ing of Lighthouse Road; with amendment (Rept. No. 1729). Referred to the Committee of the Whole House.

Mr. COOPER of Tennessee: Committee on Public Buildings and Grounds. H. R. 11370. A bill conveying by quitclaim deed to the city of Oakland, Calif., a certain strip of land for street purposes; without amendment (Rept. No. 1731). Referred to the Committee of the Whole House.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HORR: A bill (H. R. 12856) to provide for loans for the relief of distress arising from unemployment, and for other purposes; to the Committee on Banking and Currency.

By Mr. SMITH of Idaho: A bill (H. R. 12857) to authorize the Secretary of War to lend War Department equipment for use at the Western Trails Scout Jamboree, Idaho Falls, Idaho, on August 25 and 26, 1932; to the Committee on Military Affairs.

By Mr. BLACK: A bill (H. R. 12858) to exempt dwelling places from attachment; to the Committee on the District of Columbia.

By Mr. JAMES: A bill (H. R. 12859) to provide for the appraisal and sale of certain public land in Michigan; to the Committee on the Public Lands.

By Mr. VINSON of Georgia: A bill (H. R. 12860) to provide for the distribution of wheat and cotton among the States for use in relieving distress during the existing emergency; to the Committee on Ways and Means.

By Mr. BLACK: Joint resolution (H. J. Res. 452) for immediate repeal of eighteenth amendment; to the Committee on the Judiciary.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HORNOR: A bill (H. R. 12861) granting a pension to Alexander T. Taylor; to the Committee on Invalid Pensions.

By Mr. MOUSER: A bill (H. R. 12862) granting an increase of pension to Martha J. Caylor; to the Committee on Invalid Pensions.

By Mr. MURPHY: A bill (H. R. 12863) granting an increase of pension to Martha J. Graham; to the Committee on Invalid Pensions.

By Mrs. OWEN: A bill (H. R. 12864) granting an increase of pension to Minnie F. Leach; to the Committee on Invalid Pensions.

By Mr. PETTENGILL: A bill (H. R. 12865) granting a pension to Arthur W. Clements; to the Committee on Pensions.

Also, a bill (H. R. 12866) granting a pension to Carl W. Bartlett; to the Committee on Pensions.

Also, a bill (H. R. 12867) granting an increase of pension to Calista L. Ealy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12868) for the relief of Harry Fred Franz; to the Committee on Military Affairs.

Also, a bill (H. R. 12869) for the relief of Peter S. Kaminski; to the Committee on Military Affairs.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

8471. By Mr. CRAIL: Petition of John C. Williams, of Miami, Fla.; to the Committee on Ways and Means.

8472. By Mr. RAINEY: Petition of Kendall County Farm Bureau favoring farm-relief legislation; to the Committee on Agriculture.

8473. Also, petition of Crawford Civil Association of Chicago, Ill., favoring the repeal of the eighteenth amendment and the Volstead Act; to the Committee on the Judiciary.

8474. By Mr. YATES: Petition of E. C. Purcell, of Princeville, Ill., urging passage of Rainey bill for agricultural relief; to the Committee on Agriculture.

# SENATE

## THURSDAY, JUNE 30, 1932

The Senate met at 10 o'clock a. m.

Rev. Joseph R. Sizoo, D. D., pastor of the New York Avenue Presbyterian Church, of the city of Washington, offered the following prayer:

Eternal God, shelter of a mighty rock within a wearied land, within whose love there is room for every perplexed mind and burdened heart, grant us Thy peace this day; deliver us from the tyranny of shifting moods and wavering feelings. May the joy of the Lord be in our hearts and the beauty of the Lord in our lives this day. Grant unto each one the strength that is needed for the burden of the day and the courage for the decisions that must be made and the willingness to endure sacrifice and misunderstanding. This we ask through Jesus Christ our Lord. Amen.

### THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of the legislative day of Tuesday last, when, on the request of Mr. VANDENBERG and by unanimous consent, the further reading was dispensed with and the Journal was approved.

### CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

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

| | | | |
|---|---|---|---|
| Ashurst | Davis | Kendrick | Sheppard |
| Austin | Dickinson | Keyes | Shipstead |
| Barbour | Fletcher | La Follette | Shortridge |
| Bingham | Frazier | McGill | Smoot |
| Black | George | McNary | Steiwer |
| Blaine | Glenn | Metcalf | Thomas, Idaho |
| Borah | Goldsborough | Moses | Thomas, Okla. |
| Bratton | Hale | Norbeck | Townsend |
| Brookhart | Hastings | Norris | Trammell |
| Broussard | Hatfield | Nye | Vandenberg |
| Bulow | Hawes | Oddie | Wagner |
| Capper | Hayden | Patterson | Walcott |
| Caraway | Hebert | Pittman | Watson |
| Carey | Howell | Reed | White |
| Coolidge | Johnson | Robinson, Ark. | |
| Copeland | Jones | Robinson, Ind. | |
| Couzens | Kean | Schall | |

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

### THE CALENDAR

The VICE PRESIDENT. Under the unanimous-consent order entered into on yesterday unobjected bills on the calendar will be considered under Rule VIII, commencing with Order of Business 962.

Mr. CAPPER. Mr. President——

The VICE PRESIDENT. No business other than the consideration of the calendar can be transacted except by unanimous consent.

### PROTECTION OF COPYRIGHTS AND PATENTS OF FOREIGN EXHIBITORS

The Senate proceeded to consider the bill (S. 4912) to protect the copyrights and patents of foreign exhibitors at A Century of Progress (Chicago World's Fair Centennial Celebration), to be held at Chicago, Ill., in 1933, which had been reported from the Committee on Patents with amendments, in section 1, page 1, line 5, after the words "of the," to strike out "Registrar" and insert "Register"; on page 2, line 2, after the words "to the," to strike out "Registrar" and insert "Register"; on the same page, in line 6, after the word "any," to strike out "certificate of" and insert "foreign"; in line 7, after the word "copyright," to strike out "registration" and insert "or any"; in line 10, after the word "any," to strike out "copyright"; and in line 14, after the words "to the," to strike out "Registrar" and insert "Register," so as to make the section read:

That the Librarian of Congress and the Commissioner of Patents are hereby authorized and directed to establish branch offices under the direction of the Register of Copyrights and the Commissioner of Patents, respectively, in suitable quarters on the

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grounds of the exposition to be held at Chicago, Ill., under the direction of A Century of Progress, an Illinois corporation, said quarters to be furnished free of charge by said corporation, said offices to be established at such time as may, upon 60 days' advance notice, in writing, to the Register of Copyrights and the Commissioner of Patents, respectively, be requested by said A Century of Progress but not earlier than January 1, 1933, and to be maintained until the close to the general public of said exposition; and the proprietor of any foreign copyright or any certificate of trade-mark registration, or letters patent of invention, design, or utility model issued by any foreign government protecting any trade-mark, apparatus, device, machine, process, method, composition of matter, design, or manufactured article imported for exhibition and exhibited at said exposition may upon presentation of proof of such proprietorship, satisfactory to the Register of Copyrights or the Commissioner of Patents, as the case may be, obtain without charge and without prior examination as to novelty, a certificate from such branch office, which shall be prima facie evidence in the Federal courts of such proprietorship, the novelty of the subject matter covered by any such certificate to be determined by a Federal court in case an action or suit is brought based thereon; and said branch offices shall keep registers of all such certificates issued by them, which shall be open to public inspection.

At the close of said A Century of Progress Exposition the register of certificates of the copyright registrations aforesaid shall be deposited in the Copyright Office in the Library of Congress at Washington, D. C., and the register of all other certificates of registration aforesaid shall be deposited in the United States Patent Office at Washington, D. C., and there preserved for future reference. Certified copies of any such certificates shall, upon request, be furnished by the Registrar of Copyrights or the Commissioner of Patents, as the case may be, either during or after said exposition, and at the rates charged by such officials for certified copies of other matter; and any such certified copies shall be admissible in evidence in lieu of the original certificates in any Federal court.

The amendments were agreed to.

The next amendment was, in section 4, page 5, line 8, after the word "act," to insert a comma and the words "but no notice of copyright on the work shall be required for protection hereunder," so as to make the section read:

SEC. 4. That all the acts, regulations, and provisions which apply to protecting copyrights, trade-marks, designs, and patents for inventions or discoveries not inconsistent with the provisions of this act shall apply to certificates issued pursuant to this act, but no notice of copyright on the work shall be required for protection hereunder.

The amendment was agreed to.

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

LICENSE FEES IN THE DISTRICT OF COLUMBIA

Mr. CAPPER. Mr. President, just ahead of the bill which we have just passed is Order of Business 928, being House bill 11638, which was laid aside under the objection of the Senator from Massachusetts [Mr. COOLIDGE], who now advises me that he has no objection to its consideration. It is a bill which the District authorities are very anxious to have passed before adjournment. It has already passed the House of Representatives and has been carefully considered by the Committee on the District of Columbia. I am glad to say that it is a very meritorious measure.

Mr. ROBINSON of Arkansas. For what does the measure provide?

Mr. CAPPER. It provides for a revision of the license schedule of the District of Columbia. They are now operating upon a schedule that was established in 1902—30 years ago. Obviously that schedule is now out of date. For more than a year the District authorities, the District Commissioners, the superintendent of licenses, and the corporation counsel's office have been working in the preparation of this revised schedule.

Mr. ROBINSON of Arkansas. Will the bill, if enacted, increase the revenues of the District of Columbia?

Mr. CAPPER. It will increase the revenues of the District of Columbia——

Mr. ROBINSON of Arkansas. By what amount?

Mr. CAPPER. By very nearly $100,000, and, so far as we know, no one is objecting to the passage of the bill.

Mr. ROBINSON of Arkansas. Is the report of the committee unanimous on the bill?

Mr. CAPPER. It is.

Mr. ROBINSON of Arkansas. I recall that the bill was considered on another occasion. I have no objection to its consideration.

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

Mr. LA FOLLETTE. I should like to inquire of the Senator from Kansas how much it will increase, in a general way, the fees now being charged?

Mr. CAPPER. The total will be raised to about $215,000, which is an increase of nearly $100,000. The bill aims only to cover the actual cost of maintaining the various inspection and examination services.

The VICE PRESIDENT. Is there objection?

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

BILL PASSED OVER

The bill (S. 4920) to authorize the closing of a portion of Virginia Avenue SE., in the District of Columbia, and for other purposes, was announced as next in order.

Mr. LA FOLLETTE. Over.

The VICE PRESIDENT. The bill will be passed over.

STANDARD WEIGHTS AND MEASURES IN THE DISTRICT

The Senate proceeded to consider the bill (H. R. 461) to amend section 18 of the act entitled "An act to establish standard weights and measures for the District of Columbia; to define the duties of the superintendent of weights, measures, and markets of the District of Columbia, and for other purposes," approved March 3, 1921, which had been reported from the Committee on the District of Columbia, with an amendment, on page 1, line 8, after the word "by," to strike out "changing the period at the end of said section 18 to a colon and adding thereto the following: '*Provided, however,* That ice cream, sherbets, water ices, and similar frozen foods may be sold in 2½-gallon measures of 577.5 cubic inches'" and insert "adding thereto a subsection to be known as section 18a, to read as follows:

"'SEC. 18a. That the standard measure for ice cream, sherbet, and similar frozen food products shall be of the following capacities: One-half pint, pint, quart, half gallon, gallon, 2 gallons, 2½ gallons, and multiples of the gallon; and no person shall use in determining the quantity of ice cream kept for sale, offered for sale, or sold in the District of Columbia any measure of other than the foregoing capacities,'" so as to make the bill read:

*Be it enacted, etc.,* That section 18 of the act entitled "An act to establish standard weights and measures for the District of Columbia; to define the duties of the superintendent of weights, measures, and markets of the District of Columbia; and for other purposes," approved March 3, 1921, be, and the same hereby is, amended by adding thereto a subsection to be known as section 18a to read as follows:

"SEC. 18a. That the standard measure for ice cream, sherbet, and similar frozen food products shall be of the following capacities: One-half pint, pint, quart, half gallon, gallon, 2 gallons, 2½ gallons, and multiples of the gallon; and no person shall use in determining the quantity of ice cream kept for sale, offered for sale, or sold in the District of Columbia any measure of other than the foregoing capacities."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

JOHN H. DAY

The bill (S. 4049) for the relief of John H. Day was considered, ordered to be engrossed for a third reading, read the third time, and passed, 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 John H. Day, Decatur, Ala., the sum of $650. Such sum represents compensation for excess mileage of approximately 12,500 miles which the said John H. Day was required to travel while carrying the mails on star route No. 24352, Decatur, Ala., by Albany, to Moulton, Ala., during the years 1925, 1926, and 1927, on account of the grading and paving of the regular route between Decatur and Moulton.

Mr. BLACK subsequently said: Mr. President, the Senate passed a few moments ago Order of Business 966, being Senate bill 4049 for the relief of John H. Day. I ask unanimous consent that the vote whereby the bill was passed may be reconsidered for the purpose of substituting for the Senate bill a House bill which is in identically the same form.

The VICE PRESIDENT. Is there objection to the request of the Senator from Alabama, that the votes whereby Senate bill 4049 was ordered to be engrossed for a third reading, read the third time, and passed may be reconsidered? The Chair hears none, and the votes are reconsidered.

Mr. BLACK. I move that the Committee on Claims be discharged from the further consideration of the bill (H. R. 8398) for the relief of John H. Day and that the bill be substituted for Senate bill 4049 and be considered at this time.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Committee on Claims is discharged from the further consideration of the House bill, and the House bill will be now considered.

The Senate proceeded to consider the bill (H. R. 8398) for the relief of John H. Day, which was ordered to a third reading, read the third time, and passed.

