and he was thus reinstated.

It is thus clearly shown by the official record in the Veterans' Administration that after a board of four officials had twice held a hearing and had twice found Dr. DeBerry guilty of conduct requiring dismissal, and after General Hines had refused to reinstate him a few ex parte statements from interested persons wholly unfamiliar with the facts that caused his dismissal interceded for him, and that without holding another hearing Doctor DeBerry was reinstated on the same evidence which had been carefully considered by the board that convicted him.

I submit, Mr. Speaker, that high officials in the American Legion are not serving the best interests of the rank and file of American Legion members, or of ex-service men generally, or of the people of the United States, in interceding and having a man like Doctor DeBerry reinstated when he had been convicted after due hearing of "drunkenness on duty" and of being incapable of transacting business when ex-service men must depend upon him for their ratings.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed; and a motion to reconsider laid on the table.

CLARENCE G. YOUNG

Mr. EVANS of Montana. Mr. Speaker, I ask unanimous consent to return to Calendar No. 360, the bill (S. 2697) for the relief of Clarence G. Young. The gentleman who objected to the bill, I think, objected to it under a misapprehension.

Mr. BLACK. Mr. Speaker, that bill was objected to by two Members.

Mr. EVANS of Montana. Notwithstanding that, one of the gentlemen told me he objected under a misapprehension and I would like to return to it in order to make a statement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

Mr. BLACK. Mr. Speaker, I object.

NED BISHOP

The Clerk called the next bill, H. R. 1931, for the relief of Ned Bishop.

Mr. MOUSER. Mr. Speaker, I reserve the right to object to have an explanation made as to how the Government may be involved in a private contract between a contractor and a railroad company in the furnishing of ties and the giving of a Liberty bond as security.

Mr. WICKERSHAM. Mr. Speaker, I can explain the matter very easily to the gentleman. This man, Ned Bishop, was a laborer making ties for the Alaska Railroad and they required these tie men to give bond. This man gave a bond, along with a lot of other men, but instead of giving personal security he put up this Liberty bond of $1,000. Conditions arose under which all of these contractors failed to perform their contract as provided, and they were all turned in and exonerated except this one. He had put up his Liberty bond to the railroad company, which is a Government function up there, and instead of bringing suit or doing something to get the right to take the bond, they sold it and turned the money into the Alaska Railroad. This is an application to take it out of the Alaska Railroad funds.

Mr. MOUSER. I understand that; but the railroad company sold the bond.

Mr. WICKERSHAM. Yes.

Mr. MOUSER. Therefore the bond is redeemable by the Government, and in turn this contractor who gave the bond as security wants another bond.

Mr. WICKERSHAM. Oh, no; he does not. He wants them to pay the money.

Mr. BLACK. All these contracts were modified, and in case of all the other guarantors they were released by reason of modifications made in the contract by the Government; but this man happened to guarantee himself and was not included.

Mr. MOUSER. What happened to the other contractors who gave similar security?

Mr. WICKERSHAM. This was the only man who gave such security.

Mr. BLACK. And all the guarantors for the other contractors were released because of the modifications made in the contract by the Government.

Mr. MOUSER. But the Government did not enter into the modification of the contract between the contractor and the railroad company.

Mr. EATON of Colorado. If the gentleman will permit, I think my colleague has been misled in his idea that this is a contract with a railroad company, and is not considering that the railroad company is owned and operated by the United States and that the appropriation for its deficit is furnished to the Secretary of the Interior and the form of this bill would authorize the Secretary of the Interior to take such funds as he has in connection with the railroad and settle this claim.

Mr. MOUSER. Does the Government own this Alaska Railroad?

Mr. WICKERSHAM. Absolutely.

Mr. MOUSER. Then I have no objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to pay, out of the funds of the Alaska Railroad, the sum of $1,009.10 to Ned Bishop, in refund for his Liberty bond forfeited to the Alaska Railroad in connection with a contract between said Ned Bishop and the Alaska Railroad for furnishing railroad ties in the year 1922.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed; and a motion to reconsider laid on the table.

NATHAN HALE, REVOLUTIONARY HERO

Mr. LONERGAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. LONERGAN. Mr. Speaker, June 6, 1932, is the one hundred and seventy-seventh anniversary of the birth of Nathan Hale, Connecticut's noblest son, martyr, and patriot, whose one regret, when about to make the great sacrifice for his native land, was that he had "but one life to give" for it.

Although a native of Connecticut, educated at Yale, that State realizes that in the contemplation of the character and service of the patriot Nathan Hale mere imaginary lines of statehood disappear, and he is essentially American, beloved and revered by all States in the Nation which he served so well. He was born in Coventry, Tolland County, June 6, 1755.

The perilous exploits of Captain Hale need no recitation here. The story of the 21-year-old youth who at the instance of General Washington left Connecticut to venture into the enemy's lines on Long Island forms one of the most heroic pages in American history. On previous occasions on this anniversary I have stated before this body the account of his courage and daring. In the CONGRESSIONAL RECORD of the Sixty-third Congress, third session, page 816, I have reviewed the story of his adventure, of his eventual capture, and subsequent death on the gibbet on September 22, 1776.

In the RECORD of the Sixty-fifth Congress, first session, page 303, is a testimony from the pages of the Hartford Times to the esteem and reverence in which the young hero is held by the citizens of his native State. The schoolhouse in which he taught in East Haddam, Conn., has been preserved. It is a shrine to his spirit of self-sacrifice, maintained and preserved by the Connecticut Society, Sons of the American Revolution. The CONGRESSIONAL RECORDS of the Sixty-fifth Congress, second session, page 461, and of the Sixty-sixth Congress, page 8845, include similar encomiums to the self-poise, nobility of character, and dauntless courage of this youth.

His final words—"I only regret that I have but one life to lose for my country"—have been on the lips of every American schoolboy since the annals of the Revolutionary War were recorded. What an inspiration to the youth of this Nation this deed of devotion and service to the cause of his country in its hour of trial! Alone, single-handed, into the face of almost certain death, he ventured where others more circumspect dared not go.

Mr. Speaker, when we consider the life and sacrifice of Hale, particularly his devotion to duty, his unfaltering courage, and his ringing words of patriotism even at the moment of death, must we not admit that this martyr of the Revolution richly deserves the honor of a monument to his memory on the public grounds of the National Capitol of the country which he loved and died for, when the finances of the Nation warrant.

From the sacrifices of Nathan Hale and his copatriots a lesson can be drawn in this present-day crisis. They were men of courage and iron will who loved their country. There was nothing flabby about their patriotism. They gave willingly of their lives and fortunes to make possible the birth of a new nation where all men would be equal under the law. After the establishment of the United States Government these men continued in patriotic service. They were followed by the pioneers who blazed the trail—the brave men and women of the covered-wagon period—and the men and women who showed such great fortitude in the reconstruction days.

Similarly during the World War the people of the United States displayed the spirit of Nathan Hale and emulated his

fortitude in the time of adversity. So in this depression we can rely upon them to courageously deal with the trying problems of the times and to solve them. The times call for patience, faith, and cooperation. Hard as it is to be without employment, to witness the efforts of a lifetime shrink or pass away, we must remember our comforts and the advantages of modern life and that we live in the greatest Nation on earth. We are fighting an economic war. Some sacrifices are necessary. The courage of America always triumphs. Let us face a rising sun and carry on with the spirit of '76. The proceedings of both branches of Congress open with prayer, giving evidence that the American people look for guidance to and place their faith in our Heavenly Father. With this belief they can not fail.

UNION FERRY CO.

The Clerk called the next bill on the Private Calendar, S. 6, an act for the relief of the Union Ferry Co., owners of the ferryboat *Montauk*.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Reserving the right to object, this bill seeks authority for the owners of the ferryboat *Montauk* to go into court and determine the amount of damages that may have been incurred by reason of a collision with a United States Navy tug. The Secretary of the Navy finds that there was no fault on the part of the navy tug. I must confess that my memory is a little vague as to what the law of damages is in courts of admiralty. I am at present under the impression that the court awards that amount of damages, which if both parties were in fault, to the one who suffered the most. I have not examined the law for a good many years.

I was wondering whether the gentleman would be willing to place the Government in the same position for relief, in case the court should find that the Government is entitled to damages, as he is attempting to do on behalf of the ferry company.

Mr. BLACK. As I understand it, if the Government thought that the owners of the ferryboat were at fault, the Government would have sued the ferryboat company. The Government did not want to go into court because it knew where the responsibility lay. If the Secretary of the Navy thought that the ferry company was responsible, in the exercise of his duty he would have sued the ferryboat owners.

Mr. STAFFORD. Oh, no; sometimes they are not as litigious as are private parties. I have an amendment to offer, and if that is acceptable, I have no objection.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the claim of the Union Ferry Co. of New York and Brooklyn, owners of the ferryboat *Montauk*, alleged to have been injured in a collision with the United States Navy tug *Mohave*, which occurred in the East River on the 27th day of December, 1918, for and on account of the alleged damage to said ferryboat *Montauk*, by reason of said collision, may be submitted to the United States District Court for the Southern District of New York, under and in compliance with the rules of said court, sitting as a court of admiralty; and said court shall have jurisdiction to hear and determine the whole controversy and to enter a judgment or decree for the amount of the damages sustained by reason of said collision, if any shall be found to be due said owners, on the same principles and measure of liability, with costs, as in like cases in admiralty between private parties, with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by the order of said court; and that it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That the libel in the suit herein authorized shall be filed not later than four months after the passage of this act.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Page 2, line 3, after the word "sustained," insert "either by the Government or the said Union Ferry Co.," and in line 6, page 2, after the word "parties," insert "but with no allowance for injuries or claim for damages by reason of the delay in considering said action prior to the rendering of judgment herein and."

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time and passed.

A motion to reconsider was laid on the table.

JOHN HEFFRON

The next business on the Private Calendar was the bill (H. R. 922) for the relief of John Heffron.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the pension laws or any laws conferring rights, privileges, or benefits upon persons honorably discharged from the United States Navy John Heffron shall be held and considered to have served honorably as a cook (first class), United States Navy, for more than 90 days during the war with Spain: *Provided*, That no pension, pay, or bounty shall be held to have accrued by reason of this act prior to its passage.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

JOHANNA ARMSTRONG

Mr. KETCHAM. Mr. Speaker, I ask unanimous consent to return to No. 278 on the calendar, H. R. 1553, for the relief of Johanna Armstrong, in view of the fact that a moment ago on a similar bill favorable action was taken. While not exactly similar, the bill has almost the exact phraseology.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Mr. Speaker, I ask the gentleman to prefer his request to-morrow, so that we may have that bill before us.

Mr. BLANTON. Mr. Speaker, I dislike very much to object to the request of the gentleman from Michigan, but there is a difference and a very great dissimilarity between the two bills he mentions. The case passed here was where there was a defect in the revolving door entering a postoffice in which the Government was at fault in not remedying, and an old lady was hurt. In the gentleman's case it was where a decrepit old lady was going through one of these revolving doors that was in good shape and the crowd pushed her through. The Government had no control over the crowd, the Government was not at fault, the Government could not help it. It is one of those assumptions of risk that every American citizen must take in going through a revolving door.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. I object.

NORMAN C. BRADY

The next business on the Private Calendar was the bill (H. R. 8343) for the relief of Norman C. Brady.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Mr. Speaker, I object.

BEN D. SHOWALTER

The next business on the Private Calendar was the bill (H. R. 9599) for the relief of Ben D. Showalter.

The SPEAKER pro tempore. Is there objection?

Mr. GRISWOLD. Mr. Speaker, I object.

JOHN Z. LOWE

The next business on the Private Calendar was the bill (H. R. 9076) for the relief of John Z. Lowe, former collector of internal revenue for the second district of New York.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Mr. Speaker, I reserve the right to object in order to inquire whether this is for the relief of a surety company or for the collector himself.

Mr. O'CONNOR. Mr. Speaker, for the former collector himself, as I understand it.

Mr. STAFFORD. Was this former collector under bond? Of course the gentleman realizes that we are not inclined to relieve surety companies of an obligation on a defalcation or irregularity that occurred in the performance of the work. I am quite satisfied that the collector was not directly responsible for this defalcation; but if he was under bond and the surety company has paid the indebtedness, I can see no

reason why the Government should come to the rescue of the surety company.

Mr. O'CONNOR. I have never heard that any surety company was involved in any way in the matter. That is all that I can say to the gentleman. I know Mr. Lowe, and I understood it was a personal thing, that he was personally liable, and was attempting to relieve himself of this personal liability.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Mr. Speaker, under the statement that there is no surety company to be reimbursed, I withdraw the objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to reopen the revenue account of John Z. Lowe as collector of internal revenue for the second district of New York for a period ending April 3, 1917, and to allow credit in the settlement of said account for the sum of $3,500, being the amount of an alleged shortage in the count of stamps charged as having been sent to and received by him during the fiscal year 1916.

Mr. MOUSER. Mr. Speaker, I stepped out for a moment and did not hear the point where the Speaker asked whether there was any objection. If it is not too late, I must object to the bill.

The SPEAKER pro tempore. That point is passed. The question is on the passage of the bill.

Mr. MOUSER. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. MOUSER: Line 8, strike out the figures "$3,500" and insert in lieu thereof "$250."

Mr. O'CONNOR. Mr. Speaker, I rise in opposition to the amendment. This bill was introduced by me, I think, in the last Congress. The amount involved is $3,500. There is no basis for inserting any other amount in the bill except to kill the bill. The gentleman may as well offer an amendment to insert 5 cents instead of $250. The collector had $3,500 worth of 50-cent documentary stamps stolen from his office through no fault of his own for which he is held liable. There never has been any dispute as to the fact.

Mr. MOUSER. It seems to me that the report certainly shows disputed facts. This fairy tale told about the disappearance of the stamps, which is not corroborated, certainly raises the question of whether or not there should be any reimbursement.

Mr. O'CONNOR. In all the investigation by the department there was no issue raised as to the fact that the stamps were stolen and that the employees who stole them were discharged.

Mr. MOUSER. The claimant claims that he bought the stamps off a man on the street.

Now, it is certainly strange to say that a person would buy that many stamps on the street from an unknown person without questioning the transaction. I do not want to be arbitrary, but I am sorry the stage has passed for me to object.

Mr. O'CONNOR. That is just an arbitrary amendment that the gentleman has offered. I will accept no compromise.

The SPEAKER pro tempore. 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 2 and noes 15.

So the amendment was rejected.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILBUR J. SCOTT

The Clerk called the next bill, H. R. 4148, authorizing issuance of a patent in fee to Wilbur J. Scott for certain lands.

Mr. STAFFORD. Reserving the right to object, I would like to have the author of the bill explain the reason why he does not agree with the position of the Commissioner of Indian Affairs, who recommends adversely to this bill.

Mr. LEAVITT. Instead of agreeing with him fully the committee agreed to an amendment that was suggested, cutting out authority to issue patent on the irrigated land.

This bill was introduced at the request of the young man in question and is one of those hair-line decisions of judgment as to whether authority should be given to issue patent in fee for the remainder of the land or not. Since it is entirely in the discretion of the Secretary, I feel very sure that no patent in fee would be issued unless conditions were entirely proper, on his further investigation.

Mr. STAFFORD. The gentleman does not think that the mere passage of this bill will mean much to the Secretary of the Interior; that he will not regard a declaration of policy on the part of Congress as being entitled to much weight.

Mr. LEAVITT. I would not say that.

Mr. STAFFORD. The gentleman says that the Secretary of the Interior has authority to refuse to grant title in fee. He has a right to do that to-day without any declaration by Congress.

Mr. LEAVITT. No; not on the Crow Indian Reservation. He has on some Indian reservations, but under the act of 1920 all such discretion is taken away, and it requires an act in each individual case.

Mr. STAFFORD. Mr. Speaker, I withdraw the reservation of objection, though I question whether it is good policy, but the gentleman from Montana is very considerate of his wards.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to issue a patent in fee to Wilbur J. Scott, Crow allottee No. 1769, for land allotted to him under the provisions of the act of June 4, 1920 (41 Stat. L. 751), and described as the northeast quarter northeast quarter, south half northeast quarter, south half northwest quarter, southwest quarter of section 21, township 6 south, range 32 east, and lot 4 of section 18, township 4 south, range 33 east, Montana meridian, comprising 397.86 acres.

With the following committee amendment:

On page 2, line 2, strike out the words "and lot 4 of section 18, township 4 south, range 33 east," and on page 2, line 3, after the word "comprising," strike out the words "three hundred and ninety-seven and eighty-six one-hundredths" and insert in lieu thereof "three hundred and sixty."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

GEORGE W. M'DONALD

The Clerk called the next bill, H. R. 4368, for the relief of George W. McDonald.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers George W. McDonald, who was a member of Company C, Sixty-fifth Regiment Illinois Volunteer Infantry, mustered in on June 1, 1862, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 1st day of October, 1862: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

JERRY V. CRANE

The Clerk called the next bill, H. R. 5367, for the relief of Jerry V. Crane.

Mr. EATON of Colorado. Mr. Speaker, I object.

Mr. CARDEN. Will the gentleman withhold his objection for a moment?

Mr. EATON of Colorado. I will reserve the objection.

Mr. CARDEN. This old man was taken sick and left the Army with the consent of his captain. They told him that when he recovered he could come back or they would send him his discharge if he never recovered. That was proved by a number of witnesses. Even the report says it was

understood that he had died. He was carried to the hospital and carried to his home, and for eight months he was there with typhoid fever, and the Army disbanded or left, and he never came back. He is a very old man, past 80 years of age.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Jerry V. Crane, who was a member of Company K, Thirty-seventh Regiment Kentucky Volunteer Mounted Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of that organization on the 5th day of March, 1864: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

CLARENCE G. YOUNG

Mr. EVANS of Montana. Mr. Speaker, I ask unanimous consent to return to Calendar No. 360, for the relief of Clarence G. Young (S. 2697), and pending that I ask unanimous consent to make a brief statement.

Mr. STAFFORD. Reserving the right to object, I have no objection pending that request, that the gentleman be granted three minutes to make an explanation.

Mr. MOUSER. Did not the gentleman make that request just a few moments ago?

Mr. EVANS of Montana. I did.

Mr. MOUSER. And did not the gentleman from New York, Mr. BLACK, object to the request?

Mr. EVANS of Montana. He did.

Mr. MOUSER. The gentleman from New York is not present in the Chamber just now, and I suggest that the gentleman defer his request until the gentleman from New York returns to the Chamber.

Mr. EVANS of Montana. I do not care to defer my request. I have made it twice.

Mr. RAMSPECK. Mr. Speaker, I must object.

Mr. EVANS of Montana. If I can not be courteously treated on a little thing like this, you will have a quorum or you will not pass any more bills to-day.

The SPEAKER pro tempore. Is there objection?

Mr. RAMSPECK. Mr. Speaker, in view of the absence of the gentleman from New York, Mr. BLACK, I object at this time. If the gentleman will make his request when the gentleman from New York returns, I shall not object.

Mr. EVANS of Montana. Mr. Speaker, I make the point of order that there is not a quorum present.

Mr. STAFFORD. I have no objection to the gentleman speaking, at least.

Mr. EVANS of Montana. That is all I have asked for, and I have asked for that twice.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that the gentleman from Montana be allowed to proceed for five minutes.

Will the gentleman withdraw his point of no quorum?

Mr. EVANS of Montana. Yes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. EVANS of Montana. Mr. Speaker, when the bill Calendar No. 360 was called my attention was temporarily diverted, and I think two Members objected. I spoke to one of them, and he said he did not understand it. I spoke to the other objector, the chairman of the committee, the gentleman from New York [Mr. BLACK], who replied:

We will try to take care of the matter.

My bill is a $50 claim. The Forest Service last year hired a man's horse, put him in charge of some inexperienced fellow, and the horse was killed the first night out.

The bill involves a sum of $50. The bill was reported out of the committee, the chairman of which now objects to my even making a statement about it.

I think we ought to return to the calendar number and call the bill. I shall have no criticism of anyone who really wants to object to a meritorious bill. For the second time now I have asked to make a statement on this little bill, and I now make the request that we return to Calendar No. 360.

Mr. STAFFORD. Will not the gentleman from Montana defer his request until the gentleman from New York [Mr. BLACK] is here?

Mr. EVANS of Montana. I shall be pleased to defer my request until the gentleman who made the objection returns to the House.

Mr. RAMSPECK. Will the gentleman yield?

Mr. EVANS of Montana. I yield.

Mr. RAMSPECK. I have no objection to the gentleman from Montana making any statement he wants to, but in the absence of the gentleman from New York [Mr. BLACK], I can not consent to take up the bill.

Mr. EVANS of Montana. I will defer my request until the gentleman from New York comes in. If I can not get a hearing then, we will have a quorum to do business with this afternoon.

Mr. STAFFORD. I am sorry the gentleman made that statement. We are trying to cooperate with him.

ROBERT E. EDGECUMBE

The Clerk called the next bill, H. R. 3670, for the relief of Robert E. Edgecumbe.

Mr. MOUSER. Mr. Speaker, reserving the right to object, I question the amount involved in this claim. I do not question the facts. I think the operator of the airplane was negligent, but I question the payment of $5,000 when there is no proof that the minor children of the deceased were dependent upon her. The basis of damage is dependency.

Therefore, at the present time, I must insist that this amount be reduced to $2,000.