The VICE PRESIDENT. Without objection, Senate bill 4049 will be indefinitely postponed.

NELSON E. FRISSELL

The Senate proceeded to consider the bill (H. R. 2161) for the relief of Nelson E. Frissell, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of," to strike out "$5,000" and insert "$3,500," so as to make the bill read:

*Be it enacted, etc.*, That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Nelson E. Frissell, of East Templeton, Mass., the sum of $3,500 in full settlement of all claims against the Government of the United States. Such sum represents the money expended, the value of services performed, and the damages sustained by Nelson E. Frissell in connection with a contract with the Post Office Department for the construction and lease of a post-office building at Augusta, Me., which contract was canceled by the Post Office Department: *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 amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

KENNETH G. GOULD

The bill (H. R. 4885) for the relief of Kenneth G. Gould was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury of the United States is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $186.17 to Kenneth G. Gould, lieutenant in the Medical Corps Reserve, as reimbursement for cost of shipment of personal property.

WILLIAM H. HOLMES

The Senate proceeded to consider the bill (S. 465) for the relief of William H. Holmes, which had been reported from the Committee on Claims with an amendment, on page 1, after line 7, to strike out "amounts of $3,607.07 and $243.04, which amounts he expended during the period from September, 1921, to April, 1926 (symbols 11348 and 11006), such sums now standing as disallowances in said accounts on the books of the General Accounting Office" and insert "amount of $3,607.07, said sum representing payments made to guardians or other representatives authorized to receive same on behalf of beneficiaries of the Veterans' Bureau," so as to make the bill read:

*Be it enacted, etc.*, That the Comptroller General of the United States is hereby authorized and directed, in the settlement of the accounts of William H. Holmes, former disbursing clerk, United States Veterans' Bureau (now Veterans' Administration), Washington, D. C., to allow credit in the amount of $3,607.07, said sum representing payments made to guardians or other representatives authorized to receive same on behalf of beneficiaries of the Veterans' Bureau.



Mr. BRATTON. May we have an explanation of that measure?

Mr. REED. Mr. President, the bill was introduced at the request of the Director of the Veterans' Administration. It covers payments made to guardians of incompetent ex-service men after they have been technically relieved of their guardianship. The Comptroller General, although he has disallowed these items in the disbursing officer's account, recommends that the bill be passed in this amount, on the ground that in most cases the service men actually got the benefit of these disbursements and that there was no negligence on the part of the disbursing officer. He has tried to check up and make sure that every time a check went out it went to a guardian who was still in office, but in some cases it was impossible for him to get the notice in time to stop the check.

Mr. BRATTON. It applies to cases where there has been a change in the guardian.

Mr. REED. Where there has been a change in the guardianship or the guardian has been dismissed.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

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

ELLEN N. NOLAN

The Senate proceeded to consider the bill (H. R. 3414) for the relief of Ellen N. Nolan, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of," to strike out "$2,500" and insert "$1,500," so as to make the bill read:

*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 $1,500 in full settlement of all claims against the Government of the United States as compensation for the injuries sustained by being knocked down and injured by an automobile owned and operated by the Post Office Department: *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 amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

LELA B. SMITH

The Senate proceeded to consider the bill (H. R. 3811) for the relief of Lela B. Smith, which had been reported from the Committee on Claims with an amendment, on page 2, line 13, after the numerals "$1,000," to insert the following proviso:

*Provided further*, That nothing in this act shall be construed to prevent Lela B. Smith from receiving a pension.

Mr. ROBINSON of Arkansas. Mr. President, that is an unusual provision. I wish some Senator familiar with it would explain it.

Mr. REED. Mr. President, if the Senate will bear with me for a moment, I think the proviso put in by the Claims Committee on page 2 is unnecessary. Subsequent action granting Mrs. Smith a pension could be taken by Congress without any permission expressed in this measure.

Mr. ROBINSON of Arkansas. That is my impression, and I am wondering what the object of inserting such a provision may be.

Mr. REED. I see no purpose in it. The giving of six months' pay to the widow of a reserve officer who was killed on active duty is quite customary, and I hope the Senate will agree to that; but I share the view of the Senator from Arkansas as to the proviso.

Mr. ROBINSON of Arkansas. I ask that the amendment be rejected.

The VICE PRESIDENT. The question is on the amendment reported by the committee.

The amendment was rejected.

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

Mr. REED subsequently said: Mr. President, some time ago the Senate passed House bill 3811, for the relief of a lady who is the widow of an Air Corps officer who had been killed. On my motion, I think, and perhaps that of the Senator from Arkansas, we struck out the proviso at the bottom of page 2, being an amendment proposed by the committee.

I am now told that that lady is at present receiving a pension, and that unless the proviso remains in the bill it would have the effect of cutting off the pension that she is now receiving. Therefore I ask unanimous consent that we may return to that bill and reconsider the vote by which it was passed for the purpose of agreeing to the amendment.

The VICE PRESIDENT. Without objection, the vote whereby the bill was ordered to a third reading and passed will be reconsidered.

Mr. ROBINSON of Arkansas. Mr. President, I merely desire to say that there is a question in my mind whether the result would be as stated by the Senator from Pennsylvania. There is nothing in the language of the bill to indicate that this is in lieu of pension; but if the question arises in the mind of the Senator from Pennsylvania I have no objection to the request.

Mr. REED. I thank the Senator.

Mr. SHIPSTEAD. Mr. President, I should like to ask the Senator from Pennsylvania and the Senator from Arkansas if the words beginning in line 11, "in full settlement of all claims against the Government," would bar this lady from receiving a pension?

Mr. ROBINSON of Arkansas. I should not think so. A claim against the Government is a very different thing from a pension; but I say that if the question arises in the mind of the Senator from Pennsylvania I will not interpose any objection to the request.

Mr. HOWELL. Mr. President, this is a bill reported by my committee. Do I understand that an amendment has been offered by the Senator from Minnesota?

Mr. REED. No, Mr. President. We simply returned to the bill in order to adopt the amendment recommended by the Senator's committee.

Mr. ROBINSON of Arkansas. It is desired to pass the bill just as the committee recommended it.

The VICE PRESIDENT. Without objection, the vote whereby the amendment of the committee was rejected will be reconsidered. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SAME GIACALONE AND SAME INGRANDE

The Senate proceeded to consider the bill (H. R. 3604) for the relief of Same Giacalone and Same Ingrande, which had been reported from the Committee on Claims with an amendment on page 1, line 10, after the word "to," to strike out "*Imp*, together with the sum of $240 for loss of the use of said boat *Cornell* while same was being repaired," and insert "*Imp*," so as to make the bill read:

*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 Same Giacalone and Same Ingrande, of San Diego, Calif., in full settlement of all claims and demands against the Government, the sum of $459.55, the actual cost of repairing the damage caused to the vessel *Cornell*, owned by said Same Giacalone and Same Ingrande, by the United States Coast Guard boat *Imp*: *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 amendment was ordered to be engrossed and the bill read a third time.

The bill was read the third time and passed.

CATTERINA POLLINO

The bill (S. 1738) for the relief of Catterina Pollino was considered, ordered to be engrossed for a third reading, read the third time, and passed, 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 Catterina Pollino the sum of $500, representing the amount deposited by her on account of an immigration bond executed by the Aetna Casualty Co., of San Francisco, Calif., conditioned upon her leaving the United States within six months after admission as a tourist, and subsequently forfeited, although said Catterina Pollino departed from the United States within the period fixed in the said bond as extended by the immigration authorities.

R. L. WILSON

The bill (H. R. 756) for the relief of R. L. Wilson was considered by the Senate, and was read, 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 R. L. Wilson, of Anthony, Kans., the sum of $500. Such sum represents the amount paid into the Treasury of the United States pursuant to a plea of guilty for violation of certain provisions of sections 32 and 37 of the Criminal Code; whereas other individuals indicted with R. L. Wilson, and who performed the same acts and who pleaded not guilty, were acquitted under an instructed verdict, for the reason the court held that the evidence did not disclose any violation of the law.

Mr. BRATTON. Mr. President, I think that measure should be explained.

The VICE PRESIDENT. The Senator reporting the bill is not present.

Mr. ROBINSON of Arkansas. Mr. President, I think it may be disposed of very quickly. The report states:

In view of the fact that this man had pleaded guilty and paid his $500 fine for a violation of a law which was afterwards declared not a violation by the Federal court, your committee is of the opinion that the relief asked for in this bill should be granted.

Since the fine was collected on a conviction that was afterwards held unlawful, it seems to me fair that the claimant should be reimbursed.

Mr. BRATTON. Mr. President, quite often where persons are indicted jointly, one pleads guilty and the others are acquitted; and in those cases the fine is not repaid. I do not see any justification for this measure, at least in the absence of a further explanation.

The VICE PRESIDENT. Does the Senator ask that it go over?

Mr. BRATTON. Yes.

Mr. CAPPER. Mr. President, if the Senator will withhold his objection just a moment, I think the statement of the Attorney General covers the matter pretty fully. He says:

Claimant in this bill, R. L. Wilson, was one of a number of persons indicted in Kansas on the charge of impersonating Federal officers. These men were employed by the Kansas Wheat Growers' Association to ascertain the amount of wheat grown by the farmers in order to determine whether contracts between the members and the association had been violated. The indictment charged them with impersonating Federal officers under the Department of Agriculture in securing this information. Wilson entered a plea of guilty and was fined $500, which sum he paid. Others of the group indicted on the same charge entered pleas of not guilty, and at the trial of the case the court directed a verdict of acquittal on the ground that defendants had secured nothing of value and that, therefore, their action did not constitute an offense under the statute.

It seems unjust to require claimant to suffer this penalty in view of a later decision, by a court of competent jurisdiction, holding that the same action by his codefendants did not constitute an offense under the statute, and I would, therefore, recommend favorable consideration of the measure.

Mr. BRATTON. If the man pleaded guilty under the belief that what he did constituted a violation of the law,

and later, upon a trial, a court of competent jurisdiction held that those acts did not trench upon the statute, I think he is entitled to be repaid; and I withdraw the objection.

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

HARRY W. WARD, DECEASED

The bill (H. R. 3812) for the relief of the estate of Harry W. Ward, deceased, was considered, ordered to a third reading, read the third time, and passed, 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 $75.41 to the estate of Harry W. Ward, deceased, of Redwood Falls, Minn., for actual financial loss sustained by Harry W. Ward, without negligence on his part, through refund already made to the Post Office Department, wherein postal funds for which he was responsible as postmaster at Redwood Falls, Minn., were on deposit in the First National Bank at Redwood Falls, Minn., which said bank failed under date of July 21, 1925, and was liquidated, none of said sum being repaid from the assets of said bank.

LIZZIE PITTMAN

The bill (S. 4327) for the relief of Lizzie Pittman was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized to pay to Lizzie Pittman, out of any money in the Treasury not otherwise appropriated, the sum of $250 for damages to her person by an airplane belonging to the Government.

WILLIAM KNOUREK

The bill (H. R. 3693) for the relief of William Knourek was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay William Knourek, deputy collector of internal revenue of the State of Illinois, out of any money in the Treasury not otherwise appropriated, the sum of $421, being the value of internal-revenue stamps charged to him and stolen at Chicago, Ill., in May, 1919.

PENNSYLVANIA RAILROAD CO.

The bill (S. 2571) authorizing adjustment of the claim of the Pennsylvania Railroad Co. was considered, ordered to be engrossed for a third reading, read the third time, and passed, 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 the Pennsylvania Railroad Co. for the cost of repairing the damages to freight car No. 89713 (owned by the Central Railroad of New Jersey) which were caused by an accident due to condition of Government-owned rails or roadbed while such car was in the Government's care and custody, and to allow in full and final settlement of said claim not to exceed the sum of $468.82. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $468.82, or so much thereof as may be necessary, to pay said claim.

KARIM JOSEPH MERY

The Senate proceeded to consider the bill (S. 2863) for the relief of Karim Joseph Mery, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of," to strike out "$5,000 as compensation for" and insert "$3,000 in full settlement of all claims against the Government on account of," so as to make the bill read:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized to pay to Karim Joseph Mery, of San Antonio, Tex., out of any money in the Treasury not otherwise appropriated, the sum of $3,000 in full settlement of all claims against the Government on account of the death of his son, Joseph Karim Mery, a minor, who was killed at San Antonio, Tex., on July 10, 1923, by the negligent driving of a United States Army truck.

The amendment was agreed to.

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

POST-OFFICE AND CUSTOMHOUSE SITE, NEWARK, N. J.

The bill (H. R. 8980) to provide for the sale of a portion of the site of the post-office and customhouse building in Newark, N. J., to the city of Newark for use as a public street was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the hereinafter-described land, forming a portion of the site of the post-office and customhouse building in the city of Newark, N. J., be sold by the Secretary of the Treasury to the city of Newark, N. J., a municipal corporation of New Jersey, for use as a public street, at a price not less than that determined to be the value of the land and improvements thereon by three appraisers to be selected by the Secretary of the Treasury, and at such time and upon such terms and conditions as the Secretary of the Treasury may deem proper; the land to be sold pursuant hereto being located in the city of Newark, N. J., and described as follows:

Beginning at a point in the westerly line of Broad Street distant 129.09 feet northerly from the point of intersection of the westerly line of Broad Street with the northerly line of Academy Street; thence westerly along a line making an interior angle on the northwest with the said westerly line of Broad Street produced of 93° 15′ 46″, a distance of 219.11 feet to a point; thence northerly along a line making an interior angle on the northeast with the line last above described of 87° 30′ 14″, a distance of 31.96 feet to a point; thence easterly along a line making an interior angle on the southeast with the line last above described of 92° 28′ 50″, a distance of 219.53 feet to a point in the westerly line of Broad Street; thence southerly along the westerly line of Broad Street, said westerly line of Broad Street making an interior angle on the southwest with the line last above described of 86° 45′ 10″, a distance of 31.93 feet to the point of beginning.

SEC. 2. That upon the payment of the purchase price the Secretary of the Treasury is authorized to convey said land to the city of Newark, N. J., by the usual quitclaim deed, subject, however, to such reservations, limitations, conditions, or reversionary rights as said Secretary of the Treasury may deem proper.

SEC. 3. That the proceeds of such sale be deposited in the Treasury of the United States as a miscellaneous receipt derived from the sale of public property.

SEC. 4. That the remaining portion of said site, together with the buildings thereon, shall be sold at public sale after due advertisement, at such time and such price and upon such terms as may be deemed proper by the Secretary of the Treasury, who is hereby authorized to execute and deliver the usual quitclaim deed to the purchaser; and that the proceeds of such sale be deposited in the Treasury of the United States as a miscellaneous receipt from the sale of public property.

SEC. 5. So much of existing laws as provides for the sale of the present post office and customhouse site and building for not less than a stipulated amount is hereby repealed.

The bill (H. R. 8981) to provide for the sale of an easement for a railway right of way over the post-office and customhouse site at Newark, N. J., was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That an easement for a right of way for a city railway over the hereinafter-described land forming a portion of the site of the post-office and customhouse building in the city of Newark, N. J., be sold by the Secretary of the Treasury to the city of Newark, N. J., a municipal corporation of New Jersey, at a price not less than that determined to be the value thereof by three appraisers to be selected by the Secretary of the Treasury, at such time and upon such terms and conditions as the Secretary of the Treasury may deem proper; the land to be subject to the easement to be granted pursuant hereto being located in the city of Newark, N. J., and described as follows:

Beginning at a point in the westerly line of Broad Street distant 132.73 feet northerly from the point of intersection of the westerly line of Broad Street with the northerly line of Academy Street; thence westerly along a line making an interior angle on the northwest with the said westerly line of Broad Street produced of 93° 3′ 31″, a distance of 13.97 feet to a point; thence northerly along a line making an interior angle on the northeast with the line last above described of 86° 36′ 35″, a distance of 20.45 feet to a point; thence westerly along a line making an interior angle on the northeast with the line last above described of 269° 8′ 50″, a distance of 60.16 feet to a point; thence westerly along a line making an interior angle on the north with the line last above described of 184° 22′ 31″, a distance of 37.77 feet to a point; thence westerly along a line making an interior angle on the north with the line last above described of 180° 33′ 37″, a distance of 68.21 feet to a point; thence westerly along a line making an interior angle on the north with the line last above described of 180° 45′ 13″, a distance of 39.63 feet to a point; thence northerly along a line making an interior angle on the northeast with the line last above described of 86° 15′ 43″, a distance of 4.50 feet to a point; thence easterly along a line making an interior angle on the southeast with the line last above described of 92° 28′ 50″, a distance of 219.53 feet to a point in the westerly line of Broad Street; thence southerly along the westerly line of Broad Street, said westerly line of Broad Street making an interior angle on the southwest with the line last above described of 86° 45′ 10″, a distance of 28.29 feet to the point of beginning.

SEC. 2. That upon the payment of the purchase price of said easement for a right of way for a city railway, the Secretary of the Treasury is authorized to convey by deed of easement a right of way for a city railway over the said lands to the city of Newark, N. J., subject, however, to such reservations, limitations, or conditions as said Secretary of the Treasury may deem proper.

SEC. 3. That the proceeds of the sale of such easement for right of way be deposited in the Treasury of the United States as "miscellaneous receipts" derived from the sale of public property.

SEC. 4. So much of existing law as provides for the sale of the present post-office and customhouse site and building for not less than a stipulated amount is hereby repealed.

VETERINARY CORPS OF THE REGULAR ARMY

The bill (S. 2774) to amend an act to increase the efficiency of the Veterinary Corps of the Regular Army, approved June 28, 1930, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That for the purposes of promotion, longevity pay, and retirement there shall be credited to officers of the Veterinary Corps, and former officers of the Veterinary Corps now on the retired list, all full-time service rendered by them as veterinarians in the Quartermaster Department, Cavalry, or Field Artillery.

The title was amended so as to read: "A bill to increase the efficiency of the Veterinary Corps of the Regular Army."

FIRST CAMDEN NATIONAL BANK & TRUST CO.

The bill (S. 2349) for the relief of the First Camden National Bank & Trust Co., of Camden, N. J., was announced as next in order.

Mr. BRATTON. Mr. President, may we have an explanation of the necessity for this measure?

The VICE PRESIDENT. The bill was reported by the Senator from Kentucky [Mr. LOGAN], who is absent. The bill was introduced by the Senator from New Jersey [Mr. KEAN].

Mr. KEAN. Mr. President, this is a case where the First Camden National Bank & Trust Co. was examined by revenue officials of the Government, who omitted to give the bank credit for tax-exempt bonds which it held. The result of the examination was certified by the Government agent, who asked the bank to sign a closing agreement, which was done. When the bank officials looked over their accounts they found that the Government had omitted to give them credit for these tax-exempt bonds, on which a tax of some $11,000 had been levied. As this is a perfectly just claim, and the department acknowledges that it is a just claim, I think the bill ought to pass.

Mr. BRATTON. Does the department lack authority to adjust it under existing law?

Mr. KEAN. Yes.

Mr. GEORGE. Mr. President, the report of the Treasury Department on this bill is adverse. It is very difficult to see how an exception could be made in this case without making it in a large number of income-tax cases.

Mr. KEAN. In this particular case it was the fault of the Government agent in not giving the bank credit.

Mr. GEORGE. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

RELIEF OF RESIDENTS OF BALTIMORE AND HARFORD COUNTIES, MD.

The resolution (S. Res. 250) referring the bill (S. 4415) for the relief of certain persons formerly having interests in Baltimore and Harford Counties, Md., to the Court of Claims for findings of fact was considered by the Senate and agreed to, as follows:

*Resolved*, That the bill (S. 4415) entitled "A bill for the relief of certain persons formerly having interests in Baltimore and Harford Counties, Md.," now pending in the Senate, together with all the accompanying papers, be, and the same is hereby, referred to the Court of Claims, in pursuance of the provisions of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; and the said court shall proceed with the same in accordance with the provisions of such act and the representations of the Government made in connection therewith and report to the Senate in accordance therewith.

TISHENG YEN

The joint resolution (S. J. Res. 179) authorizing the Secretary of War to receive for instruction at the United States Military Academy at West Point, Tisheng Yen, a citizen of China, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Resolved, etc.*, That the Secretary of War be, and he is hereby, authorized to permit Tisheng Yen to receive instruction at the United States Military Academy at West Point: *Provided*, That no expense shall be caused to the United States thereby, and that Tisheng Yen shall agree to comply with all regulations for the police and discipline of the academy, to be studious, and to give his utmost efforts to accomplish the courses in the various departments of instruction, and that said Tisheng Yen shall not be admitted to the academy until he shall have passed the mental and physical examinations prescribed for candidates from the United States, and that he shall be immediately withdrawn if deficient in studies or in conduct and so recommended by the academic board: *Provided further*, That in the case of said Tisheng Yen the provisions of sections 1320 and 1321 of the Revised Statutes shall be suspended.

HARRY H. HORTON

The bill (S. 4068) to authorize the award of a decoration for distinguished service to Harry H. Horton, formerly private, first class, Medical Detachment, One hundred and forty-eighth Field Artillery, American Expeditionary Forces, in the World War, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the President is hereby authorized to cause the recommendation for the award of a decoration to Harry H. Horton, formerly private, first class, Medical Detachment, One hundred and forty-eighth Field Artillery, American Expeditionary Forces, for distinguished conduct in the vicinity of Malancourt, near Montfaucon, France, on or about October 12, 1918, to be considered by the proper boards or authorities, and such award made to said Horton as his said conduct merits.

Mr. REED. Mr. President, I think it is only right, when this bill is being passed, that some statement should be made to explain why this special action is taken in this case.

This man was terribly wounded in the fighting in the Argonne. The whole lower part of his face was shot away. Ordinarily his action at that time would have been reported by his commanding officer, and he would have been decorated for the distinguished conduct on that occasion. He crawled for about 2 miles with this horrible wound to get help for the other members of his outfit. He did not know what afterwards proved to be the fact, that every one of them had been killed by the shell that tore away his face. In the effort to get help for them he crawled this distance under fire. The only reason why he was not decorated at the time was that his commanding officer similarly was knocked out. There was nobody to recommend him, in other words.

Those special reasons seemed so persuasive to the committee that it recommended this special bill.

RESTORATION OF STATUS OF WARRANT OFFICERS, REGULAR ARMY

The bill (S. 4597) to restore to their former retired status in the Regular Army of the United States persons who resigned such status to accept the benefits of the act of May 24, 1928 (45 Stat. 735), and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Secretary of War be, and he is hereby, authorized and directed to restore to his former status as a retired warrant officer or a retired enlisted man of the Regular Army of the United States with all pay, privileges, and emoluments pertaining thereto, any former emergency officer now on the emergency officers' retired list created by the act of May 24, 1928 (45 Stat. 735), who resigned his retired status in the Regular Army in order to obtain the benefits of that act: *Provided*, That such former emergency officer shall make application in writing to the Secretary of War not later than June 30, 1933, for such restoration: *Provided further*, That restorations to the retired list of the Army under this act shall be effective as of July 1, 1933, and that no pay, privileges, or emoluments pertaining to the retired grade of the Regular Army to which such persons are restored shall accrue prior to the effective date of such restoration: *And provided further*, That after such restoration all persons so restored shall continue to be entitled, under the act of May 24, 1928 (45 Stat. 735), to those rights and privileges only to which they would have been entitled if they had not resigned from the retired lists of the Regular Army.

OTTO CHRISTIAN

The bill (S. 2283) for the relief of Otto Christian was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the President of the United States be, and he is hereby, authorized to summon Otto Christian, late captain, Medical Corps, of the Regular Army of the United States, before a retiring board for the purpose of a hearing of his case and to inquire into all facts touching upon the nature of his disabilities, to determine and report the disabilities which in its judgment have produced his incapacity and whether such disabili-

ties were incurred during his active service in the Army and were in line of duty; that if the findings of such board are in the affirmative the President is further authorized, in his discretion, to nominate and appoint, by and with the advice and consent of the Senate, the said Otto Christian a captain in the Medical Corps and to place him immediately thereafter upon the retired list of the Army with the same privileges and retired pay as are now or may hereafter be provided by law or regulation for the officers of the Regular Army: *Provided*, That the said Otto Christian shall not be entitled to any back pay or allowance by the passage of this act.

LEONARD THEODORE BOICE

The bill (S. 1860) for the relief of Leonard Theodore Boice was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Leonard Theodore Boice, who was a second lieutenant of Infantry, National Army, and was formerly attached to Headquarters Company, Three hundred and sixth Ammunition Train, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a second lieutenant of Infantry on the 10th day of August, 1918.

LOUISE BECKE

The resolution (S. Res. 249) to pay to Louise Becke a sum equal to six months' compensation of the late Edward Becke was considered by the Senate and agreed to, as follows:

*Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1931, to Louise Becke, widow of Edward Becke, late a private of the police force for the Senate Office Building under the Sergeant at Arms, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

REVISION OF CANAL ZONE LAWS

The bill (H. R. 7518) to amend an act entitled "An act extending certain privileges of canal employees to other officials on the Canal Zone and authorizing the President to make rules and regulations affecting health, sanitation, quarantine, taxation, public roads, self-propelled vehicles, and police powers on the Canal Zone, and for other purposes, including provision as to certain fees, money orders, and interest deposits," approved August 21, 1916, was announced as next in order.

Mr. BLAINE. Mr. President, there are 25 bills on the calendar relating to the Panama Canal Zone. I think it advisable to have a statement from the chairman of the committee relative to those bills generally. I reserve the right to object.

The VICE PRESIDENT. The clerk will read the bill.

The Chief Clerk read the bill as proposed to be amended.

Mr. SCHALL. Mr. President, the bills on the calendar with reference to the Panama Canal Zone were prepared in response to authority vested in the President by way of an act passed in May, 1928, to have all of the laws now in force in the Canal Zone revised and codified and, when such revision and codification was completed, to report the same to Congress for its approval. They have the approval of the Secretary of War and of the Governor of the Canal Zone, as the report on file shows. They were thoroughly gone over by the House, Mr. LEA, of the Committee on Interstate and Foreign Commerce, submitting them for the committee.

In view of the pressure of work in the Senate and long hours since the bills were referred to the Interoceanic Canals Committee, it has been impossible to hold hearings. Consequently, each member of the committee was furnished with copies of all the bills, together with the House reports; and after considerable time and reflection all the Senators except the junior Senator from Wisconsin [Mr. BLAINE] have signed the committee reports.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield for a question?

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

Mr. SCHALL. I do.

Mr. ROBINSON of Arkansas. May I ask whether the Senate committee considered this bill?

Mr. SCHALL. Yes. They were read. The committee was polled; and, as I said before, each member of the committee was furnished with copies of the bills and the House reports. It was impossible, under the strain that we have been, to get the committee together; but I am sure, from the time taken by each Member to read the bills and look over the reports, that they have had due consideration.

Mr. ROBINSON of Arkansas. Were all these bills reported on a poll by the committee?

Mr. SCHALL. All but one—H. R. 7522, which Senator HEBERT, after passing the others, desired to withhold for submission of an amendment, which bill has not been put on the calendar.