I am not objecting to the merits of the claim; I am objecting to the amount.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I would like to ascertain from some member of the committee reporting the bill why in this instance it recommends $5,000, which is to be paid to the estate, whereas in the following bill they seek to compensate for a similar injury arising out of the same accident to the amount of only $1,000.

Mr. RAMSPECK. The difference, if the gentleman pleases, is this: The woman in the bill H. R. 3670 was killed and the committee thought it wise to amend the bill and make it payable to the estate so the children would get the benefit of it. In the next bill the gentleman refers to there was simply an injury, a broken hip, and the committee felt that $1,000 was sufficient to compensate the man for the injury and for his hospital expenses.

Mr. MOUSER. How many children are left in the case of the first bill where the woman was killed?

Mr. RAMSPECK. There were five children, and their ages at the time of the accident ran all the way down to 11 months.

Mr. MOUSER. It is not disputed that the husband of this woman was the wage earner of the family and was supporting his family.

I raise the question as to what basis there is to pay $5,000 when there is no evidence of record that these children were dependent upon their mother for support. The measure of damages in a wrongful death case involving such circumstances as are involved in this case hinges upon the dependency of those who claim damages because of wrongful death.

I suggest that the amount be reduced to what the children might possibly expect their mother could provide for them in case the husband did not.

Mr. RAMSPECK. I think it is unquestionably true the father was the main support; but as I understand the facts, this woman did contribute to the support of the family; and while there is no definite evidence along that line, of course, the taking away of this woman has entailed an expense for the balance of the lives of these children which must be assumed by the husband.

Mr. MOUSER. She gave the children a mother's care.

Mr. STAFFORD. Will the gentleman yield?

Mr. MOUSER. I yield.

Mr. STAFFORD. I wish to call the attention of the gentleman who is interested in this bill to a bill introduced by our late beloved colleague, Sam Rutherford, seeking to compensate the widow of a man who had been killed by reason of the too-free use of a gun by a prohibition-enforcement officer in one of the southern cities.

There the deceased had left a number of minor children—five or six—by a prior marriage. The deceased had recently married this woman. I proposed an amendment, which I thought would have met the approval of Mr. Rutherford, to grant to the widow $1,000 and providing for the payment of $4,000 to the guardian of the minor children. This bill would award the money to the estate.

Mr. RAMSPECK. I will say to the gentleman that I would not object to an amendment of that kind.

Mr. STAFFORD. We wish to have the children looked after rather than to provide for the debts of their father or mother. I think in cases like these, where we are seeking to take care of the children because of death resulting through the fault of the Government, it would be far better to provide that the money be paid to the guardian of the minor children of Robert E. Edgecumbe.

Mr. MOUSER. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. MOUSER. It seems to me that would be invading the prerogatives of the court in that case. As a matter of fact, this kind of suit is brought by the administrator of the estate, probably the husband, and also as the next friend of the children. After the debts are paid out of this amount, if any, then it is distributed according to the laws of descent and distribution, and in that event the court would have to appoint a guardian to handle the funds of the minor children.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. MOUSER. Yes.

Mr. CHINDBLOM. Does the gentleman think we should appropriate money out of the Federal Treasury to pay any part of the debts of the deceased?

Mr. MOUSER. No; but that money has to be distributed through the probate court or a similar court, and it is according to the laws of the particular State involved.

Mr. CHINDBLOM. If you make it payable to a guardian, then a guardian will have to be appointed, and the amount will not be subject to the debts of the decedent.

Mr. MOUSER. That comes afterwards.

Mr. GREEN. Speaking for my colleague, I will accept the amendment suggested by the gentleman from Wisconsin, by which each of these five small children who are left would obtain $1,000.

Mr. STAFFORD. I will say to the gentleman from Ohio that I feel this is a very reasonable amount, only $5,000, when this mother, in the prime of her life, left these children, who were dependent upon her for support.

Mr. MOUSER. There is no evidence that they were dependent upon her for any support whatsoever. I suggest that the amount be made $2,000, otherwise I intend to object.

Mr. GREEN. I hope the gentleman will not insist on that.

The SPEAKER pro tempore. Is there objection?

Mr. MOUSER. Mr. Speaker, I object.

Mr. STAFFORD. Will the gentleman withhold his objection?

Mr. MOUSER. I will reserve it.

Mr. STAFFORD. Let us do justice. There is no question whatsoever but what this man left minor children, as the report shows, of the respective ages of 9, 7, 5, and 3 years.

Mr. RAMSPECK. And one of 11 months.

Mr. STAFFORD. Five children. The accident was the fault of the Government. Two thousand dollars would not go very far for the support of five children of those tender ages. We have invariably paid $5,000 to estates of decedents where the death has occurred through the fault of the Government. I have been in sympathy with the position the gentleman generally takes, but I think in this case, where the Government has been the cause of taking away the bread earner of these minor children, that we should vote the $5,000 to the guardian for the benefit of these minor children. In this case the Government is at fault; and how far would $5,000 go for the support of these minor children? The Government was at fault, and we have established the policy that where the Government kills a person through the fault of its agent we will allow damages to the extent of $5,000 and no more.

Mr. MOUSER. It is not a question of sympathy. We are all sympathetic toward these children. It is a question of the measure of damages. There is not one scintilla of evidence in this report showing that this mother contributed to the support of these children or that they were dependent upon her. If the father had lost his life, that would be a different question.

Mr. STAFFORD. The father did lose his life by reason of this accident, and that is the basis of the claim. As I understand, it was the father who was killed.

Mr. MOUSER. No; it was the mother. The Committee on Claims should differentiate between the head of a family who supports his family and the widow who does not.

Mr. STAFFORD. I wish to apologize to the gentleman from Ohio, because my argument was predicated upon the idea that the father had been killed.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. Without objection, Senate bill 2437 will be substituted for the House bill.

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the estate of Annie Lee Edgecumbe, deceased, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 as full compensation for the death of Annie Lee Edgecumbe, on October 17, 1930, on account of having been struck by a United States Navy plane in Pensacola Bay, Fla.

Mr. MOUSER. Mr. Speaker, I offer an amendment striking out "$5,000" and inserting in lieu thereof "$3,000."

The Clerk read as follows:

Amendment offered by Mr. MOUSER: Page 1, line 6, strike out "$5,000" and insert in lieu thereof "$3,000."

Mr. GREEN. Mr. Speaker, I rise in opposition to the amendment.

I hope the House will not accept this amendment. All Members of the House will realize that if a mother is taken away from her children when they are the ages of 11 months up to 8 or 9 years, the father in rearing these children will expend a great deal more than $5,000 as a result of such loss. Also I would admonish my colleagues that the officers of the Navy admit that one of the Navy seaplanes killed the mother, and I am assuming that this mother was fishing to obtain food and support for her children. I am assuming this, because otherwise she would not have been there. I do not think she would have been there on a pleasure trip. I believe she was trying to augment the income of her husband to feed her children, one of them being only 11 months old. The Navy officials admit that her small fishing boat was lawfully in that portion of Pensacola Harbor.

Under these circumstances a plane operated by one of the officers of the Navy unfortunately struck the boat and killed her and severely injured her fishing companion.

My colleagues, under such circumstances do you think that $5,000 is excessive when you consider the necessary care of a child 11 months old, the employment of a nurse and of attendants to take the place of a mother, as far as anyone else can possibly take her place? Do you believe that $5,000 is excessive under circumstances of this character? There were also four other small children left for the father to care for. His earning power was lessened.

If this case had been in the courts of my State, and if I were representing this estate, surely $25,000 would not be a large amount for which to sue. However, they have asked

the small amount of $5,000 to help to educate and rear these children, and it does seem to me that considering the facts in the case, the Congress should not cut the amount down to two or three thousand dollars, and I hope you will not accept the amendment. We are approving bills for large amounts for cases, in my opinion, far less worthy. Therefore stand with me against the amendment and for $5,000 allowance.

Mr. MOUSER. Mr. Speaker, I rise in favor of the amendment, and I realize that perhaps I should have preceded the gentleman from Florida.

The gentleman from Florida waxes eloquent about the facts concerning this death. It is conceded by everyone that this woman suffered a wrongful death. The gentleman states that these minor children, with whom we all sympathize, were dependent upon their mother for support, because, forsooth, she was out fishing in order to get them something to eat. Certainly this House is going to base its judgment upon more substantial grounds. I am advised by a member of the Committee on Claims that in these cases it is always customary to report a bill in the sum of $5,000.

I am serious in calling the attention of this House to the fact that if we are going to proceed orderly we must consider the measure of damages just as that would be considered in a court of law, and the measure of damages in the case of death is based, not upon sympathy, but upon the loss of those who claim damages; and in this case it is the mother, not the father, who has been killed. If it were the father, who was the bread winner and head of the family, $5,000 would not be out of place.

Mr. RAMSPECK. Will the gentleman yield?

Mr. MOUSER. I yield.

Mr. RAMSPECK. Is it not true that in the case of people of small means, generally, the woman in the family contributes to the support of the family?

Mr. MOUSER. How small were the means of this family? The gentleman is going outside the record.

Mr. RAMSPECK. I am frank to state that the evidence does not disclose, but I am satisfied in my own mind that they were not people of any wealth.

Mr. MOUSER. I want to say to the Speaker, and through him to the membership of the House, that this is the first time, when we have had a friendly discussion with a view to a compromise, in a spirit of helpfulness, based upon good argument, that any gentleman who has acquiesced by his silence has later voiced any opposition to an amendment. I certainly do not think we want to put ourselves in the position where we have to object to a bill without giving the proponent of the measure an opportunity to explain it.

I think the gentleman from Florida should not oppose the amendment for this reason, and if he does, the gentleman will jeopardize every bill about which there is any doubt.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Ohio.

The question was taken; and on a division (demanded by Mr. GREEN) there were—ayes 41, noes 6.

So the amendment was agreed to.

Mr. STAFFORD. Mr. Speaker, I offer the customary attorney's fee clause.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: At the end of the bill 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."

The amendment was agreed to.

The bill, as amended, was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

A similar House bill was laid on the table.

ALFRED G. SIMMONS, JR.

The Clerk called the next bill on the Private Calendar, H. R. 3671, for the relief of Alfred G. Simmons, jr.

There being no objection, the Clerk read the bill S. 2436, a similar Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Alfred G. Simmons, jr., out of any money in the Treasury not otherwise appropriated, the sum of $1,000 as full compensation for injuries received and suffered by him on account of having been struck on October 17, 1930, by a United States Navy plane in Pensacola Bay, Fla.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

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.

The amendment was agreed to.

The bill as amended, was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The House bill was laid on the table.

LUCY STEWART

The Clerk called the next bill on the Private Calendar, H. R. 5906, for the relief of Lucy Stewart.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Reserving the right to object, I may say that in the last Congress the Committee on Foreign Affairs reported an omnibus bill for various claimants carrying the same idea. I felt impelled as to all those bills to object, and that is the position I now take. I will yield to my good friend from Georgia.

Mr. CRISP. Mr. Speaker and gentlemen, I am personally and intensely interested in this case. It is a bill to give the widow of a consul general one year's salary. The Government has pursued that policy since 1892. There is a long list of precedents for it, and the State Department recommends the passage of the bill.

I may say to you that the beneficiary of this bill is a lady in my home town and that I have known her from childhood. She is about 60 years of age and has nothing to live on. She is the granddaughter of Gen. Howell Cobb, who at one time was Speaker of this House and at another time Secretary of the Treasury.

This lady has gone all over the world with her husband, into out-of-the-way places, and many of the Members of this House have visited places where they were stationed and have received many kindnesses at their hands.

The State Department said to me that in many places they had to perform the functions that ordinarily would be performed by an ambassador or a minister in entertaining Americans. They had no Government funds to pay for that purpose, and they paid it out of their own pocket.

When the horrible earthquake took place in Japan very few were anxious to go into that area. Mr. Stewart was stationed in Washington at that time in the State Department. One or two consuls who were suggested found excuses to prevent them from accepting the position. Mr. Stewart volunteered, and in a few days he and his wife went to Japan. She lived with him for three years in a tent in Japan assisting her husband in the performance of his duties.

Gentlemen, these are the facts in the case.

Mr. ARENTZ. I think the gentleman should speak in the same terms regarding the two bills which follow, because they are identical in purpose, to pay one year's salary to men who have served their country well abroad, and all that the gentleman has said in regard to Calendar No. 375 applies equally to Calendar Nos. 366 and 377.

Mr. CRISP. I do not know anything about those bills. I was engaged in a conference committee, trying to expedite agreements on the tax bill, a matter of the greatest importance to the Nation. I felt so intensely interested in

this bill, for the reasons I have outlined, that when I was notified that this bill was about to be reached I excused myself to come here for a short time to make a personal statement on behalf of the bill.

Mr. ALDRICH. Mr. Speaker, will the gentleman yield?

Mr. CRISP. Yes.

Mr. ALDRICH. I introduced Calendar No. 377, H. R. 1942, for the relief of Mary T. Deane, which bill involves exactly the same principle. In the report on No. 377 the Committee on Foreign Affairs say that they have 30 precedents for doing the very same thing. I join with the gentleman in urging the gentleman from Wisconsin [Mr. STAFFORD], in view of the fact that there are numerous precedents for this, to withdraw his objection.

Mr. RUDD. Mr. Speaker, I have a similar bill, No. 376, H. R. 924, for the relief of Sophie de Sota. The husband of this widow served for 35 years continuously. I believe when he entered this service he had a right to assume that upon his death his widow would receive the same amount as the widows of these 30 other men received. If we do not pass this bill now, it would be a retroactive act, in my opinion, because we would change the law as it exists to-day. I hope the gentleman will withdraw his objection.

Mr. STAFFORD. Mr. Speaker, under reservation of objection, for some years prior to 1924 the State Department was seeking to place upon the retired list all of our consular representatives and pay them retired pay after they reached a certain age. The first draft of the so-called Rogers bill passed the House in 1921 but did not pass the Senate. In 1924 the Congress adopted the policy, under recommendation of Secretary of State Hughes, the present Chief Justice, granting to all of our consular officers upon their attaining a certain age a liberal retirement pay. In that bill, which was prepared by the State Department under the tutelage of the eminent Secretary of State, no provision was carried at any time providing for a year's salary to be paid to the widow. Prior to that time the Congress had voted in many instances, as referred to by the distinguished gentleman from Georgia, the grant of a year's salary, particularly where the husbands died abroad, because the Government believed that it would be rather an undue burden upon these persons serving in foreign climes, with inadequate salaries and no provision for retirement, not to receive some compensation; but since we passed the act of 1924 only one such bill has been passed, although the Committee on Foreign Affairs has reported many, many such bills.

In the instant bill I call attention to the fact that this consular officer died here in Washington while on temporary service, November 14, 1930. There is no reason whatsoever, in view of the fact we have established a policy of retirement, and liberal retirement, more liberal in case of consular officers than in any other branch of the national service, why we should now establish a policy of granting, in addition thereto, a year's salary to the widow.

Mr. CRISP. Mr. Speaker, will the gentleman yield?

Mr. STAFFORD. In a moment. During the last Congress it was my unhappy task to object to a bill introduced by my colleague, Mr. SCHAFER, a case in which the widow lives in an adjoining suburb to my district. During the recess friends of mine arranged for an interview with her. I explained to the widow the reason. She had a valuable estate of some $30,000 or more. Why should we in this character of service, just because it is a select character of service, grant a year's salary to the widow of a deceased consular officer? If we are going to do that, let us bring in a general law and not do it by special preferment.

Mr. CRISP. Mr. Speaker, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. CRISP. In answer to one of the gentleman's statements that the consul died here, he did die here. He had been in bed in Barcelona, Spain, for four months, where he broke down serving his country. As soon as he was able he was taken on a stretcher, placed on a train in Spain, transported over the railroad to the ship, in each instance of change being transported on a stretcher. He was brought here to Washington and was in a hospital here, and died after an illness of at least eight months, continuously bedridden.

Mr. STAFFORD. And the Government during that time provided for his transportation, for his hospitalization, and his compensation up to the time of his death.

Mr. CRISP. Mr. Speaker, the gentleman is in error. The Government did not pay his hospital bill. I suppose the Government did pay his transportation bill, as it does in the case of all officers. It did not pay the doctor's bill or the hospital bill.

Mr. STAFFORD. If there is to be any such policy, let it be established by law and not by special act.

Mr. ALDRICH. Mr. Speaker, will the gentleman yield?

Mr. STAFFORD. I yield to the distinguished attachés of the Foreign Service, first to the gentleman from Rhode Island [Mr. ALDRICH] and then to the gentleman from Long Island [Mr. BACON], whom I see on his feet.

Mr. ALDRICH. But I am not appearing in that capacity.

Mr. STAFFORD. The gentleman creditably fills the rôle.

Mr. ALDRICH. I thank the gentleman. In the case of Mary M. Deane, in whose behalf I introduced this bill, her husband died in Montreal. At the time of his death he had never received any retirement pay. The retirement pay had been in effect for a very short time. If he had retired under the terms of the bill, he would have received practically nothing. In this particular case the widow has a crippled child. She wants this money to have an operation performed upon this child. Unless she gets the money, she will be unable to have that operation performed. I admit that particular argument does not apply to the general principle, but I do not see, on the other hand, how the fact that we have a retirement pay under the Rogers bill affects the merits of this case.

Mr. STAFFORD. It is rather passing strange that when we were passing a general retirement act when it would have been proper to consider this retirement pay no such proposal was given. It was tentatively accepted then that that was to be virtually in lieu of this policy and we have virtually followed it. If Congress wants to adopt a different policy, bring in a general bill.

Mr. BACON. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. BACON. I think there is a distinction between retirement pay and a case where a man dies in service. The retirement pay does not go to his widow at all.

Mr. STAFFORD. How many in civilian life, commercial attachés and clerks in Foreign Service, if we adopt this policy, will be entitled to it? Certainly just because they occupy high positions is no reason why they should be singled out for preferment.

I object, Mr. Speaker.

Mr. CRISP. Mr. Speaker, I ask unanimous consent to extend the remarks I made by including the precedents for this legislation.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The matter referred to is as follows:

APPROPRIATIONS OF A YEAR'S SALARY TO WIDOWS OF FOREIGN SERVICE OFFICERS

The Department of State has made an investigation in regard to the cases in which Congress has either appropriated for the payment of a year's salary to widows of deceased officers in the Foreign Service who have died during their service, or has authorized appropriations for such widows, and has prepared the following list for the information of the committee:

Act of July 28, 1892, authorized payment to heirs of Alexander Clark, late minister and consul general to Liberia, on one year's salary, $4,000.

Act of March 3, 1893, authorized payment to Mrs. Sarah O. Hanna, widow of Bayless W. Hanna, late minister resident and consul general at Buenos Aires, of $5,375.

Act of March 2, 1895, authorized payment to Mrs. Celeste H. McCoy, widow of W. D. McCoy, late minister and consul general to Liberia, of $1,000.

Act of April 17, 1900, authorized payment to Mrs. Clare M. Ashby, widow of William W. Ashby, drowned while consul at Colon, $2,866, balance of one year's salary.

To Mrs. Verona E. Pollock, widow of Alexander L. Pollock, who died while consul at San Salvador, $6,840.

Act of March 3, 1901, authorized payment to Mrs. Ella Lowery Moseley, widow of Robert E. Moseley, consul general at Singapore, $750, equal to three months' salary.

Act of February 6, 1903, authorized payment to widow of W. W. Cobb, who died while consul at Colon, $1,755.49, balance of salary for the year of his death.

Diplomatic and Consular Service bill approved March 4, 1919: Congress authorized the payment of $5,500 (one year's salary) to Mrs. Natalie Summers, the widow of Maddin Summers, consul general at Moscow.

Diplomatic and Consular Service appropriation act for fiscal year ending June 30, 1921: Congress approved payment to Mrs. Winifred T. Magelssen, widow of William C. Magelssen, formerly consul at Melbourne, Australia, of $4,500, one year's salary of her deceased husband, who died returning to the United States from his post from illness incurred in the Consular Service.

Diplomatic and Consular Service appropriation act for fiscal year ending June 30, 1922: Congress approved payment to Mrs. Anna Gale White, widow of Jay White, late consul at Naples, Italy, $4,500, one year's salary of her deceased husband, who died while at his post of duty from illness incurred in the Consular Service.

Diplomatic and Consular Service appropriation act for fiscal year ending June 30, 1922: Congress approved payment to Mrs. Mary A. Higgins, widow of Edward Higgins, late consul at Bahai, Brazil, $4,000, one year's salary of her deceased husband, who died while at his post from illness incurred in the Consular Service.

The act making appropriations for the Departments of State and Justice for the fiscal year ending June 30, 1923: Congress approved payment to Daisy Crawford Carroll, widow of B. Harvey Carroll, late consul at Cadiz, Spain, $3,500, one year's salary of her deceased husband, who died while at his post of duty from illness incurred in the Consular Service.

The act making appropriations for the Departments of State and Justice for the fiscal year ending June 30, 1923: Congress approved payment to Alice Potter, widow of Julian Potter, late consul at Rouen, France, $3,000, one year's salary of her deceased husband, who died as a result of illness incurred in the Consular Service.