Mr. ROBINSON of Arkansas. This bill amends the Code of Criminal Procedure for the Canal Zone. It is a volume containing 62 pages. It relates to subjects of very great importance, and I do not see how the Senator can expect the Senate to pass a bill of this importance and volume on a mere poll of a committee, which we all know is not applicable to a bill of this character.

Mr. SCHALL. They were thoroughly considered in the Committee of the House, and I am sure that each individual member of the committee gave these bills due and earnest consideration. The able lawyer and distinguished senior Senator from Montana [Mr. WALSH] had a personal interview with members of the House committee, and was thoroughly satisfied and signed the reports.

Mr. ROBINSON of Arkansas. Certainly, Mr. President, if the Senator takes the position that when a House committee considers a bill and approves it there is no occasion for the consideration of it by a Senate committee, that statement is important.

Mr. SCHALL. The War Department is very anxious to get this code revised. It is nearly an adoption of the California Code.

Mr. ROBINSON of Arkansas. That does not give the Senate any information about what the bill contains. What important amendment to existing law does the bill make?

Mr. President, I move that the bill be recommitted.

Mr. BRATTON. Let the bill go over.

Mr. REED. Mr. President, I was going to suggest that not only is this 62-page codification of the criminal law of the Canal Zone on the calendar but Calendar No. 1029 is a bill of some 573 pages, which is a complete recodification of the civil law of the Canal Zone.

Mr. ROBINSON of Arkansas. And repeals the code now in force relating to civil procedure.

Mr. REED. It repeals all the present law, and that long bill, the revision of the Civil Code, is reported to us without a single word of comment from the Committee on Interoceanic Canals. I do not believe, Mr. President, that any committee of the Senate excepting the Committee on the Judiciary is competent to pass upon so comprehensive and sweeping a change in the civil and criminal law of any part of the United States.

Mr. ROBINSON of Arkansas. Mr. President, it is unthinkable to me that the Senate would pass this bill when it is stated that it was reported without consideration by the committee, a mere poll being taken in order to secure its report.

Mr. REED. And no report being filed.

The VICE PRESIDENT. The Chair is advised that there is a report.

Mr. SCHALL. The report is in the file.

Mr. REED. It has been omitted from my file.

The VICE PRESIDENT. The Senator from New Mexico has asked that the bill go over, but the Senator from Arkansas had before that moved that the bill be recommitted.

Mr. ROBINSON of Arkansas. Mr. President, according to the report, this bill contains a large number of amendments.

The VICE PRESIDENT. I think the Senator has the wrong bill. The bill under consideration is House bill 7518, Calendar No. 991.

Mr. SCHALL. There are three bills which carry amendments, H. R. 7518, 7519, and 7520.

Mr. ROBINSON of Arkansas. The bill relating to the Code of Criminal Procedure contains perhaps 100 or more amendments. That is in the same category as the bill to which the Senator from Pennsylvania referred.

Mr. SCHALL. Mr. President——

Mr. ROBINSON of Arkansas. I yield to the Senator from Minnesota.

Mr. SCHALL. If Senators will take the trouble to look over the written report on these bills, I am sure they will be entirely satisfied as were the members of the House and Senate committees.

Mr. ROBINSON of Arkansas. Of course, the bills will have to go over.

The VICE PRESIDENT. The Senator from New Mexico requested that the pending bill go over.

Mr. BRATTON. Mr. President, I join with the Senator from Arkansas in the belief that the several bills referred to should be recommitted, and in view of his motion to that effect, I withdraw my request that the pending bill go over.

Mr. BLAINE. Mr. President——

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Wisconsin?

Mr. ROBINSON of Arkansas. I yield.

Mr. BLAINE. I think it is due the Committee on Interoceanic Canals to suggest that it is a sort of an orphan committee. It seldom has an opportunity to function. During this very strenuous session of the Congress it has been utterly impossible for the chairman of the committee to obtain a quorum. Therefore the bills which have been reported through polling the membership of the committee have not been heard by the committee. The committee is not advised respecting the merits or demerits of the bills, and I doubt very much whether any member of the committee has had the time and opportunity to read the bills. For that reason I did not join in reporting them. I felt that it was a mistake. They are not so urgent that they must be passed now, and if all these bills were to go over, it would give the Committee on Interoceanic Canals or some other committee, perhaps the Judiciary Committee, an opportunity to consider the bills. Many of these bills can very properly and very efficiently be handled by the proper committees. The bills relating to the codification of the criminal law and the codification of the civil law of the Canal Zone perhaps could best be handled by the Committee on the Judiciary; and I say that without any reflection upon this orphan to which I have referred. The Committee on Interoceanic Canals is not equipped, either with clerical help or otherwise, to give consideration to these very important bills respecting the codification of the criminal and civil laws of the Canal Zone. I feel, however, that if all the bills are recommitted to the committee, perhaps during the summer and before the Congress reconvenes there may be an opportunity to go over the bills carefully, and have them reported with full information at the next session of the Congress.

I thought I ought to make this statement in behalf of the committee. I may say that there are 25 bills on the calendar relating to the Canal Zone. They all have the same status, and there has been a hearing before the committee on none of them.

Mr. ROBINSON of Arkansas. Mr. President, does the Senator suggest that they go back to the Committee on Interoceanic Canals, or be referred to the Committee on the Judiciary?

Mr. BLAINE. I would not want to ask that they go to the Committee on the Judiciary without the suggestion coming from the chairman of the Committee on Interoceanic Canals, and I think only those bills relating to the codification of the criminal laws and civil law of the Canal Zone should go to the Committee on the Judiciary.

Mr. ROBINSON of Arkansas. The bill immediately under consideration is Calendar No. 991, which would give the President the power to make rules and regulations in matters of sanitation, health, and so forth.

Mr. BLAINE. That should go back to the Committee on Interoceanic Canals.

Mr. ROBINSON of Arkansas. I believe it should go back to that committee, and I move that it be recommitted.

The VICE PRESIDENT. The question is on the motion of the Senator from Arkansas.

The motion was agreed to; and the bill was recommitted to the Committee on Interoceanic Canals.

PENAL CODE OF THE CANAL ZONE

The bill (H. R. 7519) to amend the Penal Code of the Canal Zone was announced as next in order.

Mr. ROBINSON of Arkansas. Mr. President, I inquire of the Senator from Minnesota, in view of the fact that this bill involves only legal questions and is a comprehensive measure dealing with the Criminal Code of the Canal Zone, whether he thinks the bill should go to his own committee or to the Committee on the Judiciary?

Mr. SCHALL. It probably should have been referred to the Committee on the Judiciary, Mr. President, and I have no objection to it being so referred. But I am sure that it has had ample consideration.

Mr. ROBINSON of Arkansas. I suggest that that bill and the next bill on the calendar, House bill 7520, to amend the Code of Criminal Procedure for the Canal Zone, be referred to the Committee on the Judiciary.

The VICE PRESIDENT. Without objection, the two bills mentioned, House bill 7519 and House bill 7520, will be referred to the Committee on the Judiciary.

Mr. ROBINSON of Arkansas. Also Calendar No. 1029, House bill 7521, to provide a new Code of Civil Procedure for the Canal Zone and to repeal the existing Code of Civil Procedure, a very voluminous bill. It contains several hundred pages.

Mr. BINGHAM. Mr. President, I thought the Senator from Minnesota asked that all the bills go to the Committee on the Judiciary.

The VICE PRESIDENT. The Senator said he would not object to that course.

Mr. ROBINSON of Arkansas. The other bills are mostly of a different character, and I do not know that there is any objection to the consideration of them, at least some of them. I see no objection.

The VICE PRESIDENT. The clerk will report the next bill on the calendar.

OSCAR R. HAHNEL

The Senate proceeded to consider the bill (H. R. 5561) for the relief of Oscar R. Hahnel, which was ordered to a third reading, read the third time, and passed.

JOE ANDREWS CO.

The Senate proceeded to consider the bill (H. R. 650) for the relief of Joe Andrews Co., which was ordered to a third reading, read the third time, and passed.

FRANK KANELAKOS

The Senate proceeded to consider the bill (H. R. 1279) for the relief of Frank Kanelakos, which was ordered to a third reading, read the third time, and passed.

NED BISHOP

The Senate proceeded to consider the bill (H. R. 1931) for the relief of Ned Bishop, which was ordered to a third reading, read the third time, and passed.

GEORGE M. PEED

The bill (H. R. 2927) for the relief of George M. Peed was announced as next in order.

Mr. WHITE. Mr. President, this bill passed the House only about a week ago. I am informed that on yesterday the beneficiary named in the bill passed away. I do not know whether the funds would go to the widow or the estate, or what disposition should be made of them under the laws of Virginia, and for that reason I ask that the bill may be passed over.

The VICE PRESIDENT. The bill will be passed over.

VIOLA WRIGHT

The Senate proceeded to consider the bill (H. R. 3536) for the relief of Viola Wright, which was ordered to a third reading, read the third time, and passed.

CLYDE SHELDON

The Senate proceeded to consider the bill (H. R. 5053) for the relief of Clyde Sheldon, which was ordered to a third reading, read the third time, and passed.

MARY MURNANE

The Senate proceeded to consider the bill (H. R. 5998) for the relief of Mary Murnane, which was ordered to a third reading, read the third time, and passed.

CHASE E. MULINEX

The Senate proceeded to consider the bill (H. R. 1230) for the relief of Chase E. Mulinex, which had been reported from the Committee on Claims with an amendment, on page 1, line 3, to strike out "Postmaster General" and insert "Comptroller General of the United States," so as to make the bill read:

*Be it enacted, etc.*, That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the accounts of Chase E. Mulinex, postmaster at Tolley, N. Dak., in the sum of $529.33 in his postal account and in the sum of $680.02 in his Treasury savings account, due the United States on account of the loss of postal funds resulting from the failure of the First National Bank of Tolley, Tolley, N. Dak.: *Provided*, That the said Chase E. Mulinex shall assign to the United States any and all claims he may have to dividends arising from the liquidation of said bank.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

W. A. PETERS

The Senate proceeded to consider the bill (H. R. 5922) for the relief of W. A. Peters, which had been reported from the Committee on Claims with an amendment, on page 1, line 3, to strike out "Postmaster General" and to insert "Comptroller General of the United States," so as to read:

*Be it enacted, etc.*, That the Comptroller General of the United States is authorized and directed to credit the accounts of W. A. Peters, postmaster at Sallisaw, Okla., in the sum of $614.80. Such sum represents the amount of a deficit in the accounts of 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.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SAMUEL WEINSTEIN

The Senate proceeded to consider the bill (H. R. 6797) for the relief of Samuel Weinstein, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, to strike out "$5,000" and insert in lieu thereof "$3,000," so as to read:

*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 $3,000 to Samuel Weinstein, in compensation for the death of his son, Charles Weinstein, caused by the reckless driving of an automobile by a Federal prohibition agent: *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 amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ANDREW H. MILLS AND WILLIAM M. MILLS

The Senate proceeded to consider the 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, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, to strike out "$900" and to insert in lieu thereof "$600," so as to read:

*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 $600 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 Bedloe Island, North River, N. Y.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

KNUD O. FLAKNE AND ALFRED SOLLOM

The bill (H. R. 1228) to adjudicate the claim of Knud O. Flakne, a homesteader settler on the drained Mud Lake bottom, in the State of Minnesota, was considered. The bill had been reported from the Committee on Claims, with amendments, on page 1, line 5, to strike out the word "sum" and insert the word "sums"; in line 6, to strike out the words "claimant, his" and insert the words "claimants, theirs"; in line 7, to strike out "representative" and insert "representatives"; in line 7, to strike out "amount" and insert "amounts"; in line 8, to strike out "him, his" and insert "them, their"; in line 8, to strike out "representative" and insert "representatives"; in line 9, after the numerals "$151.60," to insert "to Alfred Sollom, $726"; in line 10, to strike out "amount is" and insert "amounts are"; on page 2, in line 2, to strike out "claimant" and insert "claimants," so as to make the bill read:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized to pay, out of any money in the Treasury not otherwise appropriated, the following sums of money to the claimants, their heirs, assigns, or legal representatives; the amounts to be paid them, their heirs, assigns, or legal representatives: To Knud O. Flakne, $151.60; to Alfred Sollom, $726, which amounts are hereby appropriated; and the Secretary of the Interior is authorized and directed to make the payment to the claimants herein named and provided for by his warrant upon the Treasury of the United States: *Provided*, That no agent, attorney, firm of attorneys, or any person engaged heretofore or hereafter in preparing, presenting, or prosecuting this claim shall, directly or indirectly, receive or retain for such service in preparing, presenting, or prosecuting such claim, or for any act whatsoever in connection therewith, an amount greater than was paid to the claimant for his assignment under this act to the person for whom he has acted as agent or attorney: *Provided further*, That no purchaser or assignee of the claim of said claimant shall receive therefor a greater amount than was paid to the claimant for his assignment.

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An act to adjudicate the claims of Knud O. Flakne and Alfred Sollom, homestead settlers on the drained Mud Lake bottom, in the State of Minnesota."

OWNERS OF STEAMSHIP "EXMOOR"

The bill (H. R. 2841) for the relief of the owners of the steamship *Exmoor* was considered. The bill had been reported from the Committee on Claims, with amendments, on page 1, line 5, to strike out "$950.33" and insert "$500"; and in line 6, after the word "Philadelphia," to insert "the same to be in full settlement of said claim," so as to make the bill read:

*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, the sum of $500 to Magee Bros. (Ltd.), of Philadelphia, the same to be in full settlement of said claim. Such sum represents the amount which was paid by them to the United States as security for an immigration fine on account of the landing from the steamship *Exmoor* at Philadelphia in June, 1924, of a Chinese seaman named Chow Fat, said sum having been declared forfeited by a decision of the Department of Labor dated August 23, 1924, less the amount of the expense incurred.

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

RELIEF OF STATE OF NEW MEXICO

The bill (S. 3633) for the relief of the State of New Mexico was considered. The bill had been reported from the Committee on Claims with amendments, on page 1, line 5, to strike out the word "total," and in the same line to strike out "$4,520.06" and insert "$2,839.04"; in line 8, to strike out the word "total"; in line 9, following the word "items," to strike out the following "$1,218.29 for property shortages from January, 1920, to July, 1929, inclusive, approved on August 19, 1929, by a board appointed for determining the accountability of such State for such property shortages"; and on page 2, in line 10, to strike out "and $462.73 for property shortages listed in report of survey dated June 3, 1931," so as to make the bill read:

*Be it enacted, etc.*, That the State of New Mexico is hereby relieved from accountability for certain property belonging to the United States, of the value of $2,839.04, which property was loaned to such State for use by the New Mexico National Guard and was unavoidably lost or destroyed, such value representing the sum of the following items: $381.22 for property shortages listed in report of survey dated April 24, 1930; $334.53 and $62.95 for property shortages listed in two reports of survey dated April 25, 1930; $904.48 and $880.12 for property shortages listed in two reports of survey dated June 11, 1930; $11.35 for property shortages listed in report of survey dated July 11, 1930; $264.39 for property shortages listed in report of survey dated September 3, 1930.

The amendments were agreed to.

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

PROHIBITION OF GAMBLING IN CANAL ZONE

The bill (H. R. 7498) to amend Act No. 4 of the Isthmian Canal Commission, entitled "An act to prohibit gambling in the Canal Zone, Isthmus of Panama, and to provide for the punishment of violations thereof, and for other purposes," enacted August 22, 1904, was considered.

Mr. BLAINE. Mr. President, there is no objection to this bill.

Mr. ROBINSON of Arkansas. I do not think there is any objection to it.

The bill was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That Act No. 4 of the Isthmian Canal Commission, enacted August 22, 1904, is hereby amended to read as follows:

"Every person who conducts and carries on, or causes to be conducted or carried on, either as owner, agent, or employee, whether for gain or a chance for gain by deducting a percentage either of the profits or of the stake being hazarded, any game of faro, monte, roulette, lansquenet, rouge-et-noir, rondo, tan, fan-tan, studhorse poker, poker, seven-and-a-half, twenty-one, hokey-pokey, or any other game, for money, checks, credit, or other representative of value; and

"Every person, who has in his possession or under his control, either as owner, agent, employee, or otherwise, or who permits to be placed, maintained, or kept in any room, space, inclosure, or building owned, leased, or occupied by him, or under his management or control, any slot or card machine, contrivance, appliance, or mechanical device, upon the result of action of which money or other valuable thing is staked or hazarded, and which is operated or played by placing or depositing therein any coins, checks, slugs, or other articles or device, or in any other manner and by means whereof, or as a result of the operation of which, any merchandise, money, representative or articles of value, checks, or tokens, redeemable in, or exchangeable for, money or any other things of value; and

"Every person who has in his possession or under his control, or who permits to be placed, maintained, or kept in any room, space, or inclosure or building owned, leased, or occupied by him, or under his control or management, any device or game on which any money or other valuable thing is staked or hazarded, and as a result said money or valuable thing may be won or lost;

"Shall upon conviction be punished by a fine of not more than $1,000 or by imprisonment in jail not exceeding one year, or both such fine and imprisonment."

SUPPRESSION OF LOTTERIES IN CANAL ZONE

The bill (H. R. 7499) to amend Act No. 3 of the Isthmian Canal Commission relating to the suppression of lotteries in the Canal Zone, enacted August 22, 1904, was considered.

Mr. BLAINE. Mr. President, I can see no objection to the immediate consideration of the bill.

Mr. ROBINSON of Arkansas. Nor can I.

Mr. REED. Mr. President, may I ask the Senator from Wisconsin if he thinks section 6 of the bill is wise? It reads:

The governor may issue a permit for conducting a raffle or gift enterprise whenever it shall appear to him after proper investigation that the gross proceeds of said enterprise are to be used for charitable purposes.

Should the United States Government countenance such a thing?

Mr. BLAINE. I think we are legislating now with respect to a people with whom we have very little acquaintance. What may be done in the United States is one thing, but what it is necessary to permit to be done to have friendliness in the Canal Zone is quite another thing. It is not a breach of the moral code of the people of Panama and I think is entirely compatible with the standards which prevail in the Tropics.

Mr. BINGHAM. Mr. President, will the Senator state just what changes in the law the bill provides?

Mr. BLAINE. I can not advise the Senator for the reasons I stated a few moments ago. The bill has not been considered by the committee in open hearings and it was not reported by the full committee. I did not join in the report.

Mr. BINGHAM. I notice the report states that the changes proposed in existing legislation are explained in the report of the House committee No. 511. We do not have that report before us.

Mr. BLAINE. I stated to the Senate a few moments ago, though perhaps the Senator from Connecticut was not in the Chamber then, that the committee has not held any hearings on the bill.

SEVERAL SENATORS. Over.

The VICE PRESIDENT. The bill will be passed over.

Mr. TRAMMELL. Mr. President, Calendar No. 1009 (H. R. 7498), which passed a moment ago without objection, in substance is a prohibition against the operation of any character of slot machine. That is really what it is. Of course, in our own country we permit people to operate slot machines. Probably within a stone's throw of the Capitol we would find more or less of them. Do we want to be quite so drastic in dealing with people in the Canal Zone?

Mr. BLAINE. The bill to which the Senator from Pennsylvania directed attention is Calendar No. 1010. The bill to which the Senator from Florida directs attention deals with hokey-pokey games.

The VICE PRESIDENT. On objection, Calendar No. 1010, H. R. 7499, will be passed over.

Mr. BINGHAM. Mr. President, will not the Senator from Wisconsin permit this bill also to go to the Judiciary Committee with similar bills?

Mr. BLAINE. I hope the bill will not be referred to the Judiciary Committee.

The VICE PRESIDENT. The bill has been passed over. The clerk will state the next order of business on the calendar.

PROHIBITION OF BULL FIGHTS, ETC.

The bill (H. R. 7500) to amend an Executive order promulgated August 4, 1911, prohibiting promotion of fights between bulls, dogs, or cocks, was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That section 1 of the Executive order of August 4, 1911, is hereby amended to read as follows:

"SECTION 1. Any person who sets on foot, instigates, promotes, or carries on any fights between cocks or other birds, or any dog fight, or bull fight, or fight between other animals; or who does any act as assistant, umpire, or principal in furtherance of any fight between any such animals, shall be punished by a fine not to exceed $50, or by imprisonment in jail not to exceed 30 days, or by both such fine and imprisonment, in the discretion of the court."

PREVENTION OF FIRE-HUNTING, ETC., IN CANAL ZONE

The bill (H. R. 7501) to prevent, in the Canal Zone, fire-hunting at night and hunting by means of a spring or trap, and to repeal the Executive orders of September 8, 1909, and January 27, 1914, was considered.

Mr. ROBINSON of Arkansas. Mr. President, what are the Executive orders repealed by this act?

Mr. BLAINE. Mr. President, I can only state what I have heretofore stated. My understanding is that the rules

and regulations were heretofore promulgated by the President of the United States. This is to substitute standard law for Executive orders, whatever the orders may be, in relation to the particular subject legislated on in the bill.

Mr. ROBINSON of Arkansas. Very well.

The bill was ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That every person who shall hunt at night, between the hours of sunset and sunrise, with the aid or use of a lantern, torch, bonfire, or other artificial light, or who shall hunt by the use of a gun or other firearm intended to be discharged by any animal or bird, by means of a spring or trap, or other similar mechanical device, shall be guilty of a misdemeanor.

The penalties imposed by this act shall be in addition to the punishments authorized by the law against carrying arms without a permit.

SEC. 2. That the Executive order of September 8, 1909, amending section 454 of the Penal Code of the Canal Zone, and the Executive order of January 27, 1914, No. 1884, be, and they are hereby, repealed.

REGULATION OF FIREARMS IN CANAL ZONE

The bill (H. R. 7502) to regulate the carrying and keeping of arms in the Canal Zone, was considered.

Mr. BLAINE. Mr. President, I think the bill might as well be passed.

Mr. ROBINSON of Arkansas. There is no objection.

Mr. REED. Mr. President, does the Senator think the prohibition of carrying firearms is constitutional?

Mr. BLAINE. I think it is constitutional as applied to the Canal Zone. The Canal Zone was obtained by treaty. I am not familiar with the terms of the treaty, but as I understand the Executive orders heretofore promulgated contain similar regulations. If they were valid, the law would be valid.

Mr. REED. I think it is not valid. I am not going to raise the question.

The bill was ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That it shall be unlawful for anyone to carry on or about his person any firearm or any dirk, dagger, or other knife, or other weapon, manufactured or sold for the purpose of offense or defense, or any slung shot, air gun, sword cane, blackjack, or any knuckles made of metal or other hard substance.

SEC. 2. That the preceding section shall not apply to a person engaged in the military or naval service of the United States, or as a peace officer or officer authorized to execute judicial process of the United States or the Canal Zone, or in carrying mail or in the collection or custody of funds of the United States or the Canal Zone, while such officers or persons are engaged in the performance of their respective duties; nor to a member of a gun or pistol club organized for the promotion of target practice, a certified copy of the constitution and by-laws of which have been approved by the Governor of the Panama Canal and filed with the chief of the police and fire division, when such member is going to or from a target range or is engaged in practice at the target range. A certificate of membership in the gun or pistol club shall be issued by the organization and approved by the chief of police and fire division, which shall entitle the holder to carry firearms as is provided in this section.

Neither shall the preceding section apply to any person authorized to have or carry arms by permit granted under the terms of this act.

SEC. 3. That the Governor of the Panama Canal may authorize the granting of permits to have and carry arms, as follows:

1. To hunt upon the public lands of the Canal Zone or upon lands occupied by private persons, when authorized by the latter.

2. To have arms in residences, offices, business places, and plantations and to watchmen or overseers of plantations, factories, warehouses, docks, or piers. Applications for such permits shall be made to the Governor of the Panama Canal, and shall contain the full name, residence, and occupation of the applicant; and if the applicant is a minor it shall not be granted without the consent of his parent or guardian; but no permit shall be granted to a minor under 15 years of age.

3. To carry arms in private aircraft for hunting or protection of crew or cargo.

SEC. 4. That when an application is granted by the governor for a permit to hunt, he shall indorse his approval thereon and file the application, and he shall cause a permit to be issued to the applicant, upon his payment of a fee of $1.

Hunting permits issued by virtue of this act will allow the holder thereof to have, carry, and use firearms in the area or areas prescribed by the Governor of the Panama Canal, and on the conditions imposed by him under such general or special rules and regulations as he may issue from time to time. And the governor is hereby empowered to designate the area or areas of the Canal Zone in which hunting is permitted, and the class of arms that may be used in hunting in such areas; and no hunting shall be allowed outside of the areas so designated by him. And the Governor of the Panama Canal may, in such general or special rules and regulations, impose such other conditions in respect to hunting as he may deem necessary in the interests of public order and to prevent injury to persons or property.

A permit granted under this section shall run for the fiscal year in which it is issued, and it may be revoked at any time for cause by the Governor of the Panama Canal.

SEC. 5. That permits heretofore issued by authority of law, to have and use firearms, shall not be affected by this act, but such permits shall continue in force until the expiration of the period for which they were issued.

SEC. 6. That anyone not authorized by this act, who carries on or about his person any of the prohibited arms mentioned in section 1 of this act, or who hunts or engages in hunting without first obtaining the permit provided for in this act, or who after obtaining such permit engages in hunting in violation of the provisions of this act or any rule or regulation established by the governor hereunder, shall be guilty of a misdemeanor.

SEC. 7. That penalties for the infringement of this act shall be in addition to such punishment as may be imposed upon the offending person for any other offense that he may have committed in connection with the carrying or using of arms in violation of this act.

SEC. 8. That sections 449 to 460 of the Penal Code of the Canal Zone, and the executive orders of December 1, 1909, November 3, 1911, November 7, 1913, and March 6, 1920, and all other laws in conflict herewith, are hereby repealed.

BILL RECOMMITTED

The bill (H. R. 7503) to repeal the Executive order of November 23, 1909, making the enticing of laborers from the Isthmian Canal Commission or the Panama Railroad a misdemeanor was announced as next in order.

Mr. BLAINE. Mr. President, I suggest that the bill be recommitted.

The VICE PRESIDENT. Without objection, the bill will be recommitted to the Committee on Interoceanic Canals.

EXTRADITION OF FUGITIVES FROM JUSTICE, CANAL ZONE

The bill (H. R. 7504) to provide for the extradition of fugitives from the justice of the Republic of Panama who seek refuge in the Canal Zone was announced as next in order.

Mr. BLAINE. Mr. President, that is rather a standard law on the question of fugitives from justice. I see no objection to it.

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

*Be it enacted, etc.*, That all persons who have been condemned, prosecuted, or accused before the courts of the Republic of Panama as authors or accomplices of crimes, transgressions, or offenses against the laws of said Republic, who seek refuge in the Canal Zone, shall be, upon apprehension, taken into custody by the authorities of the Canal Zone and delivered to the authorities of the Republic of Panama, upon the demand of the Government of that Republic and compliance with the procedure hereinafter prescribed.