The act making appropriations for the Departments of State and Justice for the fiscal year ending June 30, 1924: Congress approved payment to Louise Carroll Masterson, widow of William W. Masterson, late consul to Plymouth, England, $4,500, one year's salary of her deceased husband, who died at his post of duty from illness incurred in the Consular Service.

The act making appropriations for the Departments of State and Justice for the fiscal year ending June 30, 1925: Congress appropriated $3,500 for payment to Pauline M. Robinson, widow of Ross Hazeltine, late consul at Lourenco Marques, Portuguese East Africa, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service.

The act making appropriations for the Departments of State and Justice for the fiscal year ending June 30, 1925: Congress appropriated $3,500 for payment to Paulina M. Robinson, widow of Fred R. Robinson, late consul at Saltillo, Mexico, one year's salary of her deceased husband, who died while returning to the United States from his post of duty of illness incurred in the Consular Service.

The act making appropriations for the Departments of State and Justice for the fiscal year ending June 30, 1925: Congress appropriated $5,000 for payment to May Adelaide Sharp, widow of Hunter Sharp, late consul at Edinburgh, Scotland, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service.

The act making appropriations for the Departments of State and Justice for the fiscal year ending June 30, 1925: Congress appropriated $4,000 for payment to Etherl Roberts Loop, widow of Carl R. Loop, late consul at Catania, Italy, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service.

The act making appropriations for the Departments of State and Justice for the fiscal year ending June 30, 1925: Congress appropriated $3,500 for payment to William B. Kirjassoff and David M. Kirjassoff, minor children of Max D. Kirjassoff, late consul at Yokohama, Japan, one year's salary of their deceased father, who died in the earthquake and fire while at his post of duty.

The act making appropriations for the Departments of State and Justice for the fiscal year ending June 30, 1925: Congress appropriated $8,000 for payment to Eliza R. Scidmore, sister of George H. Scidmore, late consul general at Yokohama, Japan, one year's salary of her deceased brother, who died while at his post of duty of illness incurred in the Consular Service.

The act making appropriations for the Departments of State and Justice for the fiscal year ending June 30, 1925: Congress appropriated $3,500 for payment to Frances R. Jewett, widow of Milo A. Jewett, late consul at Trondhjem, Norway, one year's salary of her deceased husband who died while at his post of duty, of illness incurred in the Consular Service.

The act making appropriations for the Departments of State and Justice for the fiscal year ending June 30, 1925: Congress appropriated $5,500 for payment to Teresa B. Handley, widow of William W. Handley, late consul general at Callao-Lima, Peru, one year's salary of her deceased husband who died while at his post of duty, of illness incurred in the Consular Service.

The act making appropriations for the Departments of State and Justice for the fiscal year ending June 30, 1925: Congress appropriated $5,000 for payment to Irene Gracie Pontius, widow of Albert W. Pontius, late consul general at Mukden, China, one year's salary of her deceased husband who died while at his post of duty, of illness incurred in the Consular Service.

The act making appropriations for the Departments of State and Justice for the fiscal year ending June 30, 1927: Congress appropriated $9,000 for payment to Margarethe Murphy, widow of George Herbert Murphy, late consul general at Zurich, Switzerland, one year's salary of her deceased husband, who died of illness incurred while in the Consular Service.

The act making appropriations for the Departments of State and Justice for the fiscal year ending June 30, 1927: Congress appropriated $4,000 for payment to Lilly O. Dyer, widow of Francis John Dyer, late consul at Coblenz, Germany, one year's salary of her deceased husband, who died of illness incurred while in the Consular Service.

The act making appropriations for the Departments of State and Justice for the fiscal year ending June 30, 1927: Congress appropriated $4,000 for payment to Genevieve Hendrick, widow of Michael J. Hendrick, late consul at Windsor, Canada, one year's salary of her deceased husband, who died of illness incurred while in the Consular Service.

Private Act No. 240, Sixty-ninth Congress, authorized the appropriation of $3,500 for payment to Edith L. Bickford, widow of the late George F. Bickford, late American consul at Antung, China, one year's salary of her deceased husband, who died of illness incurred while in the Consular Service. The money was appropriated by the first deficiency act for 1928, approved December 22, 1927.

Private Act No. 245, Sixty-ninth Congress, authorized the appropriation of $9,000 for payment to Etelka Bell, widow of Edward Bell, late counsellor of legation and chargé d'affaires at Peking, China, one year's salary of her deceased husband, who died of illness incurred while in the Diplomatic Service. The money was appropriated by the first deficiency act for 1928, approved December 22, 1927.

Private Act. No. 344, Sixty-ninth Congress, authorized the appropriation of $4,500 for payment to Agnes W. Wilcox, widow of Henry T. Wilcox, late American consul at Vigo, Spain, one year's salary of her deceased husband, who died of illness incurred while in the Consular Service. The money was appropriated by the first deficiency act of 1928, approved December 22, 1927.

Private Act No. 76, Seventieth Congress, first session, authorized and appropriated the amount of $9,000 for payment to Mabel Rees Coffin, widow of William Coffin, late American consul general at Berlin, Germany, being one year's salary of her deceased husband, who died while in the Foreign Service.

Private Act No. 76, Seventieth Congress, first session, authorized and appropriated the amount of $3,500 for payment to Sarah Linard, widow of Drew Linard, late American consul at Piedras Negras, Coahuila, Mexico, being one year's salary of her deceased husband, who died of illness incurred while in the Consular Service.

Private Act No. 76, Seventieth Congress, first session, authorized and appropriated the amount of $6,000 for payment to Catherine Requa Johnson, widow of Stewart Johnson, who was killed while American chargé d'affaires in Egypt, being one year's salary of her deceased husband.

S. 3280 was introduced by Mr. La Follette during the first session of the Seventieth Congress, for the payment of $3,000 to Margaret Diederich, widow of Henry W. Diederich, late Foreign Service officer, retired, being one year's salary of her deceased husband. This bill passed the Senate on April 13, 1928. (No further action to date.)

H. R. 12995 was introduced by Mr. BACHARACH during the first session of the Seventieth Congress (April 15, 1928) for the appropriation of $3,500 to be paid to Etta B. Leach Johnson, widow of Felix S. S. Johnson, late American consul at Kingston, Ontario, Canada, being one year's salary of her deceased husband. This bill passed the House on May 28, 1928. (No further action to date.)

H. R. 12966 was introduced by Mr. JOHNSON (Illinois) during the first session of the Seventieth Congress (April 12, 1928) for the appropriation of $7,000 to be paid to Jeannette S. Jewell, widow of John F. Jewell, late American consul at Birmingham, England, being one year's salary of her deceased husband. This bill passed the House on May 25, 1928. (No further action to date.)

Bertha Hanson, Public Act 1035, approved March 4, 1929, second deficiency act for 1929 (p. 32).

It has also been ascertained that bills were presented in Congress on behalf of the heirs of the following officers, but no record has been found in the department as to their passage: Robert F. Patterson; Martin J. Carter, of Yarmouth; W. Irvin Shaw, of Singapore; S. W. Thorne, of Asuncion.

In connection with this matter, you are referred to the following congressional documents which contain information of interest thereto:

Senate Report No. 238, Forty-ninth Congress, first session.
Senate Report No. 1480, Fifty-fourth Congress, second session.
House Report No. 1433, Fifty-fifth Congress, second session.

SOPHIE DE SOTA

The Clerk called the next bill, H. R. 924, for the relief of Sophie de Sota.

Mr. STAFFORD. Mr. Speaker, I object.

MARY P. DEANE

The Clerk called the next bill, H. R. 1942, for the relief of Mary P. Deane.

Mr. STAFFORD. Mr. Speaker, I object.

CLARENCE G. YOUNG

Mr. EVANS of Montana. Mr. Speaker, I ask unanimous consent to return to Calendar 360, for the relief of Clarence G. Young (S. 2697).

Mr. STAFFORD. Will the gentleman withhold that for a moment?

Mr. EVANS of Montana. I will.

Mr. STAFFORD. Under the order under which we are proceeding, that request would be in order to-morrow, because an order was made last Friday evening that these days would be given to consideration of bills following a certain number, and it would be privileged to make that request. The gentleman from New York is temporarily absent——

Mr. EVANS of Montana. The gentlemen from New York has assured me that he has no objection.

Mr. STAFFORD. Of course, if the gentleman has given the gentleman that assurance, I will not interpose any objection to returning.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

The Clerk read the title of the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Clarence G. Young, out of any money in the Treasury not otherwise appropriated, the sum of $50 in full satisfaction of all claims against the United States for the loss of a horse hired to the United States Forest Service on August 13, 1929.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

JEANNETTE S. JEWELL

The Clerk called the next bill, H. R. 4057, for the relief of Jeannette S. Jewell.

Mr. STAFFORD. Mr. Speaker, I object.

JOHN A. RAPELYE

The Clerk called the next bill, H. R. 1256, for the relief of John A. Rapelye.

Mr. BLANTON. Mr. Speaker, reserving the right to object, I want to call attention to what the Post Office Department reports on this bill. It reports as follows:

No indication of a forcible entry was found, and the condition in which the safe was left rendered it probable that the theft was committed by some one familiar with the manner in which funds were deposited in the safe overnight. It developed that four of the station employees had keys to the station and knew the combination of the safe. Each of these employees was closely questioned by post-office inspectors and one of them, who has since been dismissed from the service, was strongly suspected, but no evidence justifying prosecution could be obtained.

Under these circumstances, I doubt whether the bill ought to be passed, but in view of the fact that the department does not recommend against its passage, further than making that statement, I shall not object.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the account of John A. Rapelye, postmaster at Flushing, N. Y., with the sum of $1,249.08 to reimburse him for money-order and postal funds stolen from the Jackson Heights station of the Flushing post office on the night of March 3, 1927.

Mr. COCHRAN of Missouri. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, in these days when there is a tendency to direct criticism at the Congress, I notice at least one newspaper has not overlooked the fact that the House yesterday, to-day, and to-morrow considers bills on the Private Calendar.

The article which I read referred to one or two private bills that had been passed by the House. I think it only fair that the RECORD show the necessity for considering bills of this character in the House and Senate.

The Government can not be sued without its consent, and therefore the citizens of this country have no alternative other than to appeal to the Congress when they have been injured by the act of a Government employee or a Government vehicle.

Bills on the Private Calendar are introduced by the thousands at each session of Congress. They are referred in the House to four committee, the Committee on Claims, Committee on War Claims, Committee on Military Affairs, and Committee on Naval Affairs. Now and then a private bill goes to the Committee on Foreign Affairs. All the committees named consider a private bill on the evidence submitted by the claimant, together with the views of the department under whose jurisdiction the employees responsible are a part of the personnel.

Probably not 1 in 10 bills introduced is favorably reported. Many of the bills, meritorious, have been before the Congress for years.

After a subcommittee makes its report to the full committee a private bill is voted upon by the full committee and if reported favorably is placed on the Private Calendar. Both the Democratic and Republican leaders appoint Members to give special attention to the Private Calendar. Each side has no less than three Members, and they prevent passage of bills where there is the least doubt that the responsibility rests with the claimant and not with the Government.

There is no railroading of bills through the House, as some would make the public believe. The fact is that more serious consideration is given to this private legislation than some of the more important public bills that have been passed.

Of course, the House checks the Senate and likewise the Senate checks the House on private bills. Then there is the right of the President to veto, if in his judgment the Congress has saddled an expense upon the Government that should have been borne by the citizen.

Take some of the bills on the calendar to-day. A woman rowing peacefully in a boat is killed by a Navy seaplane. She leaves five children, the youngest 11 months and the oldest 10 years. The seaplane failed to function and the Navy pilot could not control the machine, striking the boat and killing the occupant. A horse borrowed by the Department of Agriculture is killed while in possession of the Government. A private yacht destroyed by the Coast Guard and the evidence shows no violation of the law on the part of the citizen. A bill to take care of lost or stolen bonds, the bank under the terms of the bill required to file a bond so the Government runs no risk of loss. A man serving in the Marine Corps was denied the right to visit his mother who was critically ill. He left his command and was present at the bedside of his mother when she passed away. Immediately thereafter, instead of returning to the Marine Corps, he joined the Army, serving three years throughout the period of the Spanish War with a fine record. He wanted an honorable discharge from the marines so he would have a complete honorable record.

A boy is standing on the sidewalk of a large city and prohibition agents pour confiscated alcohol in the gutter. Some one throws a match in the gutter and the boy, 100 feet from the corner where the agents poured the alcohol, is burned, suffering injuries that make him an invalid for life. The agents violated all rules and regulations in pouring alcohol into a public gutter.

This is a sample of the bills that Congress is asked to consider because we have failed to set up any agency and extend to that agency the right to consider claims against the Government where the Government is at fault.

As I said, Mr. Speaker, my only purpose in rising is to let the RECORD show that despite the criticism that is directed at Congress for, as some papers say, wasting its time, nevertheless the Members are discharging their public duty, and those who criticize would be the first to demand that they be reimbursed if they suffered personal injury or property damage.

When a citizen is struck by an Army truck or a mail-delivery wagon through no fault of his own he should have the same right to claim damages as if struck by your automobile.

I have introduced a bill which provides for the consideration of claims against the Government through a proper Government agency clothed with proper jurisdiction, and if that bill is enacted into law, which I hope it will be in the near future, then thousands of the bills now introduced will be unnecessary, as the claims could be handled in another way. While our citizens suffer millions of dollars in damages annually as a result of property damage and personal injuries by Government employees and Government vehicles, only a few thousand dollars in damages are paid.

In these days when we have millions of motor vehicles going over the country and on the city streets, as well as airplanes and sea planes, many thousands of which belong to the Government of the United States, and no insurance being carried, it is only reasonable that accidents will occur from time to time wherein a citizen will be injured or will lose his or her life. The Government of the United States and the States provide laws whereby a citizen can sue a corporation or an individual for personal damages or property damage. It seems only fair that the citizens of the country should have the right to be heard by Congress until ways and means are provided to have their claims considered before a proper tribunal. [Applause.]

Mr. STAFFORD. Mr. Speaker, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: At the end of the bill insert the following: "*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."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

JOSEPH MOSSEW

The Clerk called the next bill, H. R. 3822, for the relief of Joseph Mossew.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to Joseph Mossew, out of any money in the Treasury not otherwise appropriated, the sum of $500, the amount of a fine paid by Joseph Mossew in pursuance of a judgment entered upon a plea nolo contendere under certain provisions of the so-called Lever Act previous to the time that the Supreme Court of the United States held such provisions void, the said plea and said payment being made under a stipulation as follows: "In consideration that the Attorney General and this court shall accept the plea nolo contendere which I hereby tender to the above-entitled indictment, I do hereby waive any and all fines which the court may see fit to impose upon me upon such plea, except in the event that the so-called Lever Act under which said indictment is found shall be declared unconstitutional by the Supreme Court of the United States and that no prosecution could be sustained upon the facts stated in said indictment."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed; and a motion to reconsider laid on the table.

BARNEY RIEKE

The Clerk called the next bill, H. R. 6208, for the relief of Barney Rieke.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. I object.

Mr. BLANTON. Mr. Speaker, reserving the right to object, I want to call attention to the facts found in this case. The report shows that one of our Coast Guard patrol boats overhauled this *Barney Google* motor boat and gave it orders to stand by so they could board her and search for contraband. The owner of the boat, who was then under the influence of liquor, cursed and abused the Coast Guard officers and interfered with their boarding the craft. The *Barney Google* finally got away from the Coast Guard boat and it was necessary to overhaul the *Barney Google* a second time. The Coast Guard boat finally took the *Barney Google* in tow. The line broke or became unfastened, and the *Barney Google* sank.

Now, it occurs to me that the men in charge of the *Barney Google* were to blame themselves. If they had cooperated, or, at least, had not obstructed the United States Coast Guard in the proper discharge of its duty, probably there would have been no disaster.

I reserve the right to object, in order that the gentleman from Ohio may make a statement about the bill if he wants to.

Mr. CROSSER. Mr. Speaker, first of all let me call the gentleman's attention to the fact that the Secretary of the Treasury himself said that the department is not in position to deny the justice of this claim.

Mr. BLANTON. The Secretary of the Treasury was a very poor hand at several things, one of which was enforcing the liquor laws, although at one time he was in charge of the Coast Guard. The Government has seen fit now to take him away from that position and send him abroad, where he will be virtually harmless.

Mr. CROSSER. The reason I call the attention of the gentleman to the report is because the gentleman has been asking for the department's attitude on these different bills, and in this case the different officers upheld this claim.

Mr. BLANTON. I am speaking of the findings of fact of the officers of the Coast Guard who investigated the case.

Mr. CROSSER. Let me say that I am not one of those who berate the Coast Guard on account of their work. I am not complaining about that. I do say, however, that I can understand the attitude of persons who operate motor boats on the lakes near Cleveland, Buffalo, and other large cities, because frequently those who order them to stop are not officers; sometimes they are people who have no right to do it.

Mr. BLANTON. But when a United States officer hails them and tells them to stand by and tells them that he is a Federal officer of the law and he wants to come aboard and search them for contraband, it is their duty to stand by and let him do it.

Mr. CROSSER. But people have been asked to do this by those who were not officers at all right in our neighborhood.

Mr. BLANTON. Why, the Coast Guard flag and the flag of the United States were flying on this boat.

Mr. CROSSER. This was at night.

Mr. BLANTON. They got away from the Coast Guard boat twice.

Mr. CROSSER. This was at night.

Mr. BLANTON. Here is what the findings state.

Mr. CROSSER. Wait a minute. They state that the boat started away in the first instance.

Mr. BLANTON. Let me call the gentleman's attention to the finding of the Government officer:

That the owner of the motor boat *Barney Google*, Mr. B. H. Rieke, was under the influence of intoxicants on the night the boat was boarded by the *CG-120*, as evidenced by the testimony given.

2. That the occupants of the motor boat *Barney Google* refused to comply with a reasonable request of the officer in charge of patrol boat *CG-120*, who was acting in the regular course of his duties.

Mr. CROSSER. It is not very unreasonable, is it, to assume that these men would find, for example, that this man was drinking, while he denies it? The board recommended that the member of the Coast Guard who was charged with negligence in handling the motor boat should be discharged.

Mr. BLANTON. They pulled him out of the water onto the patrol boat.

Mr. CROSSER. No. Mr. Rieke says he took him out of the water.

Mr. BLANTON. The patrol boat took care of him and took him back to land.

Mr. CROSSER. No. Mr. Berger was thrown into the water. Mr. Rieke, himself, threw a life preserver out to him and the patrol boat picked him up.

Mr. BLANTON. I do not think this case ought to pass by unanimous consent. It ought to come up some time when we can carefully consider it on its merits.

Mr. CROSSER. Let it come to a vote of the House now.

Mr. BLANTON. If you allow a bill like this to go beyond the objection stage, every man here is responsible for its passage; and if it should pass by unanimous consent, the responsibility is on each individual Member's shoulders, and I do not want that responsibility on mine.

Mr. CROSSER. I am perfectly willing to take it.

Mr. BLANTON. Unfortunately, the gentleman from Wisconsin will not object to this kind of a case; it is too wet for him to object.

Mr. STAFFORD. I must rely on the dry proclivities of the gentleman from Texas.

Mr. CROSSER. There is a conflict of testimony in this case. Mr. Rieke solemnly swears he was not drinking.

Mr. BLANTON. The gentleman knows I hate to object to his bill; but it is a matter of duty, and the question of duty is above friendship. I therefore object.

ANDREW H. MILLS AND WILLIAM M. MILLS

The Clerk called the next bill, H. R. 7815, to reimburse Andrew H. Mills and William M. Mills, copartners carrying on business under the firm name and style of Mills Bros., owners of the steamship *Squantum*, for damage to said vessel.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MOUSER. Mr. Speaker, reserving the right to object, I can not see any reason why the Government of the United States should be responsible for the lack of knowledge as to the proper court in which to file a claim of this kind, especially after an act of Congress authorized the suit to be filed and in a certain court. I would like to have the gentleman from New York [Mr. BLACK] explain the dereliction of duty and laches on the part of his clients.

Mr. RAMSPECK. The gentleman from New York is temporarily out of the Chamber, and I am unable to give the gentleman the explanation he desires. I have no personal knowledge of the case.

Mr. MOUSER. Without such explanation, I am obliged to object.

WILLIAM J. RYAN

The Clerk called the next bill, S. 659, for the relief of William J. Ryan, chaplain, United States Army.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, I object.

ROY W. FARRELL

The Clerk called the next bill, H. R. 809, for the relief of Roy W. Farrell.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GRISWOLD. Mr. Speaker, I object.

Mr. LANKFORD of Virginia. Will the gentleman withhold his objection?

Mr. GRISWOLD. I will.

Mr. LANKFORD of Virginia. Will the gentleman state his objection to this bill?

Mr. GRISWOLD. I will give the gentleman my reason for objecting to the bill. This man had his rights under the retirement act as a reserve officer in 1921. He did not see fit to avail himself of those rights and now he says he did not know about them. However, after those rights had expired he again had relief coming to him under the 1928 act.

Mr. LANKFORD of Virginia. The gentleman means the emergency officers' act?

Mr. GRISWOLD. Yes.

Mr. LANKFORD of Virginia. He did make application under that act, but they did not give him the 30 per cent rating which is necessary under that act.