SEC. 2. The government of the Canal Zone is at liberty to decline compliance with a demand of the Government of the Republic of Panama for the arrest and delivery to the authorities of said Republic of a fugitive from the justice of the Republic of Panama when said fugitive is a citizen of the United States. The discretion hereby reserved shall be exercised by the Governor of the Panama Canal.

SEC. 3. If the person whose arrest and delivery is demanded should be accused of, or under sentence for, any crime, transgression, or offense committed in the Canal Zone, he shall not be delivered to the authorities of the Republic of Panama until he has been acquitted, pardoned, or undergone his sentence pursuant to the provisions of the laws of the Canal Zone.

SEC. 4. If, in the course of the proceedings in the courts of the Republic of Panama, in the case to which the arrest and delivery appertain, it should appear that probable cause exists for believing the delinquent guilty of another and graver offense against the laws of the Republic of Panama than that which gave rise to the request for his apprehension and delivery, the Government of that Republic may prosecute said fugitive for such other offense after notice to that effect to the government of the Canal Zone.

SEC. 5. The demand for the arrest and delivery of a fugitive from the justice of the Republic of Panama, pursuant to the terms of this act, will be complied with when made in writing and signed by the Secretary of Foreign Relations of the Republic of Panama, or by his direction, and presented to the Governor of the Panama Canal. If the demand is for a condemned and fugitive criminal, it must be accompanied by a duly certified copy of sentence pronounced by a court of competent jurisdiction, and, as far as possible, a description of the fugitive sought to be reclaimed.

SEC. 6. In case of urgency, where there are reasonable grounds for fearing that the fugitive may avoid apprehension, his detention may be asked for by telegraph. The arrest and detention shall be accomplished in the manner and by the officials pre-

scribed by the laws of the Canal Zone, and detentions authorized by this act shall not continue longer than 15 days, during which the procedure for securing the delivery of said fugitive to the authorities of the Republic of Panama shall be completed.

SEC. 7. For the purpose of accomplishing the delivery of the fugitives apprehended and delivered in pursuance of this act the Republic of Panama may send its agent or agents duly authorized to receive said fugitive into the territory of the Canal Zone, but said agent's action and authority shall be limited to receiving such fugitive at the point of departure for return to the Republic of Panama and, at the moment of departure and thenceforth, to exercising the necessary vigilance and restraint to prevent the escape of the person in custody.

SEC. 8. It is hereby made the duty of the authorities of the Canal Zone on the line of transit to provide the person or persons charged with the conveyance of such fugitives so delivered with all the means necessary to prevent escape and to remove all unlawful obstacles that may hinder or delay the return of such fugitives to the territory of the Republic of Panama.

SEC. 9. All papers and other objects found in the possession of the fugitive at the time of his detention that refer to the crime, transgression, or offense of which the fugitive is accused or convicted shall be delivered to the Government of the Republic of Panama. These papers and objects must be restored after the conclusion of the case if there are third parties who assert a right to or over them. The authorities of the government of the Canal Zone may provisionally retain said objects and papers so long as they are required for use as evidence in some other case pending or contemplated in the courts of the Canal Zone, whether such case be related or not to the case wherein the demand for the apprehension and return of the fugitive originated.

SEC. 10. The expense of capture, detention, and transportation of a fugitive from the justice of the Republic of Panama, shall be paid by that Republic; but such expenses shall not include compensation for the services of the judiciary, military, or police authorities of the government of the Canal Zone.

PROTECTION OF BIRDS IN CANAL ZONE

The bill (H. R. 7505) to provide for the protection of birds and their nests in the Canal Zone was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Governor of the Panama Canal is hereby empowered and directed to make and publish suitable regulations, from time to time, for the protection of birds and their nests within the Canal Zone, and to prescribe the form and manner in which birds may be hunted therein and the kinds of birds that may be hunted and that shall not be molested.

SEC. 2. That it shall be unlawful for any person to hunt, trap, capture, wilfully disturb, or kill any bird of any kind whatever, or to take the eggs of any bird, within the Canal Zone, except in the form and manner permitted by the regulations provided for by this act.

SEC. 3. That a violation of any of the regulations established under this act shall be punished by a fine of not more than $100 or by imprisonment in jail for not more than 30 days for each offense.

BILL RECOMMITTED

The bill (H. R. 7506) to repeal an ordinance enacted by the Isthmian Canal Commission August 5, 1911, and approved by the Secretary of War August 22, 1911, establishing market regulations for the Canal Zone, was announced as next in order.

Mr. BLAINE. Mr. President, I am not familiar at all with this bill. I rather assume that it is all right. It repeals an old ordinance that was enacted by the Isthmian Canal Commission, but I am not certain that there is any authority substituted in the place thereof. It may be well to have the bill recommitted to the committee.

The VICE PRESIDENT. Without objection, the bill will be recommitted to the Committee on Interoceanic Canals.

REGULATION OF RADIO EQUIPMENT ON OCEAN-GOING VESSELS, CANAL ZONE

The bill (H. R. 7507) to regulate radio equipment on ocean-going vessels using the ports of the Canal Zone was announced as next in order.

Mr. BLAINE. Mr. President, I think there ought to be some consideration given to this bill. The Committee on Interoceanic Canals has not had a hearing, as I have suggested, and I do not know in what respect it may contravene some existing law of the United States respecting radio.

Mr. ROBINSON of Arkansas. Mr. President, the bill is rather simple. It forbids any ocean-going vessel carrying 50 or more persons, including passengers and crew, to leave any port of the Canal Zone unless equipped with efficient apparatus for radio communication, and so forth. Then there is a further provision that the requirement shall not apply to vessels merely transiting the canal or to vessels plying between Canal Zone ports and ports less than 200 miles therefrom. Then there is a provision imposing a fine of $5,000 for a violation. I believe that it is a good bill and I think it ought to pass.

Mr. BINGHAM. Mr. President, may I invite the attention of the Senator from Arkansas that we are legislating for foreign commerce? We are legislating for vessels that do not fly our flag. We are saying, for instance, to the Republic of Chile that it may have an ocean-going steamer that goes through the canal on the way to New York, and if it does not conform with what we think it ought to have in the way of radio we shall fine that vessel $5,000.

Mr. ROBINSON of Arkansas. Yes; but if we impose similar obligations and safety devices on our own vessels we can not well exempt other vessels.

Mr. BLAINE. Mr. President, may I suggest that the Panama Canal, as everyone knows, forms a bottle neck at either end of the canal, and it is very important that some provision be made so that radiograms may be sent to the canal and from the canal respecting the approach of vessels at either end of the canal. As I understand, that is largely the purpose of the bill.

Mr. REED. Mr. President, will the Senator yield for a suggestion?

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

Mr. BLAINE. I yield.

Mr. REED. The bill contains a provision that it does not apply to vessels merely passing through the canal in transit. The Senator from Connecticut will notice that on the last line of page 1.

Mr. BLAINE. Those are very small vessels that are referred to there.

Mr. BINGHAM. Does the Senator from Pennsylvania interpret that provision at the bottom of page 1 and the top of page 2 as exempting from the provisions of the bill steamers of foreign nations that are going through the canal in transit? If so, the idea expressed by the Senator from Wisconsin is not sustained.

Mr. ROBINSON of Arkansas. Yes; that is also intended to exempt the small ships that ply between the Central American ports and which pass through the canal.

Mr. BLAINE. Yes. There may be something in the suggestion of the Senator from Pennsylvania that this provision may violate some treaty. I suggest that the bill be referred back to the committee.

Mr. ROBINSON of Arkansas. The Senator from Pennsylvania is right in the statement that a vessel merely passing through the canal is not subject to the provisions of the bill.

Mr. BINGHAM. If that is so, it would not infringe any treaty and would not be subject to the objection I raised.

Mr. ROBINSON of Arkansas. I think it is a good bill and ought to be passed.

Mr. BLAINE. Very well; let us pass it.

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

*Be it enacted, etc.*, That it shall be unlawful for any ocean-going vessel carrying 50 or more persons, including passengers and crew, to leave or attempt to leave any port of the Canal Zone unless such vessel shall be equipped with an efficient apparatus for radio communication, in good working order, in charge of a person skilled in the use of such apparatus, which apparatus shall be capable of transmitting and receiving messages for a distance of at least 100 miles, night or day. This requirement shall not apply to vessels merely transiting the canal or to vessels plying between Canal Zone ports and ports less than 200 miles therefrom.

SEC. 2. That any vessel leaving or attempting to leave a Canal Zone port not equipped as required by section 1 of this act shall be liable to a fine not exceeding $5,000, and each such departure or attempted departure shall constitute a separate offense. Fines shall be recovered in the district court of the Canal Zone, and the amount so recovered shall be a lien upon such vessel, and it may be seized and sold to satisfy same, as well as all costs of the court proceedings.

INSPECTION OF VESSELS NAVIGATING CANAL ZONE WATERS

The bill (H. R. 7508) to provide for the inspection of vessels navigating Canal Zone waters was announced as next in order.

Mr. BLAINE. Mr. President, that is rather an important bill, and I think it should be recommitted.

The VICE PRESIDENT. Without objection, the bill will be recommitted to the Committee on Interoceanic Canals.

WITNESSES WITHIN THE JURISDICTION OF CANAL ZONE

The bill (H. R. 7509) to authorize certain officials of the Canal Zone to administer oaths and to summon witnesses to testify in matters within the jurisdiction of such officials was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That members of the board of local inspectors, customs officers, quarantine officers, and admeasurers, appointed by the Governor of the Panama Canal, are hereby authorized to administer oaths for the purpose of certifying the correctness of official papers.

SEC. 2. That members of the board of local inspectors, customs officers, quarantine officers, and admeasurers are hereby authorized to summon witnesses to testify in matters within the jurisdiction of said officials, and to require the production of books and papers necessary thereto. The district court of the Canal Zone is hereby authorized to issue processes, at the request of the designated canal officials, to compel the attendance of witnesses and the production of books and papers, and to punish for contempt of court any who refuse to obey such processes or who refuse to be sworn or to answer any material or proper question after being duly sworn.

PUNISHMENT OF DEPORTED PERSONS RETURNING TO CANAL ZONE

The bill (H. R. 7510) to punish persons deported from the Canal Zone who return thereto was announced as next in order.

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

Mr. REED. Mr. President, I should like to ask some Senator, if there be any here who knows, where the persons referred to are deported to? Is this a measure looking to the enforcement of the immigration laws or of the criminal laws?

Mr. BLAINE. Mr. President, the Panama Canal Zone is very largely under the jurisdiction of the governor of the zone. The bill, I assume, refers to deportations that the governor has authority to make. However, there may be some technical question respecting our immigration laws; and if the Senator from Pennsylvania feels that there is, it might be well to have the bill recommitted.

Mr. REED. I do not make any objection to the consideration of the bill.

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

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

*Be it enacted, etc.*, That any person who, after having served a sentence of imprisonment in the Canal Zone and after being deported therefrom, voluntarily returns to the Canal Zone shall be deemed guilty of a felony and punished by imprisonment in the penitentiary for a term of not more than two years, and upon the completion of his sentence he shall be removed from the Canal Zone in accordance with the laws and orders relating to deportation. A voluntary entry into the Canal Zone for any purpose shall be sufficient to constitute a return to the zone within the meaning of this act: *Provided, however*, That in a case of necessity the Governor of the Panama Canal, in his discretion, may grant a permit to any such person to return to the Canal Zone temporarily; but should he remain in the Canal Zone after the time specified in the permit, he shall be deemed guilty of a violation of this act and punished as herein provided.

REGULATION OF STREET-RAILWAY CARS IN THE CANAL ZONE

The bill (H. R. 7511) to regulate the operation of street-railway cars at crossings in the Canal Zone was announced as next in order.

Mr. BLAINE. That bill involves a mere police regulation respecting street-railway cars in the Canal Zone.

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

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

*Be it enacted, etc.*, That it shall be unlawful for a motorman or any other person in control of a street-railway car to run same over or upon any street crossing, road crossing, or street-railway crossing in the Canal Zone, at a speed of more than 12 miles per hour, and without commencing to sound gong, horn, or whistle when at least 100 feet from said crossing, and continuing to sound same until the crossing has been passed.

SEC. 2. That it shall be unlawful for a motorman or any person in control of a street-railway car to run same over or upon any railroad crossing in the Canal Zone, without bringing the car to a full stop at least 10 feet from the nearest rail, and without ascertaining from a view of the railroad track made either by himself or by the conductor that the crossing may be safely passed.

SEC. 3. That a violation of any of the provisions of this act shall be punished by a fine of not more than $100, or imprisonment in jail for not more than 30 days, or by both such fine and imprisonment in the discretion of the court.

AMENDMENT OF SECTION 5 OF THE PANAMA CANAL ACT

The bill (H. R. 7512) to amend section 5 of the Panama Canal act was announced as next in order.

Mr. BLAINE. I see no objection to the consideration of that bill. It provides for the regulation of the operation of the locks and approaches thereto.

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

*Be it enacted, etc.*, That that portion of section 5 of the Panama Canal act, approved August 24, 1912, which reads: "The President is authorized to make and from time to time amend regulations governing the operation of the Panama Canal, and the passage and control of vessels through the same or any part thereof, including the locks and approaches thereto, and all rules and regulations affecting pilots and pilotage in the canal or the approaches thereto through the adjacent waters" be, and it is hereby, amended to read as follows:

"The President is authorized to make, and from time to time amend, regulations governing the operation of the Panama Canal; the passage and control of vessels through the same or any part thereof, including the locks and approaches thereto; pilots and pilotage in the canal or the approaches thereto through the adjacent waters; the navigation of the harbors and other waters of the Canal Zone, including the inspection of vessels navigating such waters and the licensing of officers of such vessels.

"Any person violating any of the provisions of the rules and regulations established hereunder shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine not exceeding $100, or by imprisonment in jail not exceeding 30 days, or by both such fine and imprisonment."