Mr. GRISWOLD. That is what I am getting to. He had the right under that act to go before a board and be examined. He went before a board and was examined. That board found he only had a 16 per cent disability. He is now asking Congress to cure his defect of sleeping on his rights for nine years and in addition to say that the board which examined him was wrong. Therefore I object.

Mr. LANKFORD of Virginia. Did the gentleman read the report in which it appears he was advised by officers in the Navy that he did not have that right and that he did not know he had it until he came before the committee last year?

Mr. GRISWOLD. The gentleman must realize the mental caliber of an officer with the rank of junior lieutenant in the Navy. He is supposed to be familiar with existing law, and it is unbelievable that a man of his mental caliber would rely absolutely upon such advice.

Mr. LANKFORD of Virginia. This simply gives him the right to appear before the retiring board. If he is not injured, no damage will be done. It does not cost a cent unless they find in his favor.

Mr. GRISWOLD. I think he has had ample recourse and ample examination, the same to which all other men were entitled under the retirement act. I will have to object.

VICTOR OSCAR GOKEY

The Clerk called the next bill, H. R. 2254, for the relief of Victor Oscar Gokey.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. EATON of Colorado. Mr. Speaker, I object.

Mr. HANCOCK of New York. Will the gentleman give me an opportunity to answer his objection?

Mr. EATON of Colorado. I will reserve my right to object and permit the gentleman to make a statement showing why this man's record should be changed.

Mr. HANCOCK of New York. This is one of the many cases that occurred in the early days of the war, when grossly excessive sentences were imposed for comparatively trivial crimes. It was a plain case of absence without leave for 10 days. The man returned voluntarily. He was given a sentence of two years in prison and dishonorably discharged. Everyone who served in the Army knows that in the early days of the war the members of courts-martial were young, inexperienced, and overzealous officers, and many very excessive sentences were imposed. This, I think, is a most flagrant example. The circumstances, briefly, were these: The man was at the receiving ship in New York City. He was one of four sons who enlisted and joined the Army or the Navy. He left at home a widowed mother and one young sister. The mother became desperately ill and the young sister telegraphed him to come home. He was unable to get leave, but his commanding officer told him to go ahead and he would protect him in every possible way. At the very worst it was a case of absence without leave. The man went to his home to visit his mother. He was the nearest of four sons, all of whom were in the Navy or Army. He returned to his ship of his own free will, and was thrown into jail because of absence without leave, and given this excessive sentence. At the court-martial he was not represented by counsel and he was unable to produce any evidence except his own statement; and, as the gentleman knows, stories of this kind are always regarded with suspicion by officers of the Army and Navy. The evidence before the Naval Affairs Committee shows conclusively that this man's story was true.

Mr. COOPER of Tennessee. The man, certainly, was not tried before a general court-martial without counsel, because the law is mandatory that he shall be provided with counsel.

Mr. HANCOCK of New York. Nevertheless, it is a fact that in this case the man had no counsel.

Mr. EATON of Colorado. The gentleman evidently has been listening to what has been told this man by a guardhouse lawyer, but since this man only wants to clear his record, will the gentleman accept an amendment that under no circumstances shall any bounty, back pay, or allowance

ever be paid to this man on account of the passage of this act?

Mr. HANCOCK of New York. If that is a necessary condition precedent, but it seems to me unfair.

Mr. EATON of Colorado. All the gentleman is trying to do is to put this man in a position to get a pension.

Mr. HANCOCK of New York. I think he is entitled to it. I will say to the gentleman that I do not pose as a guardhouse lawyer, but I have had a great deal of experience in court-martial work as a summary court officer, as a trial judge advocate, and as an acting division judge advocate, and I do know about these cases.

Mr. EATON of Colorado. Where a man has been absent three weeks, what difference would it make whether he had counsel or not?

Mr. HANCOCK of New York. The circumstances surrounding his going away and his voluntary return could have been shown to the court, and I will say to the gentleman that in many, many cases that have come before me and have received my personal attention, never was any such severe penalty as this inflicted. This offense was not committed in the face of the enemy. The gentleman understands human emotions. In this case there were four men in this one family who were taking part in the war with a widowed mother at home and it was a perfectly human thing for this man to obey this summons to come home.

Mr. EATON of Colorado. Does not the gentleman think that the Judge Advocate General who attended to this case and the members of the court were just as fair as the gentleman?

Mr. HANCOCK of New York. No; I am sure they were not.

Mr. EATON of Colorado. And that the reason for the excessive sentence the gentleman has mentioned was on account of some things that neither the gentleman nor I know anything about?

Mr. HANCOCK of New York. I know all about the case, and I know that in the early days of the war the courts-martial were composed of young officers who were overzealous and had an exaggerated idea about the seriousness of things. Every man in this Chamber who served in the Army or in the Navy knows this to be true.

Mr. MOUSER. Will the gentleman yield?

Mr. HANCOCK of New York. Gladly.

Mr. MOUSER. As a matter of fact, unlike civil courts or criminal courts, the judge advocate, especially in the early part of the war, did not notify the accused of his right to have counsel.

Mr. HANCOCK of New York. Yes.

Mr. MOUSER. And there are many instances where the Judge Advocate General reversed the lower court-martial on the ground the accused was not given proper opportunity to defend himself.

Mr. HANCOCK of New York. That is true.

Mr. MOUSER. And that is the fact in this particular case.

Mr. EATON of Colorado. Under the statement of the gentleman from New York, who says he personally knows about this case, and also in view of the fact that this man returned voluntarily, I withdraw my objection.

Mr. HANCOCK of New York. I thank the gentleman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged sailors, Victor Oscar Gokey, late of the United States Navy, shall hereafter be held and considered to have been honorably discharged from the naval service of the United States on May 22, 1918: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

With the following committee amendment:

In line 6, strike out the word "honorably," and in line 7, after the word "discharged," insert "under honorable conditions."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

LEWIS A. M'DERMOTT, DECEASED

The Clerk called the next bill, H. R. 3644, for the relief of Lewis A. McDermott, deceased.

Mr. EATON of Colorado. Mr. Speaker, I object.

Mr. COYLE. Mr. Speaker, will the gentleman reserve his objection a moment?

Mr. EATON of Colorado. I reserve the objection.

Mr. COYLE. In the absence of my colleague the gentleman from Florida [Mr. DRANE], who reported this bill, I have assumed some responsibility as a member of the subcommittee that heard the testimony in this case.

The department advises that this man served honorably during the time he was in the Marine Corps. He left without permission, but he did not long remain in desertion. He subsequently enlisted in the Army and served two terms in the Philippines in war times and got honorable discharges on both occasions.

The Committee on Naval Affairs has rather made a rule for its own guidance—not for the guidance of this House, but for its own guidance—that where the intent to desert, if it existed, was cured by practically immediate reenlistment and honorable discharge after active service in the face of the enemy, the charge of desertion will be recommended for removal, particularly where the desertion or the dishonorable discharge did not involve any offense of moral turpitude. This man apparently cured his offense by subsequent service and his entire service during the three enlistments, except for this one offense, was apparently honorable. I do believe it is a case worthy of our consideration.

Mr. EATON of Colorado. Mr. Speaker, in view of the statement of the gentleman from Pennsylvania, I withdraw my objection.

Mr. STAFFORD. Will the gentleman give us the reason why the Committee on Naval Affairs have adopted the phraseology, different from what has been carried in prior Congresses, "discharge under honorable conditions" instead of "honorably discharged"? I ask that for the purpose of guidance of the Committee on Military Affairs in similar cases.

Mr. COYLE. The phrase "under honorable conditions" was considered at the time by the Naval Affairs Committee as not being of the same import as issuing "an honorable discharge." Subsequently, however, they discovered that the two terms are practically synonymous, and no occasion exists for putting in "under honorable conditions."

The committee thought that if it was put in, ordering the issue of an honorable discharge, it might carry with it an obligation to change the discharge actually issued, whereas apparently it would not have that effect.

Mr. STAFFORD. And it is the policy of the Naval Affairs Committee to go back to the old phraseology?

Mr. COYLE. The Naval Affairs Committee will in the future consider the two terms synonymous.

Mr. EATON of Colorado. Will the gentleman explain why the bill does not carry the proviso that no pension shall be held to have accrued prior to the passage of this act?

Mr. COYLE. I did not notice that that was omitted. It should carry that provision.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Lewis A. McDermott, deceased, late of the United States Marine Corps, shall hereafter be held and considered to have been honorably discharged from the naval service of the United States as a member of the United States Marine Corps on the 25th day of April, 1899: *Provided*, That no bounty, back pay, or allowance shall be held to have accrued prior to the passage of this act.

Amend the title so as to read: "A bill for the relief of Lewis A. McDormott."

With the following committee amendments, which were agreed to:

Title, strike out the letter "e" after the letter "D" in McDermott, and insert in lieu thereof the letter "o."

Line 5, strike out the letter "e" after the letter "D" in McDermott, and insert in lieu thereof the letter "o."

Line 7, strike out the word "honorably," and insert the words "under honorable conditions" after the word "discharged."

Mr. EATON of Colorado. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Page 2, line 1, after the word "pay," insert the word "pension."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

FIRST NATIONAL BANK OF BRENHAM, TEX.

The Clerk called the next bill on the Private Calendar, H. R. 3725, for the relief of the First National Bank of Brenham, Tex.

Mr. STAFFORD. Reserving the right to object, I do not know that I have any objection to the bill, but I think it is strange that the report does not contain as usual the opinion of the Treasury Department.

Mr. BUCHANAN. I do not know whether the committee requested a report from the Treasury Department or not, but I have a letter from the department which I will read.

The Treasury Department will oppose the passage of the bill H. R. 9349—

Which was the number of the bill at that time.

before the expiration of two years from the date of the reported loss of the bonds.

Now, it is three years and eight months from the loss of the bonds.

Mr. STAFFORD. The gentleman from Texas has furnished a favorable report from the Secretary of the Treasury, and while it would have been better to have had the letter from the Secretary of the Treasury in the report, the gentleman has virtually furnished the desired information, and I withdraw my reservation of objection.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to redeem five 4¼'s United States third Liberty bonds, Nos. 1163002, 1163003, 1163004, 1163005, and 1163006, of the denomination of $1,000 each, payable to bearer, and all unpaid interest due upon coupons on each of them, in favor of the First National Bank of Brenham, Tex., without presentation of said bonds or the coupons, which have been lost, stolen, or destroyed: *Provided*, That the said bonds shall not have been previously presented for payment and that no payment shall be made hereunder for the coupons if they shall have been previously presented and paid: *Provided further*, That the said the First National Bank of Brenham, Tex., shall first file in the Treasury Department a bond in the penal sum of double the amount of the principal and interest of said bonds, and the interest payable thereon, in such form and with such surety or sureties as may be acceptable to the Secretary of the Treasury to indemnify and save harmless the United States from any loss on account of the lost, stolen, or destroyed bonds or coupons herein described.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

FARMERS STATE BANK OF GEORGETOWN, TEX.

The Clerk called the next bill on the Private Calendar, H. R. 3726, for the relief of the Farmers State Bank of Georgetown, Tex.

There being no objection, the Clerk read the bill, as follows:

H. R. 3726

A bill for the relief of the Farmers State Bank of Georgetown, Tex.

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to redeem two 4¼'s United States third Liberty bonds, numbered 4529791 and 4529792, of the denomination of $100 each, payable to bearer, and all unpaid interest due upon coupons on each of them from and after March 15, 1922, in favor of the Farmers State Bank of Georgetown, Tex., without presentation of said bonds or the coupons, which have been lost, stolen, or destroyed: *Provided*, That the said bonds shall not have been previously presented for payment and that no payment shall be made hereunder for the coupons if they shall have been previously presented and paid: *Provided further*, That the said Farmers State Bank of Georgetown, Tex., shall first file in the Treasury Department a bond in the penal sum of double the amount of the principal and interest of said bonds, and the interest payable thereon, in such form and with such surety or sureties as may be acceptable to the Secretary of the Treasury to indemnify and save harmless the United States from any loss on account of the lost, stolen, or destroyed bonds and coupons herein described.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

GUST J. SCHWEITZER

The next business on the Private Calendar was the bill, H. R. 4910, for the relief of Gust J. Schweitzer.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, I reserve the right to object. This bill is similar to two prior bills just considered, except that there is no protecting clause in the bill, as there was in those, safeguarding the interest of the Government in case the bonds should by any chance be presented for payment. I ask the gentleman from Oklahoma [Mr. JOHNSON] whether he is willing to incorporate the customary provisos.

Mr. JOHNSON of Oklahoma. Certainly.

Mr. STAFFORD. With that assurance, I withdraw the reservation of objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $400 to Gust J. Schweitzer, as compensation in full for the loss of Liberty loan bonds destroyed in a cyclone in the vicinity of Okarche, Okla., March 15, 1919, said bonds having been numbered 2849229 and 2849230 (third 4¼ issue) in the amount of $50 each; and numbered 1458809, 14558810, and 14558811 (fourth 4¼ issue) in the amount of $100 each.

With the following committee amendments:

Line 11, strike out "14558810" and insert "1458810," and strike out "14558811" and insert "1458811."

The committee amendments were agreed to.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

At the end of line 12, page 1, insert "*Provided*, That said bonds shall not have been previously presented for payment and that no payment shall be made hereunder for the coupons, if they shall have been previously presented and paid: *Provided further*, That the said Gust J. Schweitzer shall first file in the Treasury Department a bond in the penal sum of double the amount of the principal and interest of said bonds and the interest payable thereon in such form and with such surety or sureties as may be acceptable to the Secretary of the Treasury, to indemnify and save harmless the United States from any loss on account of such stolen or destroyed bonds or coupons herein described.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

W. A. PETERS

The next business on the Private Calendar was the bill (H. R. 5922) for the relief of W. A. Peters.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Postmaster General is authorized and directed to credit the accounts of W. A. Peters, postmaster at Sallisaw, Okla., in the sum of $322.52. Such sum represents the amount of a deficit in the accounts of the said W. A. Peters caused by the loss by said W. A. Peters of postal funds deposited in the First National Bank of Sallisaw, Okla., which failed on November 22, 1927.

With the following committee amendment:

Line 5, strike out "$322.52" and insert "$614.80."

The committee amendment was agreed to and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

JOHN EVANS

The next business on the Private Calendar was the bill (H. R. 5933) for the relief of John Evans.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in

the Treasury not otherwise appropriated, the sum of $2,000, to John Evans, of St. Joseph, Mo., which sum was paid by him to the United States by reason of the forfeiture of the bail bond of John Waidner, who was later taken into custody by said Evans, at his own expense, and surrendered to the United States district court of St. Joseph, Mo., entered a plea of guilty, and sentenced to a term in jail.

With the following committee amendments:

Page 1, line 5, strike out "$2,000" and insert "$1,923.69," and on page 2, line 1, after the word "jail," insert a colon and the following: "*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."

The committee amendments were agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ROBERT BENNETT

The next business on the Private Calendar was the bill (H. R. 600) for the relief of Robert Bennett.

The SPEAKER pro tempore. Is there objection?

Mr. EATON of Colorado. Mr. Speaker, I reserve the right to object.

Mr. COYLE. Mr. Speaker, again I take some responsibility for Judge DRANE, the gentleman from Florida, on this bill. It corrects a dishonorable-discharge record of a man who was only a boy at the time he enlisted in the service. He was 16 years old and had absented himself without leave long before he was 21 years old. Yet he carries the sting of that desertion through life, even though he subsequently went back and surrendered himself and got in return a discharge under dishonorable conditions. It seems to me there ought to be some court before which these boys can appear and get their citizenship rights back after they have committed an offense that would not have been punished by the removal of citizenship rights in any civil jurisdiction in view of their minority. This boy was only 17 or 18 years of age at the time he left the service.

Mr. EATON of Colorado. Mr. Speaker, in this case, as in several other like cases, there appears to be not one single word of extenuating circumstances. The statement is made that on account of the sickness of a relative he deserted, an ordinary statement, frequently true, but an easy excuse for an absence without leave. There is not another thing in this record to show why he should appear 29 years afterwards and ask to have his record cleared or why the record should be cleared now excepting that 29 years afterwards he comes in and says, "I was a boy and I want you, please, now to give me a clean record." I do not want to put into this RECORD, so that it will be publicly perpetuated, his actual record while he served as shown in the report from the Department of the Navy.

Mr. BLANTON. Mr. Speaker, will the gentleman permit me to ask the gentleman from Pennsylvania a question?

Mr. EATON of Colorado. I was about to withdraw my objection. If the gentleman says that this is a proper case under all of the facts to grant this, I withdraw the objection.

Mr. BLANTON. Mr. Speaker, I reserve the right to object. The gentleman from Pennsylvania [Mr. COYLE] has had distinguished service as an officer in our Navy, I understand. I understand also that he has made recommendation to the Secretary of the Navy with regard to not giving dishonorable discharges to boys who have charges against them unless such charges involve moral turpitude.

How far has the gentleman gotten with such recommendations?

Mr. COYLE. The recommendations have been accepted by the Secretary of the Navy.

Mr. BLANTON. Are they being put into execution now?

Mr. COYLE. I feel quite certain that they are in process of dissemination to the entire naval service at the present time. I think the situation really needs some action from within the Navy Department rather than coming from Congress, and I so endeavored to impress it upon the Secretary of the Navy.

Mr. BLANTON. I understand that the gentleman has performed some service for the boys at Parris Island by addressing them on Thanksgiving Day. The gentleman will find among the bunch at Parris Island some splendid young fellows who have been court-martialed and given dishonorable discharges, when they have been guilty of no moral turpitude whatever. They have been guilty of some petty offense that did not involve moral turpitude, and I wish to commend the gentleman for his effort to have that condition remedied.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged sailors Robert Bennett, formerly of the United States Navy, shall hereafter be held and considered to have been honorably discharged from the naval service of the United States as a member of the United States Navy on the 9th day of June, 1899: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time and passed.

A motion to reconsider was laid on the table.

SAMUEL PUFF BAILEY

The Clerk called the next bill, H. R. 5289, for the relief of Samuel Puff Bailey.

Mr. EATON of Colorado. Mr. Speaker, the author of this bill, Mr. SEIBERLING, has been absent for some days on account of illness. He should be back here by the first of next week, and I ask that this bill be placed on a lower place in the calendar where it may be reached when the gentleman can be present.

The SPEAKER pro tempore. The Chair will state that he understands objection must be made. The bill can not be passed by unanimous consent. It retains its place on the calendar.

Mr. EATON of Colorado. I shall be compelled to object to this bill.

HAROLD I. JUNE

The Clerk called the next bill, H. R. 5594, for the relief of Harold I. June.

Mr. STAFFORD. Mr. Speaker, I object.

Mr. TIERNEY. Will the gentleman reserve his objection?

Mr. STAFFORD. I will.

Mr. TIERNEY. This bill is for the purpose of allowing Harold I. June to transfer to the United States Fleet Naval Reserve. This bill is introduced at the request of Admiral Richard E. Byrd, who on his record flight over the South Pole, where he spent 22 months, was accompanied by Harold I. June, who was his chief aviation pilot. Mr. June would be able, after 16 years' service, to retire in 1935 by transfer to Fleet Naval Reserve. He has a credit of 22 months, during which he was absent on leave in order to make that trip to the South Pole, and Admiral Byrd would like very much to have his services this summer. We are in a peculiar position, where his three years are nearly taken up in service at the South Pole and in other services with Admiral Byrd for the Government.

Mr. STAFFORD. Then I understand the purpose of this bill is to credit this aviation pilot with the service that he gave in the expedition of Admiral Byrd and for the coming expedition?

Mr. TIERNEY. Well, if taken in that light he would deserve credit for 22 months out of the three years, and then he may have to have another leave next month in order to go with Admiral Byrd on another possible trip, which might extend nine months or might extend to a time well over three years. This officer to-day is receiving double the pay he would get if he was on the reserve list.

This bill is recommended by the Navy Department.

Mr. STAFFORD. There is no danger of this being a precedent to grant credit for services not performed, in that he is given credit for service that he has performed with Admiral Byrd?

Mr. TIERNEY. No. It is not intended as a precedent. As I recall, he was acclaimed in the House when he appeared after the South Pole flight with Admiral Byrd, and he has received no recognition for his service.

Mr. STAFFORD. I do not object, Mr. Speaker.

Mr. TIERNEY. Mr. Speaker, I ask unanimous consent that Senate bill 432 be substituted in lieu of the House bill.

The SPEAKER pro tempore. Without objection, the Clerk will report the Senate bill.

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That Harold I. June, chief aviation pilot, United States Navy, shall, in recognition of the assistance rendered by him as an assistant to Rear Admiral Richard E. Byrd, United States Navy, in his nationally recognized record flight over the South Pole, be permitted to transfer to the Fleet Reserve of the United States Navy at such time as he may request, while he is serving in the regular Navy of the United States, and shall, after transfer in accordance with this provision, receive the same pay, allowance, or other compensation as is now or may hereafter be authorized by law for enlisted men of the United States Navy who are transferred after 16 years' service in the regular Navy of the United States.

Mr. TIERNEY. Mr. Speaker, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment by Mr. TIERNEY: Page 2, line 3, after the words "sixteen years," insert "and one day."

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A similar House bill was laid on the table.

ANDREW H. MILLS AND WILLIAM M. MILLS

Mr. BLACK. Mr. Speaker, I ask unanimous consent to return to Calendar 382, H. R. 7815, which is a bill that was called up in my absence.