PUBLIC DEFENDER FOR THE CANAL ZONE

The bill (H. R. 7513) to provide for the appointment of a public defender for the Canal Zone was announced as next in order.

Mr. BRATTON. Mr. President, can the Senator from Wisconsin tell us why a public defender should be appointed for the Canal Zone? We have no such officer in this country.

Mr. BLAINE. Mr. President, the Canal Zone, as the Senator from New Mexico appreciates, is a narrow strip of land across the Isthmus. Within that strip of land there are natives residing in thatched bamboo houses by permission and not by reason of any provision of the law. There are also transients in the Canal Zone, men who leave vessels or who are discharged from vessels, or who disembark at the port, and very often those men are without means, without funds, thousands of miles away from home. I think the Governor of the Canal Zone feels that there ought to be some one who could represent those various people who otherwise could not have a defense at all.

Mr. BRATTON. The Senator is familiar with the procedure in this country, where the judge usually appoints a member of the bar to represent a person in that situation. Why can not that procedure be successfully followed on the Canal Zone?

Mr. BLAINE. I doubt if such a system would work out very well in the Canal Zone. I am not certain that the judge has the power to do that under the code; I am not familiar with that; but even if the judge has such power, I think this would be a very meritorious provision of law.

Mr. ROBINSON of Arkansas. I think a court would have the power which is exercised throughout the United States to supply persons accused of crime with counsel if they are unable to employ counsel for their defense. The only reason for this bill, as I understand, is that the number of such cases involving defendants who drift in from every part of the world and who are left there is so great that it is regarded as rather an onerous burden on the bar.

Mr. BLAINE. That is true, and the bar of the Canal Zone is a very small bar.

Mr. BRATTON. In view of these statements I shall not object to the consideration of the bill.

The bill was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the Governor of the Panama Canal shall appoint a duly qualified member of the bar of the Canal Zone as a public defender, whose duty it shall be to represent, in the District Court of the Canal Zone, any person charged with the commission of a crime within the original jurisdiction of said court who is unable to employ counsel for his defense.

SEC. 2. The public defender shall receive a salary of $1,200 per year, together with such of the privileges of a Canal Zone employee as the governor may grant.

CANAL ZONE POSTAL SERVICE

The bill (H. R. 7514) in relation to the Canal Zone postal service was announced as next in order.

Mr. ROBINSON of Arkansas. What is the object of that bill?

Mr. BLAINE. I have no familiarity whatever with this bill.

Mr. MOSES. I think that bill should be referred to the Committee on Post Offices and Post Roads.

Mr. ROBINSON of Arkansas. I second the motion.

The VICE PRESIDENT. Without objection, the bill will be referred to the Committee on Post Offices and Post Roads.

ESTABLISHMENT OF CUSTOMS SERVICE IN THE CANAL ZONE

The bill (H. R. 7515) to provide for the establishment of a customs service in the Canal Zone, and other matters, was announced as next in order.

Mr. ROBINSON of Arkansas. That is an important bill.

Mr. BLAINE. In the absence of objection from the chairman of the committee, I rather assume that bill ought to be referred to the Committee on Finance.

Mr. BINGHAM. It certainly should, Mr. President.

The VICE PRESIDENT. Without objection, the bill will be referred to the Committee on Finance.

IMPOUNDING OF DOMESTIC ANIMALS IN CANAL ZONE

The Senate proceeded to consider the bill (H. R. 7516) in relation to the keeping and impounding of domestic animals in the Canal Zone, which was read, as follows:

*Be it enacted, etc.*, That the Governor of the Panama Canal is hereby authorized to make and publish and from time to time amend regulations governing the keeping of domestic animals within the Canal Zone, and prescribing where and under what conditions domestic animals may be permitted to be at large, and when, where, and under what conditions such domestic animals shall be confined. Such regulations shall provide for the impounding of animals; the charges to be paid for the impounding and care of such animals, if claimed, by the owner; the disposition of unclaimed animals; and the disposition of the proceeds of the sale of such unclaimed animals, if sold.

SEC. 2. Any person violating any provision of the regulations established under section 1 of this act shall be deemed guilty of a misdemeanor and upon conviction shall be punished accordingly.

SEC. 3. The ordinance enacted by the Isthmian Canal Commission at the one hundred and forty-fifth meeting, July 18, 1908, approved by the Secretary of War August 12, 1908, providing for the muzzling and impounding of dogs, and the ordinance enacted by the Isthmian Canal Commission August 5, 1911, approved by the Secretary of War August 22, 1911, providing for the impounding of stray animals, are hereby repealed.

Mr. BLAINE. Mr. President, that is a mere local police regulation, and I see no objection to it at all.

The bill was considered, ordered to a third reading, read the third time, and passed.

TRANSPORTATION OF LIQUORS THROUGH CANAL ZONE

The Senate proceeded to consider the bill (H. R. 7517) to provide for the transportation of liquors under seal through the Canal Zone, which was read, as follows:

*Be it enacted, etc.*, That section 20 of the national prohibition act is hereby amended by adding after the proviso therein the following additional proviso: "*And provided further*, That this section shall not apply to the transportation of liquor, under seal, in transit to and from points outside of the Canal Zone over the highways or waterways of the Canal Zone under regulations to be prescribed by the President, when such liquor is not destined for use or for consumption or final delivery in the Canal Zone."

Mr. BLAINE. Mr. President, I rather think that bill is in conformity with the provisions of the recent treaty which has been ratified by the Senate.

The bill was considered, ordered to a third reading, read the third time, and passed.

CODE OF CIVIL PROCEDURE FOR CANAL ZONE

The bill (H. R. 7521) to provide a new Code of Civil Procedure for the Canal Zone and to repeal the existing Code of Civil Procedure, was announced as next in order.

Mr. BLAINE. That bill goes over.

Mr. ROBINSON of Arkansas. Mr. President, I understand that bill has been referred to the Committee on the Judiciary.

The VICE PRESIDENT. The bill has been referred to the Committee on the Judiciary.

AMENDMENT OF PANAMA CANAL ACT

The bill (H. R. 7523) to amend sections 7, 8, and 9 of the Panama Canal act, as amended, was announced as next in order.

Mr. MOSES. Ought not that bill also to go to the Judiciary Committee?

Mr. BLAINE. I do not know what it is.

Mr. BINGHAM. It deals with court procedure.

Mr. ROBINSON of Arkansas. Mr. President, the bill involves complicated legal questions apparently and is in the same general class of the bills that have already been referred to the Judiciary Committee. I suggest the same action be taken regarding it.

The VICE PRESIDENT. Without objection, the bill will be referred to the Committee on the Judiciary.

MAIL TRANSPORTATION BY MOTOR VEHICLE—LOANS ON ADJUSTED-SERVICE CERTIFICATES

The bill (H. R. 9636) to authorize the Postmaster General to permit railroad and electric-car companies to provide mail transportation by motor vehicle in lieu of service by train, was announced as next in order.

Mr. TRAMMELL. Mr. President, there is on the calendar, having been reported from the Committee on Finance, Senate bill 1251, relating to the making of loans to veterans upon their adjusted-service certificates, being Calendar No. 510. That bill provides that adjusted-service certificates shall be available for loans without the limitation of two years as originally specified. I desire to offer that bill as a new section to the pending bill so that it may be considered at this session of Congress. I offer it as an amendment to the bill now pending.

Mr. BINGHAM. Mr. President, may I invite the Senator's attention to the fact that a new bill along the same lines and drawn in such a way as to meet the objections previously raised by the actuaries is before the House and I think is before the Finance Committee. I am not sure whether it has been reported or not, but I understand that it is preferable to the bill which the Senator is now offering as an amendment.

Mr. TRAMMELL. The bill to which I refer has been reported favorably by the Finance Committee of the Senate and is now on the calendar and has been there for some days. If we do not take some action within the next few days the probabilities are that a majority will be desirous of bringing about a final adjournment of Congress, and we will not take any action on the bill. I want to put it in the position where we can secure a final decision on the question, and we can do it in the way I suggest.

Mr. BINGHAM. The Senator can not get that bill through as an amendment; but if the Senator will substitute the bill the Senator from New York introduced a day or two ago, which, as I said, meets the objections of the actuaries by reducing the amount of interest, I think it might be put through.

Mr. TRAMMELL. I have not seen the bill introduced by the Senator from New York and I do not know whether it has been reported favorably. Of course, I want to read it before I offer it as an amendment. I offer the bill to

which I have referred as an amendment to the pending bill and should like to have it considered.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 2, after line 2, it is proposed to insert the following:

*Be it enacted, etc.*, That notwithstanding the provisions of section 502 (b) of the World War adjusted compensation act, as amended, prohibiting the making of loans to veterans upon their adjusted-service certificates prior to the expiration of two years after the date of the certificates, hereafter loans may be made upon such certificates in accordance with loan basis provided by law at any time after the date of issuance thereof.

Mr. BINGHAM. Let the bill go over, Mr. President.

Mr. ROBINSON of Arkansas. Mr. President, I merely desire to make a brief statement, if I may have permission to do so.

The VICE PRESIDENT. Is there objection to the Senator from Arkansas proceeding? The Chair hears none.

Mr. ROBINSON of Arkansas. There is an element of justice in the principle that runs through this bill. A good many veterans have refrained from availing themselves of the privilege of securing loans on their certificates and they should not be penalized because of that action. Under present conditions many of them are in need, and the purpose of this bill is to put them all on the same basis; to give each veteran the right to obtain a loan without regard to the fact that he has refrained from availing himself of his privilege as long as he has been able to do so.

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

Mr. ROBINSON of Arkansas. Yes.

Mr. BINGHAM. I will say to the Senator that I have the greatest sympathy with the position which he has taken; but it has been pointed out by the Administrator of Veterans' Affairs that, if this bill shall be passed in its present form, it will result in the veterans owing money to the Government at the end of the period, because the compound interest at the rate provided by law will more than use up the amount due to the veterans.

Mr. ROBINSON of Arkansas. If that statement be correct, of course, the bill ought to be amended.

Mr. BINGHAM. That difficulty, I may say, has been corrected in a bill which the Senator from New York [Mr. COPELAND] introduced yesterday, I think, and which I believe is the measure which should be substituted for the bill referred to by the Senator from Florida.

Mr. ROBINSON of Arkansas. Then, may not the pending bill be passed over without prejudice?

The VICE PRESIDENT. Without objection, the bill will be passed over temporarily.

Mr. TRAMMELL. Mr. President, just a moment; I do not desire that it go over with the statement unchallenged that this bill itself would be responsible for the provision in regard to interest and compounding interest. This measure has nothing to do with that, but it is an attempt to relieve a condition which prohibits veterans from obtaining loans in less than two years. It removes that restriction; it deals with that feature of the law only. We should pass a separate measure or provide in some bill by way of amendment to abolish the 4½ per cent interest rate compounded. I think that is ridiculous and should be corrected. The interest should be reduced to, say, a straight 2 per cent on existing loans.

The VICE PRESIDENT. Does the Senator desire to have the bill passed over temporarily. The Chair notes that the Senator from New York is now present.

Mr. TRAMMELL. Let the bill be passed over temporarily.

Mr. BLACK. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BLACK. Is it in order to move to take up the bill with reference to adjusted-service certificates?

The VICE PRESIDENT. That would not be in order under the unanimous-consent agreement and could only be done by unanimous consent. The bill will be passed over temporarily.

BILLS PASSED OVER

The bill (S. 744) for the rehabilitation of the Stanfield project, Oregon, was announced as next in order.

Mr. METCALF. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 4781) authorizing an emergency appropriation for the relief of needy and distressed residents of the District of Columbia and for the temporary care of transient and homeless persons in said District was announced as next in order.

Mr. BINGHAM. Let that go over.

Mr. COPELAND. Mr. President, will the Senator withhold his objection a moment? May I call the attention of the Senator from Wisconsin [Mr. BLAINE] to the fact that the Costigan bill is now up?

Mr. BLAINE. Mr. President, the Senator from Indiana and the Senator from Washington, with whom I conferred yesterday, and who are interested in the subject of relief for the veterans, are endeavoring to bring about an accord with leaders in the House; and I do not like to introduce the subject now for fear of creating irritation which may defeat the objective.

The VICE PRESIDENT. The bill will be passed over.

TRANSIENT SECOND-CLASS MAIL MATTER

The bill (H. R. 8818) to amend the second paragraph of section 5 of the act entitled "An act to amend Title II of an act approved February 28, 1925 (43 Stat. 1066; U. S. C., title 39), regulating postal rates, and for other purposes," was considered, ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the second paragraph of section 5 of the act entitled "An act to amend Title II of an act approved February 28, 1925 (43 Stat. 1066; U. S. C., title 39), regulating postal rates, and for other purposes," approved May 29, 1928 (45 Stat. 941; U. S. C., Supp. V, title 39, sec. 287), be amended to read as follows:

"SEC. 203. The rate of postage on publications entered as second-class matter, when sent by others than the publisher or news agent, shall be 1 cent for each 2 ounces or fraction thereof, except when the postage at the rates prescribed for fourth-class matter is lower, in which case the latter rates shall apply: *Provided*, That these rates shall also apply to sample copies of publications entered as second-class matter mailed in excess of the quantity entitled by law to be sent at the pound rates, and to copies mailed by publishers to other than subscribers or to persons who are not properly includable in the legitimate list of subscribers required by law."

RESPONSIBILITY OF POSTMASTERS

The bill (S. 4046) to fix more equitably the responsibility of postmasters was announced as next in order.

Mr. BRATTON. Mr. President, may we have an explanation of this bill?