Mr. MOUSER. That is the bill which I asked to go over, which I did not have the right to do.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the title of the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement against the Government, the sum of $900 to Mills Bros., owners of the steamship *Squantum*, in compensation for damage sustained by said steamship company by reason of the striking of the steamship *Squantum* by the steam lighter *Thomas H. Timmins* on January 27, 1919, while the former vessel was anchored at the foot of Bedloes Island, North River, N. Y.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

SAMUEL PUFF BAILEY

Mr. EATON of Colorado. Mr. Speaker, I ask unanimous consent to return to Calendar No. 393, the bill (H. R. 5289) for the relief of Samuel Puff Bailey, for the purpose of having the chairman of the Naval Affairs Committee, or the gentleman from the Naval Affairs Committee, state whether or not there is any justification for this bill. If there is, in the absence of the gentleman from Ohio [Mr. SEIBERLING], I do not want to appear to be objecting to this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

Mr. BLANTON. Mr. Speaker, we have already passed that point on the calendar; and I object.

RICHMOND PEARSON HOBSON

The Clerk called the next bill, H. R. 6637, authorizing the President to present a medal of honor to Richmond Pearson Hobson.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I question whether there are many Members in the Chamber at the present time, certainly not among the Members of the present House, who served with the distinguished naval officer, Richmond Pearson Hobson.

I rise now largely to inquire of the gentleman, who is so well informed on naval matters, as to what the policy of the Navy Department is in the awarding of the various honors that are bestowed in the Navy?

The War Department bestows the congressional medal of honor, the distinguished-service cross, and the distinguished-service medal. In the Navy Department, I am informed, they have the distinguished Navy cross and the distinguished-service medal.

Mr. COYLE. And the flying cross.

Mr. STAFFORD. And the flying cross, which they have also in the Army.

In the military service we differentiate between the distinguished-service cross and the distinguished-service medal, conferring the distinguished-service cross upon those who have shown marked distinction in combat service, and the distinguished-service medal upon those in the employ of the Government in a civilian capacity who have performed some outstanding service.

I wish to inquire of the distinguished gentleman from Pennsylvania as to the policy pursued by the Navy Department in the award of these honors.

Mr. COYLE. I may say to the gentleman from Wisconsin that all of the men who engaged in the exploit, which in large measure made this naval officer famous, have received medals, but the man who commanded the expedition and whose brains and ingenuity carried it through could not, under the law, receive a medal without an act of Congress, and has not yet received a medal for the sinking of that ship in Santiago Harbor. This is a belated act of justice.

Mr. STAFFORD. The Navy Department, if the gentleman's statement is correct, is more circumscribed in the award of honors than is the War Department.

Mr. COYLE. The Navy Department can award medals to enlisted men, but not to officers without an act of Congress.

Mr. STAFFORD. And the War Department awards are made to officers as well.

Mr. BLANTON. Mr. Speaker, I demand the regular order.

Mr. STAFFORD. Will the gentleman withhold his demand for a couple of minutes?

Mr. BLANTON. Certainly.

Mr. STAFFORD. Has the Navy a medal of honor?

Mr. COYLE. My impression is that the bill calls for a medal. It does not particularly say a medal of honor or a congressional medal of honor or Navy cross.

Mr. STAFFORD. It says:

In the name of Congress a medal of honor.

That makes it a congressional medal of honor.

I am inquiring of the gentleman whether the Navy Department recognizes that insignia and distinction?

Mr. COYLE. It is my impression they do.

Mr. STAFFORD. Mr. Speaker, I have no objection to the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President is hereby authorized to present, in the name of Congress, a medal of honor to Richmond Pearson Hobson, formerly an officer of the United States Navy, for distinguishing himself conspicuously by extraordinary courage and intrepidity at the risk of his life on June 3, 1898, by entering the fortified harbor of Santiago, Cuba, and sinking the partially dismantled collier *Merrimac* in the channel under persistent fire from the enemy fleet and fortifications on shore.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CHARLES C. BENNETT

Mr. MOUSER. Mr. Speaker, I ask unanimous consent to return to Private Calendar No. 191, H. R. 5235, a bill for the relief of Charles C. Bennett.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, that would culminate in a lot of similar requests, and I object.

Mr. MOUSER. Will the gentleman reserve his objection until I can explain my reason for making this request?

Mr. BLANTON. The gentleman from New York has promised that he will move to adjourn when we reach Calendar No. 397. We are counting on that promise, because some of us want to get through.

Mr. MOUSER. May I say that this gentleman from North Carolina went to the trouble to pay his expenses and come up here to offer additional evidence in support of the bill. The Senate passed the bill yesterday.

Mr. BLANTON. The gentleman is not going to permit this bill to pass, even if we do return to it, is he?

Mr. MOUSER. I certainly am. I was the only one who objected to it, and I have changed my mind.

Mr. BLANTON. The gentleman will have plenty of time to think it over to-night, and I object.

FLORENCE NORTHCOTT HANNAS

The Clerk called the next bill, H. R. 6860, for the relief of Florence Northcott Hannas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Florence Northcott Hannas, mother of Walter William Northcott, late of the United States Navy, shall be regarded as the duly designated beneficiary and dependent of the late Walter William Northcott, under the act approved June 4, 1920 (41 Stat. 824; U. S. C., title 34, sec. 943).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

RUSSELL N. BOARDMAN AND JOHN L. POLANDO

The Clerk called the next bill, H. R. 7939, to authorize the presentation of a distinguished-flying cross to Russell N. Boardman and John L. Polando.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GOSS. Mr. Speaker, reserving the right to object, I have no objection to the awarding of a proper medal to these two fliers, but I want to call the attention of the House to this fact, that recently, in the Amelia Earhart Putnam bill, it was suggested to award her a distinguished-flying cross. The Committee on Military Affairs got in touch with the War Department and was advised that they felt they wanted to conserve that medal for men in the service and in the combat ranks, and the Committee on Military Affairs will offer an amendment to that bill providing for the awarding of a distinguished-service medal in place of a distinguished-flying cross. If the gentleman from Massachusetts will accept an amendment along those lines, in keeping with the policy of the department, I shall not object.

Mr. CONNERY. I will be glad to accept that amendment, but with the understanding that it is to be the policy of the Military Affairs Committee and the Naval Affairs Committee that anything outside of the combat service in the future shall provide for a distinguished-service medal rather than a distinguished-flying cross. I do not want somebody else to come along next week and get a distinguished-flying cross when these two men made the longest nonstop flight ever made.

Mr. BLANTON. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order is, Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the President is authorized to present, in the name of the Congress, a distinguished-flying cross to Russell N. Boardman, of Brookline, Mass., and John L. Polando, of Lynn, Mass., who achieved a 5,011.8-mile nonstop trans-Atlantic flight from the United States to Istanbul, Turkey.

Mr. GOSS. Mr. Speaker, I offer an amendment. In line 4, after the word "Congress," strike out the words "a distinguished-flying cross" and insert in lieu thereof the words "a distinguished-service medal."

The SPEAKER. The gentleman from Connecticut offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. Goss: In line 4, after the word "Congress," strike out the words "a distinguished-flying cross" and insert in lieu thereof the words "a distinguished-service medal."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended.

HOUSE JOINT RESOLUTION 276, GIVING STATES THE RIGHT TO SUE THE UNITED STATES TO RECOVER DIRECT TAXES COLLECTED IN 1866, 1867, 1868

Mr. HARE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by publishing some remarks I made before a subcommittee of the Committee on the Judiciary on Resolution 296, and to insert the resolution.

The SPEAKER. Is there objection?

There was no objection.

Mr. HARE. Mr. Speaker, under leave granted to extend my remarks in the RECORD, made some time ago before subcommittee of the Judiciary Committee, I include the following resolution:

[H. J. Res. 276, Seventy-second Congress, first session]

Joint resolution consenting that certain States may sue the United States, and providing for trial on the merits in any suit brought hereunder by a State to recover direct taxes alleged to have been illegally collected by the United States during the years 1866, 1867, 1868, and vesting the right in each State to sue in its own name

Whereas the United States, under various acts of Congress, levied a tax against all kinds of manufactured goods and raw material, and collected it from many citizens, partnerships, and corporations in various States during the fiscal year ending June 30, 1866, 1867, and 1868; and

Whereas it was then and has ever since been contended by many citizens that said taxes were levied in violation of the Federal Constitution because, as they alleged, they were direct taxes and were not apportioned among the States according to population as required by Article I, section 2, of the said Constitution; and

Whereas legislatures of many States have passed acts authorizing and directing their governors to propound to the United States their claims to all moneys heretofore illegally collected and covered into the Federal Treasury as a direct tax upon property situated in said States: Therefore be it

Resolved, etc., That the United States consents that suits to recover taxes hereafter mentioned may be brought against it and heard and determined in the Supreme Court or any district court of the United States by any and every State which has passed, or which within four years hereafter shall pass, an act authorizing and directing its governor or other representative to propound to the United States its claims for moneys alleged to have been heretofore illegally collected in that State and covered into the Treasury of the United States as a direct tax during the fiscal years ending June 30, 1866, 1867, and 1868, and providing for the repaying to the original taxpayers or their legal representatives, where payment and ownership have been properly established, and also providing for escheat to the State after a period of not less than two years from the time the moneys herein referred to shall have been received by the State. Where suit is filed in a district court, service shall be perfected as provided by title 28, section 63, United States Code.

That the right of action to recover in the Supreme Court or district court of the United States moneys alleged to have been illegally collected and covered into the Federal Treasury as direct taxes during the years before mentioned is hereby vested in each State in which such direct taxes were paid, and which has passed or shall pass an act authorizing such suit to be brought as above provided.

That the United States shall contest such claims solely upon the ground of the legality of said tax, other defenses being hereby waived; and if the court shall decide that said taxes were illegally collected, the United States shall defend such suit or suits no further than for the purpose of determining the amounts of taxes collected in the respective States which may institute suit hereunder, provided no interest shall be allowed.

Mr. HARE. Mr. Chairman and gentlemen of the committee, you have just heard the resolution.

Of course, it provides for action on the part of any of the States in the Supreme Court of the United States to determine whether the revenue acts of Congress in 1866 and 1867 were constitutional when they levied and collected taxes on certain raw materials. In order to get the full import of the laws of 1866 and 1867 I think it will be advisable to refer to section 75 of the internal revenue act of July 1, 1862 (12 Stat. 465), which levied a tax on raw cotton, as I understand, and collected it in many of the various States of the United States. This act provided:

"On and after the certain day of October, 1862, there shall be levied, collected, and paid a tax of one-half of 1 cent per pound on all cotton held or owned by any person or persons, corporation, or

association of persons, and such tax shall be a lien thereon in the possession of any person whomsoever. And further if any person or persons, corporation, or association of persons shall remove, carry, or transport the same from the place of its production before said tax shall have been paid such person or persons, corporation, or assoication of persons shall forfeit and pay to the United States double the amount of such tax, to be recovered in any court having jurisdiction thereof."

I want to emphasize that part which attempts to prohibit the "removal" of cotton from the producer before the tax is paid, providing that the holder or owner thereof shall pay a double penalty in case of removal. I make this observation here because I think it shows conclusively that the intention was to place a direct tax on the producer of the commodity, the material, or the product, and that he was supposed to pay it. I am further convinced of the correctness of this opinion, because we find in the same act a provision to the effect that cotton found in the hands of the manufacturer was exempt from the tax. In the hands of the producer it was to pay at the rate of one-half of 1 per cent per pound; in the hands of the broker or, as we say in these more modern days, "the middleman," 2 cents per pound would be payable; and in the hands of the manufacturer it would be exempt from taxation.

By the act of June 30, 1864 (13 Stat. 308), a tax of 2 cents per pound was imposed on raw cotton; and by the act of July 13, 1866 (14 Stat. 98), this rate was amended to read 3 cents per pound, the act providing:

"That on and after the 1st day of August, 1866, in lieu of the taxes on unmanufactured cotton, as provided in 'An act, * * * ,' approved June 30, 1864, as amended by the act of March 3, 1865, there shall be paid by the producer, owner, or holder, upon all cotton produced within the United States, and upon which no tax has been levied, paid, or collected, a tax of 3 cents per pound, * * *."

Under the act of February 3, 1868 (15 Stat. 34), the law providing for a tax on raw cotton was virtually repealed. This act provided:

"That all cotton grown in the United States after the year 1867 shall be exempt from internal tax; and cotton imported from foreign countries on and after November 1, 1868, shall be exempt from duty."

Our contention is that this was a direct tax and therefore unconstitutional, for the reason that it was not apportioned among the several States according to population, as provided in Article I, section 2, of the Constitution.

Mr. CHRISTOPHERSON. Was this tax levied upon any other commodity than cotton?

Mr. HARE. Yes.

Mr. CHRISTOPHERSON. What other commodities?

Mr. HARE. Among other things, it was levied on sugar, if I recall correctly, tobacco, calfskins, goatskins, and so forth.

Mr. CHRISTOPHERSON. By the same methods, which also raise that same question in the case of sugar?

Mr. HARE. Yes. I want to make it clear at the beginning that it is not the purpose of this resolution to confine the actions of the States to recover the tax on cotton alone, but other commodities coming within the same class, provided it is held to be a direct tax as contemplated by the Constitution.

Mr. CHRISTOPHERSON. The reason I ask is, of course, if we pass this resolution we would have to pass similar resolutions as to all other commodities, in fairness.

Mr. HARE. No; all other commodities are covered by this resolution. The resolution provides that any of the States may have the right to come into court to determine whether or not taxes levied and collected under the revenue act of 1866 amounted to a direct tax and therefore unconstitutional.

Mr. CHRISTOPHERSON. Has this proposal been before Congress on any other occasion heretofore?

Mr. HARE. It has been before Congress in various ways, since 1872, at more or less frequent intervals.

Mr. CHRISTOPHERSON. On a similar proposal as this, or has it been in the form of claims presented?

Mr. HARE. It has been, as a rule, in the form of claims.

Mr. CHRISTOPHERSON. And the Claims Committee, I suppose, rejected them?

Mr. HARE. Yes.

Mr. CHRISTOPHERSON. Have you any information as to how much would be involved in the settlement of all these claims?

Mr. HARE. It is my understanding that approximately $200,000,000 were collected from the various States under the different revenue acts referred to. The total amount collected on cotton alone was approximately $64,679,000.

Mr. DOMINICK. As I understand, this bill does not refer only to cotton?

Mr. HARE. No.

Mr. DOMINICK. It refers to other direct taxes?

Mr. HARE. Yes; as I have just explained.

The Treasury Department has no record showing in detail the individuals from whom these direct taxes were collected. The records as to the amount collected for each State is a compilation of figures in the annual report of the Commissioner of Internal Revenue, showing the total amount collected from the different States for the various years. In other words, the amounts collected on the various articles are definite in that the figures are furnished by the Treasury Department.

This resolution presupposes that legislation has been enacted or will be enacted in the various States which, in effect, would provide that the right or interest of any individual who could not show the amount of taxes paid would escheat to the State. For instance, if a State should bring an action in the Supreme Court or a district court and the court would find that that law was unconstitutional, and then judgment should be obtained for the amount collected from that State, the individual taxpayers of the State would have the right to file their claims with the State for adjudication, and if sufficient proof could be shown, the claim would be recognized, approved, and paid. But in case the claim could not be substantiated by sufficient proof, the rights and interests of such individuals would escheat to the State and the State could then dispose of the funds as its legislature should see fit.

Mr. SPARKS. Mr. Hare, if I may make an inquiry at this point: It is your contention that the several States would have the right to sue for the individual taxpayers who paid those taxes?

Mr. HARE. The State would take the position that it was suing for all of the taxpayers in the State, collectively.

Mr. SPARKS. For the purpose of avoiding a multiplicity of suits?

Mr. HARE. That is correct. I hope to get to that point a little later.

I might say that for many years this tax was thought to be constitutional, in that it was held to be a tax on personal property, the original idea being that direct taxes as contemplated in the Constitution applied only to taxes on land. This was the position taken, as I understand, when the matter was heard in 1873. However, in later years, in the case of Pollock *v.* The Farmers' Loan & Trust Co. (158 U. S. 601), in the opinion rendered by Chief Justice Fuller, he said:

"The Constitution does not say that no direct tax shall be laid by apportionment on any other property than land; on the contrary, it forbids all unapportioned direct taxes, and we know of no warrant for excepting personal property from the exercise of the power."

He stated further in the same opinion, in summing up his conclusion:

"We are of opinion that taxes on personal property or on the income of personal property are likewise direct taxes."

You will remember that this opinion was rendered after Congress passed the original income tax law. As already suggested, authority could be given individual claimants to bring action to recover the taxes sought to be reached, but the same thing can be accomplished under the proposed legislation and avoid a multiplicity of suits. At the same time, it will be much easier and less expensive for claimants to file their claims in their respective States than to file them with the Federal Government.

We take the position, however, that the State has a right to bring the suit in, that it has the right to protect its citizens from illegal tax assessments. I think this principle was enunciated and decided by the Supreme Court of the United States in the case of Hamilton et al. v. Brown et al. (161 U. S. 256).

This is not an unprecedented action on the part of Congress, for similar action was taken by an act of Congress in 1912, when authority was granted individuals to bring suit to recover taxes assessed and collected under the revenue act of June 13, 1898.

The question as to whether or not the tax referred to was a direct tax or an excise tax is the crux of the whole situation, and that is the matter to be decided by the Supreme Court. My understanding of the difference between a direct tax and an excise tax is that a direct tax is one levied and imposed upon the property simply because of its ownership, whereas an excise tax would be a tax upon the earnings, income, or revenues arising out of such property.

Referring particularly to cotton, the tax was not levied on the value of the cotton at all. It was not said that there shall be 1 per cent or 2 per cent or any other per cent of the value of cotton to be paid at the time it was being processed, but it said that 1 cent, 2 cents, and even 3 cents shall be paid, per pound, on cotton in the hands of the owner, showing conclusively that the tax was to be paid by a particular person. That is, ownership was a condition precedent to the collection of the tax, and I think it can be shown that ownership in this particular case had reference to the producer, or to the grower, as we have already indicated.

Mr. CHRISTOPHERSON. How was this tax collected and paid? It was not at the time of sale. Did they go around and check up at different times and see how much cotton each man had? How was it handled?

Mr. HARE. No; the man was required, as I understand it, to pay the tax on his cotton just as he paid the tax on his livestock, or on his land, or on any other property, except he paid the taxes on his livestock, and so forth, to his State government, whereas he paid the tax on his cotton to the Federal Government.

I might illustrate my idea of the difference between a direct and an indirect tax in this way: If I were a producer or a grower of cotton, and a tax, we will say, of 3 cents per pound is levied by the Federal Government, that would be a direct tax. But if I were a manufacturer of cotton, and a tax of so much per pound or so much on the value of the cotton were levied, then it would be an excise tax. Or, if the law had provided for a tax of 2 per cent on the value of the cotton at the time of sale, that would probably be an excise tax; but in this case the tax was so much per pound in the hands of the producer and, therefore, a direct tax.

Mr. DOMINICK. How do you draw that distinction, Mr. Hare?

Mr. HARE. The distinction is that a direct tax can not be passed on to the consumer, but must be paid by the producer, whereas the excise tax is one which may be passed on to the consumer. The direct tax becomes, in this illustration, a definite and certain tax to be paid by the individual producer or grower.

Justice Brown, in the case of Pollock v. Farmers' Loan & Trust Co. (39 L. E. 787; 157 U. S. 491), in making a distinction between direct and indirect taxes said:

"Direct taxes are paid by the taxpayer, both immediately and ultimately; while indirect taxes are paid immediately by the taxpayer and ultimately by some one else."

Mr. DOMINICK. You are not drawing a distinction, then, on the basis that the tax was so much on some certain unit or a percentage of the price? There is no difference there so far as the principle of taxation is concerned, is there?

Mr. HARE. Yes; if I understand you correctly, there is a difference. If it were based upon the value of the commodity, there would be this difference: It would be variable and would come in that class of what the courts have said to be, as I understand it, an excise tax. But when it is definite, certain, and unchangeable, as was the case in this instance, it is a direct tax. It is direct on the theory that at some time or other a direct tax may be confiscatory. For instance, there have been times when cotton would not be worth 3 cents a pound, which was the amount of the tax in one of the revenue acts referred to at the outset. I have known certain grades of cotton to bring less than 3 cents per pound on the market.

Mr. SPARKS. In other words, a direct tax is a certain tax upon certain personal property, regardless of its valuation?

Mr. HARE. Yes; that is one distinction. It is the distinction I am trying to make. But it goes further and stipulates the person who shall pay the tax.

Mr. DOMINICK. Let us take a suppositious case. You would consider, for instance, a tax on gasoline of so much per gallon as a direct tax for that reason?

Mr. HARE. No; I do not think I would. If it were levied at the well, to be paid by the producer, that would be a different matter. You see, gasoline is a manufactured or a refined product. It has been processed. Whereas we are contending that direct taxes are on raw materials, unprocessed materials, in the hands of the original producer. If a tax were levied at the well at so much per barrel on the raw material before it is processed, to be paid before it leaves the hands of the producer or owner, I think that would be a direct tax.

Mr. CHRISTOPHERSON. In other words, the proposed tax on gasoline is a sales tax?

Mr. HARE. Yes; as compared with the tax on raw material.

Mr. DOMINICK. What I can not get clear in my own mind is why there should be a difference in the element of the tax, as to whether or not it is so much per unit or whether it is based upon a percentage of the value of the product.

Mr. SPARKS. As I understood you a while ago, a tax upon certain personal property, regardless of its valuation, might equal the entire value of the property itself?

Mr. HARE. Yes.

Mr. DOMINICK. You could come to the same result by levying a tax at a percentage of the value of the commodity?

Mr. HARE. Of course, we are making a further distinction in this, that the tax applies directly to the producer or the grower and when you get back to naming the individual, that is in violation of that part of the Constitution which says direct taxes shall not be levied except according to population.

Mr. DOMINICK. I understand that; but how are we going to get by with some of the taxes that we have levied and are proposing to levy to-day?

Mr. HARE. If we are levying any taxes that would come within this interpretation of a direct tax, I think it will be unconstitutional.

Mr. DOMINICK. That is the thought in my mind.

Mr. HARE. I think a direct tax is still clearly unconstitutional.

Of course, it is not my purpose to argue at length or go into any great detail here as to the constitutionality of the law. That is a matter to be presented to the courts. However, I would like to make this further observation. I assume there can be no doubt but what a tax on land would be considered a direct tax and held to be unconstitutional. And, under our more modern construction or interpretation of the Constitution, there seems to be no question but what Congress has the right to levy and collect a tax on incomes arising from the sale of products of the soil, but it has not been settled whether it has the right to tax the crop or products themselves. It is our contention that a tax on farm crops, in place of a tax on the income from the sale of such crops, is a direct tax and, therefore, unconstitutional. This is particularly true of the tax in question, because at the time the law was enacted and the tax collected the grower or producer, in most cases, manufactured and consumed in his own household much of the cotton produced on his own farm. Therefore, to hold that such a law was constitutional would be equivalent to saying that Congress has the right to tax an article made and consumed by the individual. Upon such an interpretation Congress would have the right to levy and collect a tax on the pork, wheat, fruits, and vegetables grown and consumed by every farmer in the country which, I am sure, would be a principle or policy of government that would shock the conscience and good judgment of every American citizen.

I might go a little further and suggest that the law referred to is in effect a tax on land and I invite your attention to section 30 of the act of July 13, 1866, which provided:

"That in any case where goods, chattels, or effects sufficient to satisfy the taxes imposed by law upon any person liable to pay the same shall not be found by the collector or deputy collector whose duty it may be to collect the same, he is hereby authorized to collect the same by seizure and sale of real estate; and the officer making such seizure and sale shall give notice to the person whose estate is proposed to be sold, by giving him in hand, or leaving at his last or usual place of abode, if he has any such within the collection district where said estate is situated, a notice, in writing, stating what particular estate is proposed to be sold, describing the same with reasonable certainty, and the time when and place where said officer proposes to sell the same; which time shall not be less than 20 nor more than 40 days from the time of giving said notice."

It appears from this provision that in case the collector was unable to find the cotton grown by the producer, and the tax on same had not been paid, he would have the right to seize, give notice to the grower, and sell the land on which the cotton was grown, or any other land the producer may own or have in his possession.

Gentlemen, for a long time this proposal of refunding this tax was considered a sectional question. For instance, in 1873, when the matter of refunding the cotton tax was seriously considered, I think it would have been adjusted if it had not been considered and interpreted as a sectional question. This was immediately following the Civil War. It was the opinion of those in authority that it applied only to the cotton-producing States.

Mr. SPARKS. It also applied to the sugar-producing States and the States producing any other commodities that may have been taxed.

Mr. HARE. Yes. But the particular tax I am referring to is the cotton tax, and that is what they tried to have refunded. In order to show the attitude of those who opposed the refund, I want to read to the committee a statement furnished at the time by the Secretary of the Treasury, Mr. Boutwell, I believe it was, prepared by Mr. Kimball, who was then Chief of the Internal Revenue Bureau. He states:

"That the southern people were wholly unrepresented in Congress when the internal tax bill, which imposed a tax on cotton, was passed is only too true."

Now, it was contended at that time that the tax ought to be refunded because when the law was enacted the Representatives from the Southern States were not present.

Proceeding further he says:

"But whose fault was it that they were unrepresented? It was not the fault of the States that were represented nor of the people of these States. It was not the fault of Congress, nor of the judicial or executive branches of the Government. It was not the fault of any one or all of these. It was the fault of the cotton States and the people of the cotton States. It was the fault of their own Senators and Representatives. These, one after another, under instructions from those whom they represented, or self-impelled, resigned their seats in Congress and returned to their constituents to make war upon the United States, to disrupt the Federal Union, and to establish a Southern Confederacy out of the broken fragments. They were voluntary acts on the part of the Southern States and their Representatives. Gladly would I draw the veil of oblivion over this painful record; but where such a reason as this is put forth for the refunding of a tax made necessary by the very circumstances upon which the claim for refunding is based, the truth must be told. Had the Representatives of the South remained in allegiance to the National Government, had they retained their seats in Congress, and used the same amount of influence and persuasion to dissuade their people from entering into insurrection and rebellion as they did exert to push them into it, there would have been no rebellion, no war, no cotton tax, no internal-revenue tax of any kind. Having chosen their own course and taken it voluntarily, having committed the great wrong of resigning their seats in Congress, inaugurating war, and prosecuting it until hope was extinguished and all further efforts became vain and futile, we say, and we have a right to say, 'Gentleman, you can not now take advantage of your own errors, wrongs, and mistakes.'"

I read this simply for the purpose of showing the state of mind at the time the claim was presented in 1873. This attitude was assumed for many years. But, of course, it is a source of gratification to all of us that no one will longer subscribe to the suggestion made by the Secretary of the Treasury.

Mr. SPARKS. I do not think it will make any difference, and it should not make any difference, what the attitude of any of the States may have been in this matter in relation to the continuance of the Union. The question was whether or not under the Constitution these taxes could be rightfully imposed, and whether they were represented or not represented should not make any difference.

Mr. HARE. You are correct, and I fully agree with you. As a matter of fact, the direct taxes referred to in this resolution did not apply simply to the cotton-producing States, but applied to every State in the Union; and if the resolution is passed, practically every State will be entitled to a refund. If I am not mistaken, 26 States will be entitled to a refund of the cotton tax, whereas less than one-half of them are producers of cotton. For example, New York will be entitled to more than $700,000; Ohio about $250,000; Illinois $125,000; Vermont $168,000; Indiana over $80,000, none of which have ever been considered cotton-growing States and were represented in Congress when all the laws referred to were enacted.

One objection made in a hearing similar to this a few years ago was to the effect that the taxpayer himself, if he has a claim, should have the right to bring his own action, and not the State. Of course, they assume that the taxpayers who paid this tax are practically all dead. That is true. However, there has been no laches on the part of the people who may have had this right, because they have been coming to Congress in various ways, as I

said, since 1872. I can possibly best illustrate the point I am endeavoring to make in this connection by making a personal reference. My father was a farmer who paid this tax. I can recall when he exhibited receipts for taxes he paid on his cotton. Of course, it would be impossible for me, his children, or any of his heirs to establish a claim at this time, because the receipts are lost or destroyed. Yet the claim exists, and the right to recover still exists, provided the law levying the taxes was unconstitutional, and some one should be permitted to come in and exercise that right.

Mr. CHRISTOPHERSON. Let me ask you a question along that line. Suppose this bill were passed and your State and other States brought their actions, judgment was recovered, and the money collected. Where would it go? I assume that many of those who paid the tax are gone. It would go to the States, would it not?

Mr. HARE. Yes. Let me follow my illustration just a little further. If this resolution were passed, and the Supreme Court should find the law unconstitutional, South Carolina could recover judgment for the amount collected from the taxpayers within the State. Then if I and the other heirs of my father are unable to establish a bona fide claim to the amount of taxes he paid, his right, or our interest in the claim, would escheat to the State of South Carolina and the money would be distributed as the State legislature sees fit.

Mr. SPARKS. If this resolution should pass, of course, the claims would have to be established under the regular laws having to do with the admissibility of evidence?

Mr. HARE. Certainly.

Mr. CHRISTOPHERSON. I presume the Government has a record of what moneys they collected from each State?

Mr. HARE. It has a record showing what was collected from each State, but not from each individual.

Mr. CHRISTOPHERSON. So that under this bill the only question that would be presented in court would be whether or not the tax was illegal?

Mr. HARE. That is right.

Mr. CHRISTOPHERSON. And if it were decided it was illegal, then the books of the Government would be taken as controlling in the matter of the amount involved?

Mr. HARE. Or if the courts should hold that the tax was legally levied and collected under the Constitution, that would end the entire controversy.

Mr. CHRISTOPHERSON. You think about $200,000,000 are involved, all told?

Mr. HARE. That is my understanding.

Mr. CHRISTOPHERSON. Has a check been made on the books of the Government?

Mr. HARE. I think that information was presented in a hearing before the Ways and Means Committee a few years ago. Mr. Smith, who was an attorney representing a number of States in connection with this matter, probably has more definite information along that line than I have, and I will ask the committee to hear him a little later.

Mr. CHRISTOPHERSON. In what form was this matter before the Ways and Means Committee?

Mr. HARE. This bill?

Mr. CHRISTOPHERSON. Yes.

Mr. HARE. It was similar in many respects.

Mr. CHRISTOPHERSON. How long ago was that?

Mr. HARE. Three years ago.

Mr. DOMINICK. The bill, I believe, was introduced by Mr. Vestal, of Indiana, who died just recently.

Mr. HARE. Yes; he was very much interested in the matter, and he and I went into the case at length a few days prior to his death. I might say, in the original resolution it provided that certain taxes on manufactured goods should be considered as direct taxes. I suggest that if the committee gives favorable consideration to this resolution that particular provision should be eliminated, and the preamble then will read:

"Whereas the United States under various acts of Congress levied a direct tax against raw material and collected it from many citizens, partnerships, and corporations in various States during the fiscal years ending June 30, 1866, 1867, and 1868: * * *."

In other words, Mr. Chairman, I think it would be entirely proper to eliminate on line 2, paragraph 2, page 1, the following words: "all kinds of manufactured goods and." The resolution would then apply to direct taxes against raw material only.

The question of whether a State has any right to intervene or interfere in behalf of those who paid the taxes has been raised heretofore. It seems to me that the State is as much entitled to protect its citizens from illegal tax collections as it has to protect them in other matters. I think if the Federal Government, by legislation or otherwise, should by affirmative action initiate any undertaking that would have the effect of endangering the health of the citizens of a State, the State would certainly have the right to intervene. Or if the Federal Government should by some great engineering project seriously interfere with the water supply of a large number of citizens the State would have the right to intervene and protect the rights of its citizens. Therefore, if the law levying a tax on raw cotton or unmanufactured cotton or other commodity was illegal and unconstitutional, it was a trespass upon the rights of the citizens of the State and there seems to be no doubt but what the State would again have the right to interfere in behalf of the interests of such citizens.

To illustrate further: Suppose this Congress, in its effort to balance the Budget, should pass a law requiring the owners of all real estate to pay a tax of 50 cents per acre. There can be no doubt but what this would be considered a direct tax in violation of the Constitution, and the State by appropriate action would have the right to intercede in behalf of its citizens.

Then, as we have said, if, by a corresponding act, Congress should levy a tax on the product of an individual produced in its raw state, it is considered a direct tax, and the State would also have the right to intervene, my contention being that if the law under which the taxes were levied and collected is unconstitutional the funds actually would be held in trust by the United States and the Government would be a trustee for the taxpayer. Then, if the right of the taxpayer has escheated to the State, the funds would be held in trust for the States, and any State should then have the right to bring suit and recover. On the other hand, if the right of the individuals who paid the tax should not escheat to the State until the law is found to be unconstitutional and it is impossible for the Government to completely carry out its trust to such individuals then, under a well-established principle of law known as the doctrine of cy pres, the trust should be carried out as near as possible, in which case the State would be the logical agency to institute proceedings, for the trust funds under these conditions would certainly be held in trust for the State.

To repeat: If the law under which the taxes were collected is unconstitutional, the funds would be held in trust by the Federal Government for the taxpayer. Then, if the taxpayer can not be found and the taxes can not be returned to the proper person, the State, having the right to protect the interest of its citizens, would certainly have the right to intervene and act in their behalf. In other words, if the Federal Government has money collected from individuals it is not entitled to under the Constitution and the individuals can not be found or their claims supported by their legal representatives, there can be no doubt but what the State should have the right to assert its interest and substitute same for that of its citizens. The State, under such circumstances, would assume the same position in behalf of its citizens with respect to their rights against the Federal Government as the Federal Government would take with respect to their rights against a foreign government.

Mr. Chairman, I note that the time is limited and I would like to yield the remainder of my time to Mr. Burton Smith, who has given this matter a great deal of thought and study from a legal as well as a practical standpoint. I would like to say, however, before closing, that a bill quite similar to the one we have under consideration passed the Senate twice in the last few years.

I think it might be appropriate to put in the record at this time the amount of the cotton tax collected from the various States, and with the permission of the Chair, I will ask that it be inserted at this place. It will be noted that Pennsylvania, Tennessee, Kansas, Vermont, Virginia, Indiana, New Jersey, Missouri, Massachusetts, Kentucky, and Indiana, as well as Illinois—not cotton-producing States—paid a considerable amount of the cotton tax. The list is as follows:

Alabama, $10,388,072.10; Arkansas, $2,555,638.43; California, $430.04; Connecticut, $65.67; Florida, $918,944.98; Georgia, $11,897,094.98; Illinois, $124,444.23; Indiana, $81,982.42; Kansas, $286.15; Kentucky, $373,839.39; Louisiana, $9,048,427.53; Maryland, $48,173.30; Massachusetts, $55,720.27; Mississippi, $8,742,995.93; Missouri, $409,992.48; New Jersey, $3,156.42; New York, $730,730.25; North Carolina, $959,704.87; Ohio, $242,225.37; Pennsylvania, $15,578.79; South Carolina, $4,172,420.16; Tennessee, $6,508,233.82; Texas, $5,502,401.24; Utah, $1,278.69; Vermont, $168,268.29; Virginia, $629,727.11.

PARTY PRINCIPLES AND POLICIES

Mr. TILSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. TILSON. Mr. Speaker, the fundamental concept upon which must rest a political party as distinguished from a bloc or other group representing only a passing phase of political life is that it shall be an aggregation of individuals drawn together by a common purpose to serve the State through the advocacy of certain principles and policies. It must have a sufficient degree of organization and solidarity to effectuate the views held in common through unified action. To be effective it must have fixed principles upon which its policies may be based as they may be formulated from time to time to meet new problems and changing conditions.

The Republican Party came into being during a period in our history when the question of the extension of human slavery was greatly agitating the public mind and when the breaking up of the Federal Union was not only a possibility but the most menacing danger then on the horizon. Both these questions were squarely faced by the new party and in due time solved, along with a number of other troublesome questions, and as a result it was confirmed in a lease of power covering a considerable period.

Marred only by certain early excesses naturally growing out of the passions of internecine strife, the record of the

Republican Party marched forward through years of constructive progress, meeting successfully the problems of readjustment to new conditions as they arose. With but few and brief interruptions the Republican Party has written, simultaneously, the history of the country and its own record. Abraham Lincoln guided the course of the party through its first stormy period of power, though his steady hand was removed from the wheel before calm seas were reached again. Under different but equally trying conditions, Herbert Hoover is now bravely carrying on, demonstrating as he does it both the soundness of his party principles and his own great ability as a leader.

During all the years of the party's history two fundamental principles have formed the groundwork of all its economic policies, sound money and protection to American labor and industry. The party is still just as insistent as ever that both these principles be maintained.

During the life of the Republican Party numerous attacks have been made upon both of the two cardinal principles of sound money and protection, but usually these attacks have come singly. Rarely have the attacks come upon both fronts at the same time. A glance backward over our political history will call to mind some of the forms these attacks have taken, including free silver, greenbackism, and other propositions for cheap or fiat money, while free-trade planks or platforms calling for a tariff for revenue only have found place in many campaigns.

Times of depression or other economic disturbance are the favorite seasons for attacks upon sound money, and there was never greater reason for the Republican Party to stand firm on this principle than at the present moment. In the campaign of 1932 it would seem that attacks upon both sound money and protection will probably be renewed. The attack upon sound money has been proposed in a number of different forms. If the huge bond issues, seriously proposed by some, which would necessitate unprecedented borrowings, are refused, then it would seem that resort may be had to some other method of accomplishing the same purpose. It is even urged by some that colossal sums of greenbacks be engraved and handed out to certain favored classes with the avowed purpose of cheapening our money.

Neither of these proposals has been as yet formally accepted by any political party, but another proposal that is believed by many will have the same effect has passed the House of Representatives under a suspension of the rules, thus indicating complete approval on the part of the House majority organization. I refer to the Goldsborough bill.

None of the schemes having for their avowed purpose cheapening the dollar seems to take into account the fact that the poor are always the first to suffer from unsound money. Paradoxical as it may seem, it is nevertheless true, to a very considerable extent, that the rich are the debtors who would profit most by cheap currency, while the poor, or the comparatively poor, are the creditor class who would suffer the most. The savings of the poor, in small savings accounts but tremendously large in the aggregate, are invested in savings banks. Shall the banks be relieved of their obligation by permitting them to pay these accounts in cheap dollars? Staggering sums of the money of the comparatively poor, saved by thrift through self-restraint, have been invested in insurance through weekly, monthly, quarterly, or annual premiums, with that most sacred purpose in view of protecting loved ones should death come. Shall the wealthy owners of these large insurance companies be invited to pay off in cheap dollars their debt to the beneficiaries of policyholders?

Yes; there is every reason why the Republican Party, more than ever before, should stand by the principle of sound money and oppose fiat money, soft money, or cheap money in whatever attractive guise it may appear. Nothing is clearer than the fact that it is not the limited amount of currency outstanding that is responsible for the present depression, for it is well known that the amount of currency now outstanding is almost a billion dollars greater than it was in the heyday of 1929. Need for more credit there may be, certainly there is occasion for more confidence, but there can be no sound basis for an artificial injection of currency into our financial system at present, and those who would suffer first and most from it would be the poor.

And what of protection to American labor and industry? No frontal attack has been proposed recently against this position of the Republican Party, but a somewhat plausible flank movement was inaugurated in the alleged tariff bill recently vetoed by the President. If ever there was a time more inopportune than all others for destroying, or even weakening, the tariff policy of this country, that time is now. Frequent general revisions of the tariff always have a disturbing influence upon business, but with changes in conditions such revisions become necessary.

A partial remedy for this unfortunate necessity has been sought in setting up a board or commission to find the facts and, upon the finding of certain facts, authorizing the President to make changes in rates of duty within fixed limits. Some progress was made in this direction in the tariff act of 1922. The 1930 act went farther, so that under it any party believing himself to be aggrieved may apply to the commission for relief. Many have done so and the fact that with a law of this kind on the statute books, open to all, only a comparatively small number of cases now remain pending, seems to indicate that the law has functioned with satisfactory results.

In the face of this record what remedy do we now find suggested by the opponents of protection? The so-called flexible provision of the tariff law, along with the Tariff Board itself, is to be destroyed or rendered nugatory by requiring reports to be made to Congress and findings to be of no validity until passed upon by Congress. It would prove far more destructive than any general revision of the tariff to have a frequently recurring series of tariff increase or reduction proposals before each succeeding session of Congress. The probability would always be present of each proposal being seized upon as a vehicle for carrying all the desired changes sought by every different locality in the country, thus keeping our entire industrial life in a turmoil.

To make matters still worse it is proposed in the tariff bill referred to that we call international conferences in which the several nations of the earth shall sit down together and agree to reciprocal tariff rates satisfactory to all concerned. Since I first entered Congress in 1909 there have been four general revisions of the tariff and a great number of popgun tariff bills enacted to elicit presidential vetoes, but among all the wild suggestions made during the tariff discussions of these nearly 25 years there has never been one quite so preposterous and absurd as this one, nor one quite so fraught with danger to our industrial stability.

Our experience in reciprocal tariff making has not been a very fruitful one, even when dealing with one nation at a time. There have been a number of instances in our history where reciprocal tariff treaties have been negotiated either under the general treaty-making power or special authority granted by Congress. The greater portion of these were rejected by this country and most of the others were rejected by the other countries. All the rest were subsequently either denounced as treaties or repealed by our tariff acts.

Can one view with any degree of confidence or complacency the prospect of having the tariff rates upon which American labor and industry rely for protection made the football of international politics? Can anyone imagine any course more likely to involve us in international complications and disagreements? And what becomes of the equal-treatment-to-all-nations principle if we should now enter upon a policy of international tariff dickering?

If this Nation of ours ever contemplates entering upon a foreign policy so utterly at variance with our whole history and so calculated to entangle us with the affairs of other nations, surely a time other than the bicentennial year of the birth of George Washington should be chosen for its consummation.

PATENTS FOR CERTAIN LANDS IN THE STATE OF COLORADO

Mr. EATON of Colorado. Mr. Speaker, I ask unanimous consent that the bill (H. R. 6437) to authorize the issuance of patents for certain lands in the State of Colorado to cer-

tain persons, now on the Private Calendar as No. 507, be stricken from the Private Calendar and rereferred to the Committee on Public Lands, as the subject matter has been covered by another bill.

The SPEAKER. The gentleman from Colorado asks unanimous consent that the bill (H. R. 6437) be stricken from the Private Galendar and rereferred to the Committee on Public Lands. Is there objection?

Mr. STAFFORD. Mr. Speaker, may I inquire whether the gentleman has taken this matter up with the chairman of the Committee on Public Lands?

Mr. EATON of Colorado. We discussed the matter in the Public Lands Committee at the time the other bill was introduced, and at that time it was intended to have this bill stricken from the calendar.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

INTERNATIONAL CONFERENCES AND THE EXPENSE THEREOF

Mr. TINKHAM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein certain correspondence with the State Department, with a list of all the international conferences and the expenses thereof since the Versailles treaty.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, can the gentleman give any reason for incorporating this matter in the permanent RECORD? As the gentleman well knows, his colleague the gentleman from Massachusetts [Mr. UNDERHILL] has been objecting to matters of this sort going into the RECORD.

Mr. TINKHAM. This is correspondence with the State Department, and it is rather short, and I would prefer to have it put in the RECORD. It gives a comprehensive review of all the international conferences and the cost thereof to date, which I think is somewhat important at this time.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. TINKHAM. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following:

MAY 3, 1932.

The honorable the ACTING SECRETARY OF STATE,
Washington, D. C.

DEAR SIR: 1. Will you kindly furnish me with a list of all international commissions or conferences at which the United States has been represented since the return of Mr. Wilson from the meeting of the Allies at Versailles in 1917–18, including the cost of each commission or conference to the United States?

2. Will you also kindly inform me what amount is shown by your records to have been expended to date for the present disarmament conference?

A reply at your early convenience would be appreciated.

Sincerely yours,

GEORGE HOLDEN TINKHAM.

DEPARTMENT OF STATE,
Washington, May 14, 1932.

The Hon. GEORGE HOLDEN TINKHAM,
House of Representatives.

MY DEAR MR. TINKHAM: I wish to acknowledge the receipt of your letter of May 3, 1932. In compliance with your request I am pleased to inclose lists of all international conferences and commissions for which there have been specific appropriations for official representation on behalf of this Government since July 1, 1918, including the amounts appropriated in each case.

In addition to the conferences and commissions mentioned in these lists there have been a very great number of others which have been attended by official representatives of this Government who either undertook their mission at their own expense or whose expenses were paid from regular appropriations. To compile a list of these other conferences, with the cost of each, would require a great deal of research work, since it is only during the last few years that international conferences have been handled by a division specifically charged with that work and with the duty of keeping a consolidated record of all such conferences. Moreover, this department is without information as to the expenditures made by other branches of the Government and by private individuals incident to attendance at the majority of these conferences.

I take pleasure, however, in inclosing, in addition to the other lists, a list of 131 international conferences held since March 4, 1929, at which this Government was represented without the necessity for specific appropriations.

With reference to your second inquiry, which concerns the amount expended to date for the expenses of the general disarmament conference at Geneva, the total sum disbursed or incumbered to April 30 was $191,692.03.

Sincerely yours,

W. R. CASTLE, *Acting Secretary.*

(Inclosures: Lists of international conferences and commissions.)

List of international conferences from 1919 to 1932 for which appropriations have been made by Congress

International Conference on International Communication, Washington, 1921	$75,000
First Pan Pacific Scientific Congress, Honolulu, 1921	9,000
Third Pan-American Scientific Congress, Lima, Peru, 1921	25,000
Sixth International Sanitary Conference of American States, Montevideo, 1920–21	2,000
Sixteenth International Congress Against Alcoholism, Lausanne, 1921	7,425
Commission Centennial Celebration, Independence of Peru, July, 1921	15,000
International Conference on Maritime Law, Brussels, 1922–23	5,000
Commission of Jurists to Consider Amendment of Laws of War, 1923	3,750
World War Foreign Debt Commission, 1922–23	20,000
Fifth International Conference of American States, Santiago, Chile, 1923	75,000
Special Mission to Represent the United States at the Centennial Celebration of Brazil, Rio de Janeiro, September, 1922 (expenses paid from a portion of the exposition appropriation of $1,000,000, 1922–1924).	
Conference on Limitation of Armaments, Washington, 1922	200,000
International Exposition at Rio de Janeiro, Brazil, 1922–1924	1,000,000
Seventeenth International Congress Against Alcoholism, Copenhagen, 1924	7,500
Inter-American Committee on Electrical Communications, Mexico City, 1924–25	30,000
Third Pan American Scientific Congress, Lima, Peru, 1923–1925	20,000
International Commission on Public and Private International Law, 1923–1926	15,000
International Conference Traffic in Habit-Forming Narcotic Drugs, Geneva, 1925	35,000
Twenty-third Conference of Interparliamentary Union, Washington, 1925	50,000
Revision of Chinese customs tariffs, 1925–26	47,750
Inquiry into extraterritoriality in China, 1923–1926	21,000
Seventh Pan American Sanitary Conference at Habana, 1925	2,600
Revision of Chinese customs tariffs, 1926	25,000
International Radiotelegraphic Convention, Washington, 1926–27	87,261
Preparatory Commission on Armaments at Geneva, 1926–27	50,000
Inquiry into extraterritoriality in China, 1927	6,600
Revision of Chinese customs tariffs, 1927	4,000
Commission on Equitable Use of the Waters of the Rio Grande, 1925–1927	20,000
Pan American Congress, Panama, 1927	15,000
Seventh International Dental Congress, Philadelphia, 1927	5,000
Sixth International Conference of American States, Habana, 1928	75,000
Second general meeting of Inter-American High Commission, Rio de Janeiro, 1927–28	40,000
Second Pan American Conference on Highways, Rio de Janeiro, 1929–30	15,000
International Exposition at Seville, Spain, 1927–1929	700,000
Conference on Conciliation and Arbitration, Washington, 1929–30	50,000
Expenses, American group, Interparliamentary Union, 1929	10,000
Preparatory Commission on Armaments at Geneva, 1928–29	70,000
Sesquicentennial of Discovery of Hawaiian Islands, Honolulu, 1929	5,000
Twenty-third International Congress of Americanists, New York, 1929	5,000
International Conference for Safety of Life at Sea, London, 1929–30	90,000
Conference on Oil Pollution of Navigable Waters, Washington, 1925–1930	42,000
Expenses, American Group Interparliamentary Union, London, 1930	10,000
Expenses, American group of Interparliamentary Union, Bucharest, 1931	10,000
Sixth session of Permanent International Association of Road Congresses, Washington, 1929–1931	55,000
Inter-American highway (investigation)	50,000
Studies of policies of the United States in Haiti, 1930–31	50,000
Inter-American Congress of Rectors, Deans, and Educators, Habana, 1930	4,000

Inter-American Conference on Agriculture, Forestry, and Animal Industry, Washington, 1930–31	$25,600
Fourth World's Poultry Congress, England, 1930–31	15,000
Eleventh Annual Convention of Federation Interalliée Des Anciens Combattants, Washington, 1930–31	25,000
International Conference on Load Lines, London, 1930–31	20,000
One hundred and fiftieth anniversary of surrender of Lord Cornwallis at Yorktown, Yorktown, Va., 1930–1932	25,000
Sixth Pan American Child Congress, Lima, Peru, 1930–31	13,000
International Red Cross and Prisoners of War Conference, Geneva, 1929–30	34,000
International Hygiene Exhibition, Dresden, 1930–31	5,000
International Technical Consulting Committee on Radio Communications at The Hague, 1929–30	27,500
Naval conference at London, 1930	350,000
One Thousandth Anniversary of National Parliament of Iceland, 1930–31 (mission to Reykjavik, Iceland, and statue)	55,000
International Fur Trade Exhibition and Congress, Leipzig, Germany, 1930–31	30,000
International Conference for Codification of International Law at The Hague, 1930	25,000
Expenses, American group, Interparliamentary Union, 1932	10,000
International Exposition of Colonial and Overseas Countries, Paris, 1931–32	300,000
Investigation of fisheries, Passamaquoddy and Cobscook Bays, by United States and Canada, 1931–32	45,000
International Congress of Military Medicine and Pharmacy, The Hague, 1931–32	10,000
Commission on Construction of Highway, United States and Canada, 1931–32	10,000
Ninth International Dairy Congress, Copenhagen, 1931–32	10,000
International Technical Consulting Committee on Radio Communications, Copenhagen, 1931–32	30,000
Fourth Pan American Commercial Conference, Washington, 1931–32	15,000
Conference on Limitation of Manufacture of Narcotic Drugs, Geneva, 1931–32	35,000
General Disarmament Conference, Geneva, 1932	300,000
Total	4,574,986

List of international commissions, arbitrations of claims, boundary investigations, etc., from 1919 to 1932, for which appropriations have been made by Congress

International Boundary Commission, United States and Mexico, El Paso, Tex., 1919	$37,500
Boundary line, Alaska and Canada and United States and Canada, Washington, 1919	60,000
International Joint Commission, United States and Great Britain, Washington, 1919	81,000
Arbitration of outstanding pecuniary claims between the United States and Great Britain, Washington, 1919	4,250
International Boundary Commission, United States and Mexico, El Paso, Tex., 1920	50,000
Boundary line, Alaska and Canada and United States and Canada, Washington, 1920	40,000
International Joint Commission, United States and Great Britain, Washington, 1920	81,000
Arbitration of outstanding pecuniary claims between the United States and Great Britain, Washington, 1920	4,250
International Boundary Commission, United States and Mexico, El Paso, Tex., 1921	5,000
Boundary line, Alaska and Canada and United States and Canada, Washington, 1921	55,000
International Joint Commission, United States and Great Britain, Washington, 1921	46,000
Arbitration of outstanding pecuniary claims between the United States and Great Britain, Washington, 1921	4,250
Inter-American High Commission, Washington, 1921	25,000
International Boundary Commission, United States and Mexico, El Paso, Tex., 1922	5,000
Boundary line, Alaska and Canada and United States and Canada, Washington, 1922	36,500
International Joint Commission, United States and Great Britain, Washington, 1922	44,000
Arbitration of outstanding pecuniary claims between the United States and Great Britain, Washington, 1922	52,770
Inter-American High Commission, Washington, 1922	25,000
International Boundary Commission, United States and Mexico, El Paso, Tex., 1923	15,000
Boundary line, Alaska and Canada and United States and Canada, Washington, 1923	49,400
International Joint Commission, United States and Great Britain, Washington, 1923	38,000
Arbitration of outstanding pecuniary claims between the United States and Great Britain, Washington, 1923	60,000
Inter-American High Commission, Washington, 1923	19,600
Mixed Claims Commission, United States and Germany, Washington, 1923	180,000
Arbitration between United States and Peru, 1923	45,000
Arbitration between United States and Norway, 1923	60,000
International Boundary Commission, United States and Mexico, El Paso, Tex., 1924	$25,913
Boundary line, Alaska and Canada and United States and Canada, Washington, 1924	43,570
International Joint Commission, United States and Great Britain, Washington, 1924	35,500
Arbitration of outstanding pecuniary claims between the United States and Great Britain, Washington, 1924	66,370
Inter-American High Commission, Washington, 1924	15,000
Mixed Claims Commission, United States and Germany, Washington, 1924	222,300
International Boundary Commission, United States and Mexico, El Paso, Tex., 1925	40,000
Boundary line, Alaska and Canada and United States and Canada, Washington, 1925	38,515
International Joint Commission, United States and Great Britain, Washington, 1925	33,000
Arbitration of outstanding pecuniary claims between the United States and Great Britain, Washington, 1925	66,750
Inter-American High Commission, Washington, 1925	21,680
Mixed Claims Commission, United States and Germany, Washington, 1925	132,140
General and Special Claims Commissions, United States and Mexico, Washington, 1925	171,930
International Fisheries Commission (halibut), 1925	11,250
International Boundary Commission, United States and Mexico, El Paso, Tex., 1926	43,200
Boundary Line, Alaska and Canada and United States and Canada, Washington, 1926	38,515
International Joint Commission, United States and Great Britain, Washington, 1926	33,000
Arbitration of outstanding pecuniary claims between the United States and Great Britain, Washington, 1926	64,750
Inter-American High Commission, Washington, 1926	21,680
Mixed Claims Commission, United States and Germany, Washington, 1926	147,536
General and Special Claims Commissions, United States and Mexico, Washington, 1926	285,800
International Fisheries Commission (halibut), 1926	15,000
International Boundary Commission, United States and Mexico, El Paso, Tex., 1927	36,000
Boundary Line, Alaska and Canada and United States and Canada, Washington, 1927	35,000
International Joint Commission, United States and Great Britain, Washington, 1927	32,000
Inter-American High Commission, Washington, 1927	21,000
Mixed Claims Commission, United States and Germany, Washington, 1927	140,000
General and Special Claims Commissions, United States and Mexico, Washington, 1927	350,000
International Fisheries Commission (halibut), 1927	28,500
International Fisheries Commission, United States and Mexico, 1927	30,000
Rainy Lake reference, 1927	50,000
International Boundary Commission, United States and Mexico, El Paso, Tex., 1928	65,000
Boundary line, Alaska and Canada and United States and Canada, Washington, 1928	26,410
International Boundary Commission, United States and Canada, Alaska and Canada, 1928	22,000
International Joint Commission, United States and Great Britain, Washington, 1928	67,000
Inter-American High Commission, Washington, 1928	21,000
Mixed Claims Commission, United States and Germany, Washington, 1928	119,117
General and Special Claims Commissions, United States and Mexico, Washington, 1928	350,000
International Fisheries Commission (halibut), 1928	31,000
International Fisheries Commission, United States and Mexico, 1928	40,000
Rainy Lake reference, 1928	40,000
International Boundary Commission, United States and Mexico, Washington, 1929	123,000
International Water Commission, United States and Mexico, El Paso, Tex., 1929	35,000
Boundary line, Alaska and Canada and United States and Canada, Washington, 1929	23,660
International Boundary Commission, United States and Canada, Alaska and Canada, 1929	24,750
International Joint Commission, United States and Great Britain, Washington, 1929	160,800
Inter-American High Commission, Washington, 1929	21,000
Mixed Claims Commission, United States and Germany, Washington, 1929	178,762
General and Special Claims Commissions, United States and Mexico, Washington, 1929	350,000
International Fisheries Commission (halibut), 1929	36,500
Rainy Lake reference, 1929	16,000
International Boundary Commission, United States and Mexico, El Paso, Tex., 1930	58,000
International Water Commission, United States and Mexico, El Paso, Tex., 1930	15,000
International Boundary Commission, United States and Canada, Alaska and Canada, 1930	29,525
Boundary Line, Alaska and Canada and United States and Canada, Washington, 1930	23,960

International Joint Commission, United States and Great Britain, Washington, 1930	$177,583
Inter-American High Commission, Washington, 1930	14,000
Mixed Claims Commission, United States and Germany, Washington, 1930	132,927
General and Special Claims Commissions, United States and Mexico, Washington, 1930	350,000
International Fisheries Commission (halibut), 1930	36,500
I'm Alone arbitration	32,600
International Boundary Commission, United States and Mexico, El Paso, Tex., 1931	95,000
Boundary line, Alaska and Canada and United States and Canada, Washington, 1931	17,460
International Boundary Commission, United States and Canada, Alaska and Canada, 1931	33,125
International Joint Commission, United States and Great Britain, Washington, 1931	191,585
Inter-American High Commission, Washington, 1931	14,000
Mixed Claims Commission, United States and Germany, Washington, 1931	137,275
General and special claims commissions, United States and Mexico, Washington, 1931	350,000
International Fisheries Commission (halibut), 1931	36,500
Arbitration between the United States and Sweden of the claim of Rederiaktiebolaget Nordstjernan, a Swedish corporation, 1931	56,000
International Boundary Commission, United States and Mexico, El Paso, Tex., 1932	92,560
International Water Commission, United States and Mexico, El Paso, Tex., 1932	287,000
International Boundary Commission, United States and Canada, Alaska and Canada, 1932	49,790
International Joint Commission, United States and Great Britain, Washington, 1932	175,355
Inter-American High Commission, Washington, 1932	10,000
Mixed Claims Commission, United States and Germany, Washington, 1932	56,606
General and Special Claims Commissions, United States and Mexico, Washington, 1932	367,000
International Fisheries Commission (halibut), 1932	36,500
General Claims Commission, United States and Panama, Washington, 1931–32	54,000
Mixed Claims Commission, United States and Germany, Washington, 1932–33	65,000
Total	8,215,269

INTERNATIONAL CONFERENCES HELD DURING THE PERIOD, MARCH 4, 1929, TO DATE, IN WHICH THE UNITED STATES PARTICIPATED WITHOUT THE NECESSITY OF A SPECIFIC APPROPRIATION

Fourth meeting of the Permanent International Committee for the Study of Occupational Diseases, Lyons, France, April 3–6, 1929.

European Broadcasting Conference, Prague, Czechoslovakia, April 4, 1929.

International Congress on Oceanography, Marine Hydrography, and Continental Hydrology, Seville, Spain, May 1, 1929.

Meeting of the Technical International Committee of Juridical Experts on Aviation, Paris, France, May 6, 1929.

Fifth International Congress of Military Medicine and Pharmacy, London, England, May 6–11, 1929.

Ninth Congress of the Universal Postal Union, London, England, May 10, 1929.

First International Congress on Sanitary Aviation, Paris, France, May 15–20, 1929.

World Power Conference, Barcelona, Spain, May 15–23, 1929.

Fourth Pan Pacific Science Congress, Batavia, Netherlands East Indies, May 16–25, 1929.

International Conference for the Revision of the Aerial Navigation Convention of 1919, Paris, France, June 10, 1929.

Fourth Pan American Conference on Hygiene, Microbiology, and Pathology and the Second Pan American Congress on Tuberculosis (joint meeting), Rio de Janeiro, June 30–July 6, 1929.

Fifth English-Speaking Conference on Maternity and Child Welfare, London, July 2–4, 1929.

International Life Saving Federation Congress, Trouville, France, July 4–9, 1929.

Fifth Congress of the International Chamber of Commerce, Amsterdam, July 8–13, 1929.

Fortieth Congress of the Royal Sanitary Institute, Sheffield, England, July 13–20, 1929.

International Congress of Forestry Experimental Stations, Stockholm, July 21–27, 1929.

Fifteenth International Geological Congress, Pretoria, Transvaal, Union of South Africa, July 29–August 7, 1929.

International Institute of Statistics, Warsaw, August 21–27, 1929.

Special Commission for the Preparation of a Draft Convention on the Private Manufacture of Arms and Ammunition and Implements of War, Geneva, August 26–29, 1929.

International Congress on Commercial Education, Amsterdam, September 2–5, 1929.

Thirteenth International Congress of Ophthalmology, Amsterdam, September 5–13, 1929.

Twelfth International Housing and Town Planning Congress, Rome, September 12–19, 1929.

First General Assembly of the Pan American Institute of Geography and History, Mexico, D. F., September 16–22, 1929.

Second International Drilling Congress, Paris, September 16–23, 1929.

Congress of Archeology, Barcelona, September 23–29, 1929.

International Congresses of Tropical and Subtropical Agriculture and of Coffee, Seville, September 26–October 2, 1929.

Second Conference on the Health and Welfare of Merchant Seamen, Geneva, October 7–9, 1929.

International Conference for the Revision of the International Classification of the Causes of Death, Paris, October 16–19, 1929.

World Engineering Congress, Tokyo, October 29–November 7, 1929.

International Conference on Treatment of Foreigners, Paris, November 5–December 4, 1929.

Pan American Commission on Customs Procedure and Port Formalities, Washington, November 18–26, 1929.

Conference to Consider Bringing into Force the Convention on Abolition of Import and Export Prohibitions and Restrictions, Paris, December 5–20, 1929.

Committee of the Agriculture Experts, Geneva, January 6–9, 1930.

Advisory Committee of the League of Nations on Traffic in Opium and Other Dangerous Drugs, Geneva, January 20–February 14, 1930.

Second Congress of the Pan American Medical Association, Panama, January 31, 1930.

Preliminary Conference with a View to Concerted Economic Action (so-called tariff truce conference), Berne, February 17–March 24, 1930.

The First International Congress of Sanitary Technique and Communal Hygiene, Prague, March 16–18, 1930.

Third National Road Congress at Mexico City, April 22–27, 1930.

Third Congress of Spanish American History and Geography, Seville, Spain, May 2, 1930.

Second International Congress of Malaria, Algiers, May, 1930.

Preliminary Discussions Concerning Treaty of Double Taxation, Paris and Geneva, May, 1930.

Seventh International Ornithological Congress, Amsterdam, June 1–7, 1930.

International Conference for the Unification of the Laws on Bills of Exchange, Promissory Notes, and Checks, Geneva, May 13–June 7, 1930.

Fifth International Congress of Building and Public Works, London, May 26–30, 1930.

International Congress on Leisure of Workers, Liége, Belgium, June 7–10, 1930.

International Committee on High Dams, Berlin, June 16–25, 1930.

Second Plenary Meeting of the World Power Conference, Berlin, June 16–25, 1930.

Fourth Pan American Congress of Architects, Rio de Janeiro, June 19–30, 1930.

Forty-first Congress of the Royal Sanitary Institute, Margate, England, June 21–28, 1930.

Sixth International Congress of Mining Metallurgy and Applied Geology, Liege, June 22, 1930.

Tenth session of the Medical Days of Brussels, Brussels, June 28–July 2, 1930.

Second Latin American Conference on Neuriatry, Psychiatry, and Legal Medicine, Rio de Janeiro, July 6–13, 1930.

First International Congress on Microbiology, Paris, July 20–25, 1930.

International Congress of Tropical Agriculture, Antwerp, July 28–31, 1930.

Ninth Session of the International Association for the Protection of Childhood, Liége, July 20–August 4, 1930.

Fourth International Congress on Family Education, Liége, August 4–7, 1930.

Eleventh International Veterinary Congress, London, August 4–11, 1930.

Ninth International Horticultural Congress, London, August 7–15, 1930.

Third International Congress of Decorative Arts, Antwerp, August 11–15, 1930.

Seventh Conference of the International Union Against Tuberculosis, Oslo, August 12–15, 1930.

Conference of Experts on Silicosis, Johannesburg, August 13–27, 1930.

Fifth International Botanical Congress, Cambridge, England, August 16–23, 1930.

Second International Pediatric Congress, Stockholm, August 18–21, 1930.

Meeting of the Committee on the Extension of the Inquiry on Traffic in Women and Children in the East, Geneva, August 21–25, 1930.

Third International Congress for Applied Mechanics, Stockholm, August 24–29, 1930.

Tenth International Prison Congress, Prague, August 25–30, 1930.

Second International Congress of Popular Arts, Antwerp, Liege, and Brussels, August 28–September 7, 1930.

International Congress of General Mechanics, Liége, August 30–September 7, 1930.

Fifth International Air Congress, The Hague, September 1–6, 1930.

Eleventh International Congress of Zoölogy, Padova, Italy, September 4–11, 1930.

Twelfth International Congress of Architects, Budapest, September 6–14, 1930.

Sixteenth Plenary Assembly of the International Parliamentary Conference of Commerce, Brussels, September 7–11, 1930.

International Congress of Chocolate and Cocoa Manufacturers, Antwerp, September 8–11, 1930.

Fourth International Congress of Geometricians, Zurich and Berne, September 10–14, 1930.

Nineteenth Session of the International Institute of Statistics, Tokyo and Kyoto, September 15–25, 1930.

Eleventh Congress of the Association of French Language Physicians of North America, Montreal, September 16–19, 1930.

Third International Conference for Photogrammetry, Zurich, September 6–10, 1930.

Eighth International Congress of the History of Medicine, Rome, September 22–27, 1930.

Ninth International Juridical Aeronautical Congress, Budapest, September 29–October 3, 1930.

Pan American Session of the Sixth International Road Congress, Washington, October 4, 1930.

Fourteenth International Conference of the Red Cross, Brussels, October 6–11, 1930.

Conference on the Unification of Buoyage and the Lighting of Coasts, Lisbon, October 6–23, 1930.

Preparatory Commission for the Disarmament Conference, sixth session, second part, Geneva, November 6–December 9, 1930.

Eighth Congress of the Far Eastern Association of Tropical Medicine, Bangkok, December 7–13, 1930.

First International Congress of Aerial Safety, Paris, December 10–23, 1930.

Advisory Committee on Traffic in Opium and Other Dangerous Drugs, Geneva, January 9–February 7, 1931.

Meeting of Committee of Agricultural Experts, Geneva, January 12–15, 1931.

International Conference for the Unification of Laws on Bills of Exchange, Promissory Notes, and Checks, second session, Geneva, February 23–March 19, 1931.

International Committee on Liberia, first session, London, February 27–March 3, 1931.

First Conference of Representatives of Central Police Offices, Geneva, March 4–7, 1931.

Meeting of Committee of Experts on "Marks of Origin," Geneva, April 13–15, 1931.

Second Pan American Conference of Directors of Health, Washington, April 20–28, 1931.

Second International Coffee Conference, Sao Paulo, Brazil, May 17–June 17, 1931.

Conference of Wheat Exporting Countries, London, May 18–23, 1931.

Fourth International Conference of Labor Statisticians, Geneva, May 19–24, 1931.

Seventeenth Plenary Assembly of the International Parliamentary Conference of Commerce, Prague, May 25–29, 1931.

Thirteenth International Housing and Town Planning Congress, Berlin, June 1–5, 1931.

Fifteenth International Congress of Agriculture, Prague, June 5–8, 1931.

Second International Hospital Congress, Vienna, June 8–14, 1931.

International Conference on High Tension Electric Systems, Paris, June 18–27, 1931.

Eleventh Session of the Journées Médicales de Bruxelles, Brussels, June 20–24, 1931.

Conferences Relating to the Moratorium on Intergovernmental Debts.

Paris Negotiations, Paris, June 25–July 18, 1931.

London Conference of Ministers, London, July 20–23, 1931.

Conference of Experts, London, July 17–August 13, 1931.

Sixth Congress of the International Association of Agriculture of Tropical Countries, Paris, June 27–July 1, 1931.

European Conference on Rural Hygiene, Geneva, June 29–July 7, 1931.

International Congress for the Protection of Nature, Paris, June 30–July 4, 1931.

International Congress of Wood and Sylviculture, Paris, July 1–5, 1931.

Forty-second Congress of the Royal Sanitary Institute, Glasgow, July 4–11, 1931.

Sixth Congress of the International Seed Testing Association, Wageningen, Holland, July 13–18, 1931.

Thirteenth International Congress of Secondary Instruction, Paris, July 16–24, 1931.

Seventh International Congress of Aquiculture and Fisheries, Paris, July 20–25, 1931.

Third Congress of the Pan-American Medical Association, Mexico City, July 26–31, 1931.

Eighth International Dental Congress, Paris, August 2–8, 1931.

Sixth International Congress on Industrial Accidents and Diseases, Geneva, August 3–8, 1931.

First International Congress of the New International Association for the Testing of Materials, Zurich, September 6–12, 1931.

International Congress for Studies Regarding Population, Rome, September 7–10, 1931.

Eighteenth International Congress of Orientalists, Leiden, September 7–12, 1931.

Committee on the Regulation of Whaling, Geneva, September 9–10, 1931.

Fifteenth Congress of the Permanent International Association of Navigation Congresses, Venice, September 12–19, 1931.

Twentieth Session of the International Institute of Statistics, Madrid, September 14–20, 1931.

International Congress of Geography, Paris, September 15–27, 1931.

Discussions relative to an armaments truce: Held in the third (disarmament) committee of the assembly of the League of Nations, Geneva, September 21–28, 1931.

Second International Conference on the Rat, Paris, October 7–12, 1931.

Third Congress of the Pan American Postal Union, Madrid, October 10–November 10, 1931.

Fourth General Conference on Communications and Transit, Geneva, October 12–24, 1931.

Second Congress of Comparative Pathology, Paris, October 14–18, 1931.

Discussions relative to the application of the pact of Paris to the Sino-Japanese controversy: Held in the Council of the League of Nations, Geneva, October 16–22, 1931.

Bangkok Conference on Opium Smoking in the Far East, Bangkok, November 9–27, 1931.

Discussions Bearing on Treaty Rights and General Interests of the United States in Connection with Developments in Manchuria, Paris, November 16–November 11, 1931.

Third International Congress of Sanitation Methods and Urban Hygiene, Lyons, France, March 7–10, 1932.

Third International Hydrographic Conference, Monaco, April 12, 1932.

Fifteenth Session, League of Nations Advisory Committee on Traffic in Opium and other Dangerous Drugs, Geneva, April 15, 1932.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. GREGORY, indefinitely, on account of illness in family.

SPECIAL COMMITTEE TO INVESTIGATE GOVERNMENT COMPETITION WITH PRIVATE ENTERPRISE

The SPEAKER. The Chair lays before the House the following appointments.

The Clerk read as follows:

Pursuant to House Resolution 235, the Chair appoints as members of the Special Committee to Investigate Government Competition with Private Enterprise the following Members of the House:

Mr. SHANNON, Missouri; Mr. COX, Georgia; Mr. PETTENGILL, Indiana; Mr. STAFFORD, Wisconsin; Mr. RICH, Pennsylvania.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution and bills of the House of the following titles, which were thereupon signed by the Speaker:

H. J. Res. 341. A joint resolution providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska;

H. R. 7305. An act to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products;

H. R. 9254. An act to authorize the exchange of a part of the Rapid City Indian School land for a part of the Pennington County Poor Farm, South Dakota;

H. R. 4453. An act for the relief of Pasquale Mirabelli;

H. R. 208. An act to authorize transfer of the abandoned Indian-school site and building at Zeba, Mich., to the L'Anse Band of Lake Superior Indians;

H. R. 3691. An act for the relief of J. P. Moynihan;

H. R. 4868. An act for the relief of George E. Casey; and

H. R. 4143. An act for the relief of the Sherburne Mercantile Co.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 154. An act for the relief of Amy Harding;

S. 669. An act for the relief of Chester J. Dick; and

S. 1357. An act for the relief of Nancy H. Rouse, Clara H. Simmons, W. H. Hays, Hallie H. Hamilton, and Bradford P. Hays.

ADJOURNMENT

Mr. BLACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 50 minutes p. m.) the House adjourned until to-morrow, Friday, June 3, 1932, at 12 o'clock noon.

COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Friday, June 3, 1932, as reported to the floor leader by clerks of the several committees:

FOREIGN AFFAIRS

(10.30 a. m.)

World Court.

IRRIGATION AND RECLAMATION

(10 a. m.)

Columbia River Basin project.

PUBLIC BUILDINGS AND GROUNDS

(10.30 a. m.)

Purchase of certain lands in New York City.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

598. A letter from the Secretary of War, transmitting a report dated May 31, 1932, from the Chief of Engineers, United States Army, on preliminary examination and survey of Hampton Creek, Va.; to the Committee on Rivers and Harbors.

599. A letter from the Secretary of War, transmitting a report dated May 31, 1932, from the Chief of Engineers, United States Army, on Neuse River, N. C.; to the Committee on Rivers and Harbors.

600. A letter from the Secretary of War, transmitting a report dated May 31, 1932, from the Chief of Engineers, United States Army, on preliminary examination and survey of channel from Phoebus, Va., to deep water in Hampton Roads; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GILBERT: Committee on the Library. House Joint Resolution 408. A joint resolution providing for the filling of vacancies in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress; without amendment (Rept. No. 1488). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. PITTENGER: Committee on Claims. H. R. 1932. A bill for the relief of Nellie Lamson; without amendment (Rept. No. 1489). Referred to the Committee of the Whole House.

Mr. JACOBSEN: Committee on Indian Affairs. H. R. 6376. A bill for the relief of William F. Bourland; with amendment (Rept. No. 1490). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 9600) for the adjudication and determination of the claims arising under the extension by the Commissioner of Patents of the patent granted to Frederick G. Ransford and Peter Low as assignees of Marcus P. Norton, No. 25036, August 9, 1859; Committee on the Post Office and Post Roads discharged, and referred to the Committee on Claims.

A joint resolution (H. J. Res. 309) authorizing the Postmaster General to make a just and equitable compensation for the past use in the Postal Service of a certain invention and device for the postmarking of mail packages and for the more permanent cancellation of postage stamps during the time the said device was in use by the Post Office Department, not exceeding or going beyond the life of the letters patent thereon; Committee on the Post Office and Post Roads discharged, and referred to the Committee on Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McSWAIN (by request): A bill (H. R. 12421) to authorize the transfer to the Department of Agriculture of portions of the Fort De Soto Military Reservation, Fla., and for other purposes; to the Committee on Military Affairs.

Also (by request), a bill (H. R. 12422) to grant retired pay and allowances to certain retired officers who have been advanced on the retired list under the provisions of Public Act No. 123, approved May 7, 1932; to the Committee on Military Affairs.

By Mr. HILL of Alabama: A bill (H. R. 12423) to amend the laws providing retired pay for certain officers and former officers of the Army, Navy, and Marine Corps of the United States; to the Committee on Military Affairs.

By Mr. GREEN: A bill (H. R. 12424) to prohibit the importation of articles from certain countries, and for other purposes; to the Committee on Ways and Means.

By Mr. SIROVICH: A bill (H. R. 12425) to amend and consolidate the acts respecting copyright and to codify and amend common-law rights of authors in their writings; to the Committee on Patents.

By Mr. BLACK: A bill (H. R. 12426) creating a recovery committee of the United States to aid in the economic rehabilitation of the Nation; to the Committee on Ways and Means.

By Mr. SMITH of Idaho: A bill (H. R. 12427) authorizing the use of honey in the Navy ration; to the Committee on Naval Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CRAIL: A bill (H. R. 12428) granting a pension to Charles A. Ober; to the Committee on Pensions.

Also, a bill (H. R. 12429) for the relief of James J. Powers; to the Committee on Naval Affairs.

By Mr. CROWE: A bill (H. R. 12430) granting an increase of pension to Charlotte Meadows; to the Committee on Invalid Pensions.

By Mr. DAVENPORT: A bill (H. R. 12431) granting a pension to Mary Lepper Pierce; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12432) granting a pension to Nellie M. Benjamin; to the Committee on Invalid Pensions.

By Mr. DIES: A bill (H. R. 12433) for the relief of William Sterling; to the Committee on Military Affairs.

By Mr. DOUGLASS of Massachusetts: A bill (H. R. 12434) to authorize the presentation of a distinguished-service cross to Walter B. Werner; to the Committee on Naval Affairs.

By Mr. FREE: A bill (H. R. 12435) providing for an examination and survey of the north side of Monterey Bay, Calif., in and about the city of Santa Cruz, Calif., with a view to providing a channel suitable for the needs of present and prospective commerce and establishing a breakwater in the vicinity of the city of Santa Cruz, Calif.; to the Committee on Rivers and Harbors.

By Mr. LaGUARDIA: A bill (H. R. 12436) for the relief of Giuglio Zarella; to the Committee on Claims.

By Mr. LICHTENWALNER: A bill (H. R. 12437) granting a pension to Emma R. Lessly; to the Committee on Invalid Pensions.

By Mr. MARTIN of Oregon: A bill (H. R. 12438) granting an increase of pension to Addie E. Ormsby; to the Committee on Invalid Pensions.

By Mr. NELSON of Wisconsin: A bill (H. R. 12439) granting an increase of pension to Agnes A. Allison; to the Committee on Invalid Pensions.

By Mr. SPENCE: A bill (H. R. 12440) granting an increase of pension to Margaret A. Moore; to the Committee on Invalid Pensions.

By Mr. WOOD of Indiana: A bill (H. R. 12441) granting a pension to Elizabeth Zeller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12442) for the relief of Perry Charles Wilkins; to the Committee on Military Affairs.

By Mr. SUTPHIN: Joint resolution (H. J. Res. 414) to authorize the President to present the distinguished-flying cross to Lieut. Commander Charles Emery Rosendahl; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

8104. By Mr. BLOOM: Petition of 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.

8105. Also, petition of the Federation of Jewish Women's Organizations (Inc.), indorsing prohibition reform so that the Federal Government may obtain a most-needed revenue which will materially aid the balancing of the National Budget, increase legitimate employment in legalized industries, and thus uphold and strengthen the morale of our citizenry; to the Committee on the Judiciary.

8106. By Mr. CRAIL: Petition of American Defenders' Association of the State of California, urging the adoption and approval in full of House bill 11550, known as the uniform pension act; to the Committee on Pensions.

8107. Also, petition of Board of Supervisors of the City and County of San Francisco, Calif., urging Congress to pass bill providing for loans from Reconstruction Finance Corporation to finance construction of San Francisco Bay bridges; to the Committee on Appropriations.

8108. Also, petition of Altrurian Club, of Los Angeles, Calif., urging that The Stars and Stripes Forever be made the national march of the United States of America; to the Committee on Military Affairs.

8109. By Mr. GRANFIELD: Petition of Hannah Hume Calder, of West Springfield, Mass., relative to the proposed Vinson bill; to the Committee on Naval Affairs.

8110. Also, petition of Frederick S. Snyder, of Boston, and others, urging the Congress to afford its powerful aid toward economic recovery; to the Committee on Ways and Means.

8111. By Mr. LINDSAY: Petition of Workmen's Sick and Death Benefit Fund of the United States of America, Brooklyn, N. Y., urging the passage of legislation that will bring immediate relief to the unemployed; to the Committee on Ways and Means.

8112. Also, petition of the General Metal Co., Buffalo, N. Y., urging the passage of the present tax bill; to the Committee on Ways and Means.

8113. Also, petition of Associated Industries of New York State (Inc.), Buffalo, N. Y., favoring the retroactive repeal of the recapture clause of the transportation act; to the Committee on Interstate and Foreign Commerce.

8114. Also, petition of Frederick S. Snyder, president of the Boston Chamber of Commerce, together with 58 other leading citizens of Massachusetts, urging the balancing of the Budget; to the Committee on Ways and Means.

8115. By Mr. ROBINSON: Petition signed by about 80 citizens of Waterloo and Black Hawk County, Iowa, protesting against the 10 per cent tax on cosmetics and claiming that it is unfair, unduly discriminatory, and that it will be harmful to the industry, which is ready to contribute its fair share of needed revenue; to the Committee on Ways and Means.

8116. By Mr. RUDD: Petition of General Metal Co., Buffalo, N. Y., favoring the passage of the tax bill as it passed the Senate; to the Committee on Ways and Means.

8117. Also, petition of Associated Industries of New York State (Inc.), favoring the retroactive repeal of section 15-A of the transportation act; to the Committee on Interstate and Foreign Commerce.

8118. By Mr. WITHROW: Resolution of LaCrosse County Board of Supervisors, protesting against the enactment of any measure having as its purpose the gift, disposal, or elimination of any fish-cultural station of the Bureau of Fisheries; to the Committee on Merchant Marine, Radio, and Fisheries.

8119. By the SPEAKER: Petition of Board of Supervisors of the City of San Francisco, urging Congress to pass a bill providing for loans from Reconstruction Finance Corporation to finance construction of San Francisco Bay bridges; to the Committee on Banking and Currency.

SENATE

FRIDAY, JUNE 3, 1932

(Legislative day of Wednesday, June 1, 1932)

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

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

The PRESIDING OFFICER (Mr. FESS in the chair). The clerk will call the roll.

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

Ashurst	Coolidge	Howell	Reed
Austin	Copeland	Hull	Robinson, Ark.
Bailey	Costigan	Johnson	Robinson, Ind.
Bankhead	Cutting	Jones	Schall
Barbour	Dale	Kean	Sheppard
Barkley	Dickinson	Kendrick	Shipstead
Bingham	Dill	Keyes	Shortridge
Blaine	Fess	King	Smoot
Borah	Frazier	Logan	Thomas, Idaho
Bratton	George	McGill	Thomas, Okla.
Broussard	Glenn	McKellar	Trammell
Bulkley	Gore	McNary	Tydings
Bulow	Hale	Metcalf	Vandenberg
Byrnes	Harrison	Moses	Wagner
Capper	Hastings	Norris	Walsh, Mass.
Caraway	Hatfield	Nye	Walsh, Mont.
Cohen	Hayden	Oddie	Watson
Connally	Hebert	Patterson	White

Mr. McNARY. I desire to state that the Senator from South Dakota [Mr. NORBECK], the Senator from Connecticut [Mr. WALCOTT], the Senator from Maryland [Mr. GOLDSBOROUGH], the Senator from Delaware [Mr. TOWNSEND], the Senator from Michigan [Mr. COUZENS], the Senator from Wyoming [Mr. CAREY], the Senator from Virginia [Mr. GLASS], and the Senator from Florida [Mr. FLETCHER] are detained in attendance upon the Committee on Banking and Currency.

Mr. SHEPPARD. I wish to announce that the senior Senator from Virginia [Mr. SWANSON] is necessarily absent as a member of the Geneva conference and that the junior Senator from Louisiana [Mr. LONG] is necessarily absent from the city.

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

DISTRIBUTION OF FARM BOARD WHEAT

Mr. ASHURST. Mr. President, I have received this morning a telegram from the Governor of Arizona relating to a very important subject. I ask that it may be read.

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

The Chief Clerk read as follows:

PHOENIX, ARIZ., *June 3, 1932.*

Hon. HENRY F. ASHURST,
United States Senate, Washington, D. C.:

May I suggest to you the advisability of Congress appropriating additional Farm Board wheat for distribution as flour through American Red Cross. While I am not familiar with exact amount already drawn from amount already appropriated, I do believe that the matter should be considered seriously before Congress adjourns. Flour already received in Arizona has been of great benefit. With copper mines closing, load is increasing beyond all precedent. I urge you to give this problem your earnest consideration.

GEORGE W. P. HUNT, *Governor.*

Mr. ASHURST. Mr. President, may I presume to ask the senior Senator from Oregon [Mr. McNARY], the chairman of the Committee on Agriculture and Forestry, if he has not already introduced a bill looking toward making more wheat and flour available to the Red Cross?

Mr. McNARY. Mr. President, in order to meet the situation and similar situations a week ago, I introduced a bill authorizing the chairman of the Federal Farm Board to deliver 40,000,000 bushels of wheat to the Red Cross to meet distressing conditions generally. The bill was referred to the Committee on Agriculture and Forestry. Just yesterday I was advised by the Federal Farm Board, however, that probably I should modify my proposal in order to meet liens that now exist on account of advances made. So I shall