Mr. ODDIE. Mr. President, this bill is required because of the present custom which fastens upon a postmaster the responsibility of accounting for and refunding all losses of postal funds caused by subordinates in excess of the amount covered by their personal bonds. Should a clerk, for example, be bonded for $5,000 and misappropriate funds to the extent of $10,000, the clerk would be held under his personal bond for $5,000, but the additional $5,000 loss would be charged against the postmaster and his bond. This is true, even though the postmaster has not handled any of the funds in question and is not personally to blame, directly or indirectly, for the loss.

It appears unjust to regard him as responsible for the wrongful acts of his subordinates, who are not selected by him, being civil-service employees, and who are themselves bonded. The rule now existing in such cases is not applied by State or municipal governments, by banks, or by corporations. The present practice appears unbusinesslike and should be abandoned. In this connection it is pointed out that the proposed legislation would not relieve or protect careless or neglectful postmasters or those who deliberately misuse Federal funds or connive with others to that end. It would only apply to cases where the postmaster himself is blameless.

The Postmaster General, I will say, has approved this bill.

Mr. ROBINSON of Arkansas. Mr. President, there is a fundamental defect in this bill. It is that discretion to relieve postmasters of liability is vested in the Postmaster General. It gives him quasi judicial power to pass upon matters of this kind. It inevitably will lead to discrimination. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

LOANS ON ADJUSTED-SERVICE CERTIFICATES

The bill (S. 4569) relating to loans to veterans on their adjusted-service certificates was announced as next in order.

Mr. COPELAND. Mr. President, I have talked with the Senator from Nebraska [Mr. NORRIS]. I wonder if he has given some consideration to the idea of substituting for this bill the bill which I introduced the other day, which gives immediate loans on the certificates, but fixes the rate at 4 per cent instead of 3 per cent as the Senator has suggested in his bill.

Mr. NORRIS. The rate in this bill is 3 per cent.

Mr. COPELAND. The bill which I have presented, which is pending here, has been considered by the Ways and Means Committee of the House, and representatives of the Veterans' Administration testified and said that the rate could be fixed at 4 per cent and then would be actuarially sound; that the 4 per cent would bring the value of the certificates in 1945 to their face, while 3 per cent or any lower rate would not do so. The significant thing about it is, of course, that it gives the veterans who are not now permitted it, by reason of the 2-year clause, the right to receive their money at once; and then the rate on all the certificates is placed at 4 per cent, which, according to the report from the House which I have in my hand, would preserve intact the actuarial features of the existing law.

Mr. NORRIS. Mr. President, what is it that the Senator desires?

Mr. COPELAND. I desire to substitute Senate bill 4925.

Mr. NORRIS. Where is that bill now?

Mr. COPELAND. It is lying on the desks of Senators.

Mr. NORRIS. Mr. President, my own idea is that 3 per cent, compounded annually, is as high an interest rate as we ought to charge. I do not believe we ought to try to make a profit out of these loans to veterans. Four per cent compound interest, running through a series of years, will eat up almost anything; and 3 per cent will amount to an enormous sum. The only objection the Senator has, I think, is completely cured in this bill on the last page.

But in the case of any such loan heretofore made by the administrator out of the United States Government life-insurance fund, the fund shall be entitled to receive interest to the date of maturity of the loan at the rate agreed upon at the time such loan was made, but the amount by which such agreed interest exceeds interest at the rate of 3 per cent per annum, compounded annually, from the time such loan was made to the date of maturity thereof, shall be paid out of the adjusted-service certificate fund created under section 505 of the World War adjusted compensation act, as amended.

Mr. COPELAND. Mr. President, if the Senator will consent to the substitution of Senate bill 4925, so that we may immediately make available the loans, I should have no objection to letting the 3 per cent go to conference.

Mr. NORRIS. What part of the bill has the Senator in mind that is different from this, except the rate of interest? Is there anything else in his bill?

Mr. COPELAND. Does the Senator, in his bill, make available immediately loans on these certificates?

Mr. NORRIS. I think under the law they would be immediately available; would they not? The two years have expired.

Mr. COPELAND. No.

Mr. KEAN. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from New Jersey?

Mr. COPELAND. I yield.

Mr. KEAN. The whole basis of the compensation agreement with the Government was made at 4 per cent, and this proposal takes away the whole basis of the adjusted-compensation certificates. They were all based on 4 per cent interest to 1945.

Mr. BINGHAM. Let the bill go over.

Mr. COPELAND. Mr. President, I beg the Senator not to object to the bill. It is very important.

Mr. BINGHAM. If the Senator will yield, I made an effort a little while ago to get favorable action upon this bill which the Senator from New York presented, which has been very carefully considered by the House Ways and Means Committee, which the actuaries approved as fair, and which corrects the injustice to which attention was recently called by the Senator from Arkansas and the Senator from Florida, permitting veterans who have just received their adjusted-compensation certificates to borrow on those immediately, the rate of interest being brought down so that at the end of the period they will not owe the Government money, but there will be a slight balance due them. I should have no objection to that; but in the present form of the measure, since we are considering bills unobjected to, I think I shall have to object.

Mr. COPELAND. If the Senator will withhold the objection for a moment, I beg the Senator from Nebraska to accept this proposal, which is not mine, although I presented it here. This was worked out by the Veterans of Foreign Wars and by the Ways and Means Committee.

Mr. NORRIS. The objection I have to it is the rate of interest. Four per cent compound interest is too much to charge these veterans.

Mr. COPELAND. Then let the Senator accept this bill, and change the rate to 3 per cent instead of 4.

Mr. NORRIS. All right.

Mr. COPELAND. Then the House and the conferees can adjust the matter.

Mr. NORRIS. There ought to be added as an amendment to the Senator's bill the following language from this bill, commencing on page 2, line 6:

But in the case of any such loan heretofore made by the administrator out of the United States Government life-insurance fund, the fund shall be entitled to receive interest to the date of maturity of the loan at the rate agreed upon at the time such loan was made, but the amount by which such agreed interest exceeds interest at the rate of 3 per cent per annum, compounded annually, from the time such loan was made to the date of maturity thereof, shall be paid out of the adjusted-service certificate fund created under section 505 of the World War adjusted compensation act, as amended.

If the Senator will add that, and change the rate of interest to 3 instead of 4 per cent, I will agree to the substitution.

Mr. COPELAND. I accept that proposition.

Mr. BLACK. Mr. President——

Mr. COPELAND. I yield to the Senator from Alabama.

Mr. BLACK. I should like to ask the Senator from New York which provision of his bill provides for an immediate loan to be made by the Government after a certificate has been issued to a veteran.

Mr. COPELAND. The bill which I presented changes the existing law so that the loan may be made to any veteran. It cuts out the language "after the expiration of two years after the date of the certificate."

Mr. BLACK. What section is that?

Mr. COPELAND. That is in section 642, subparagraph (b).

Mr. BLACK. I meant, where is it in the Senator's amendment?

Mr. COPELAND. It begins on page 1, subparagraph (b):

(b) Any national bank, or any bank or trust company incorporated under the laws of any State, Territory, possession, or the District of Columbia (hereinafter in this section called bank), is authorized to loan to any veteran upon his promissory note secured by his adjusted-service certificate (with or without the consent of the beneficiary thereof) any amount not in excess of the loan basis (as defined in subdivision (g) of this section) of the certificate.

Mr. BLACK. I see that; but the bill which was reported by the Finance Committee, which I had urged them to recommend for some few months, provides that a veteran can borrow money from the Government whether the certificate is 1 day old or 2 years old.

Mr. COPELAND. Mr. President, the Senator will see from the report that the existing law is taken, and these items in brackets are cut out by this bill, so that it permits loans to any veteran at any time. That is the provision, and, as I have said, this was worked out by the Ways and Means Committee of the House, after very careful study, and it has been approved by the Veterans of Foreign Wars. I think we should accept the suggestion of the Senator from Nebraska and substitute Senate bill 4925 for the Senator's bill and accept the amendment which he suggests.

Mr. NORRIS. Mr. President, I accept the proposition of striking out all after the enacting clause and inserting the bill of the Senator from New York, with the changes suggested—that is, changing 4 per cent to 3 per cent, and the language commencing on page 2 of the bill with the word "but" in line 6.

Mr. KEAN. I object.

The PRESIDING OFFICER (Mr. COUZENS in the chair). Objection is made, and the bill will go over.

Mr. COPELAND. Mr. President, I beg the Senator from New Jersey to let this bill pass. We have declined to give a bonus to the ex-service men. There are 200,000 veterans who have now applied for the first time for adjusted-service certificates.

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

Mr. COPELAND. I yield.

Mr. KEAN. I would be delighted to have this bill passed. I am in thorough sympathy with it, but the basis of the compensation on which the adjusted-service certificates was given to the veterans was that they would mature in 1945, and the basis of calculation was 4 per cent compounded.

Mr. NORRIS. Mr. President, let me say to the Senator from New Jersey that the amendment which the Senator from New York has accepted to that part of the bill meets that proposition fully. That has been looked into by experts. I myself looked into it as much as I could at the time I introduced the bill, to which I gave a great deal of consideration. I went into the details of it and had a good many conferences with the drafting bureau, and the language which the Senator from New York has agreed to accept I think will completely meet the proposition suggested by the Senator from New Jersey.

Outside of that, why should we want to lend money to these veterans and charge them a rate of interest which would be an outrage, a regular Shylock proposition? Are we going to charge a rate of interest compounded annually at 4 per cent, which will eat up every credit they have now, and instead of the loan being a benefit make it a detriment in every case? Nobody can pay 4 per cent interest, compounded annually, for 10 or 15 years. It is simply a gesture; it would not mean anything.

The PRESIDING OFFICER. Does the Senator from New Jersey withdraw his objection?

Mr. KEAN. Mr. President, United States bonds at the present time are selling on practically a 4½ per cent basis. If the United States had to borrow any money to-day, they would have to pay 4¼ or 4½ per cent. They could not borrow money for less than that. I do not think it is fair to the United States that 4 per cent should be charged, and before this loan was made to these soldiers the Secretary of the Treasury took certificates and made the United States pay 4 per cent on those certificates, when he could have borrowed the money at less, because he had to maintain this fund at 4 per cent.

Mr. COPELAND. Mr. President, the Senator can trust Mr. BACHARACH, of his own State, who has introduced this bill. This bill will go to conference, and there will be testimony taken as to the actuarial features of the bill.

Mr. KEAN. On that ground, I withdraw the objection, if the bill can be passed; but I still feel that the United States ought to get 4 per cent on the funds.

The PRESIDING OFFICER. The Senator from New Jersey withdraws his objection.

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

The PRESIDING OFFICER. The clerk will read the amendment.

The CHIEF CLERK. The amendment offered by the Senator from New York is to strike out all after the enacting clause and to insert the following:

That the first sentence of subdivision (b) of section 502 of the World War adjusted compensation act, as amended (U. S. C., title 38, sec. 642 (b)), is hereby amended to read as follows:

"(b) Any national bank, or any bank or trust company incorporated under the laws of any State, Territory, possession, or the District of Columbia (hereinafter in this section called bank), is authorized to loan to any veteran upon his promissory note secured by his adjusted-service certificate (with or without the consent of the beneficiary thereof) any amount not in excess of the loan basis (as defined in subdivision (g) of this section) of the certificate."

SEC. 2. (a) Subdivisions (c) and (4) of section 502 of such act, as amended (U. S. C., title 38, secs. 642 (c) and 642 (d)), are hereby amended by striking out "6 per cent" wherever occurring in such subdivisions and inserting in lieu thereof "4 per cent."

(b) Subdivision (1) of section 502 of such act, as amended (U. S. C., Supp. V, title 38, sec. 642 (l)), is amended by striking out "4½ per cent" and inserting in lieu thereof "3 per cent."

(c) The amendments made by subsections (a) and (b) of this section shall not apply with respect to interest accrued prior to the date of the enactment of this act.

SEC. 3. Subdivision (m) of section 502 of such act, as amended (U. S. C., Supp. V, title 38, sec. 642 (m)), is hereby amended to read as follows:

"(m) Loans made by the Administrator of Veterans' Affairs under this section may at his option be made out of the United States Government life-insurance fund, or out of the adjusted-service certificate fund created under section 505. In case of loans made out of the United States Government life-insurance fund the fund shall be entitled to receive interest at the rate of 3 per cent per annum, compounded annually, but, in respect of interest on any such loan accruing after this subdivision as amended takes effect, the amount by which interest at such rate exceeds 3 per cent per annum, compounded annually, shall be paid to the United States Government life-insurance fund out of the adjusted-service certificate fund, but in the case of any such loan heretofore made by the administrator out of the United States Government life-insurance fund, the fund shall be entitled to receive interest to the date of maturity of the loan at the rate agreed upon at the time such loan was made, but the amount by which such agreed interest exceeds interest at the rate of 3 per cent per annum, compounded annually, from the time such loan was made to the date of maturity thereof, shall be paid out of the adjusted-service certificate fund created under section 505 of the World War adjusted compensation act, as amended."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York.

Mr. HOWELL. Mr. President, I do not propose to object to this interest rate of 3 per cent, but I do feel that any interest rate at which this Government lends money less than that on long-time bonds it has outstanding or can sell upon the market is absolutely wrong, even though it is the money of the Government of the United States.

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

Mr. HOWELL. In just a moment. But what have we done? We have heretofore established a precedent. We have loaned $5,000,000 to the Dollar Steamship Line at a quarter of 1 per cent for 20 years. We have violated every principle of business in connection with loans of that character, and I insist that now we ought to take to heart these facts: That we erred when we embarked upon such a policy, that the precedent will rise before us on every occasion when the question of lending money comes before Congress, and that if possible, we should ultimately get back on the right track by ending such an uneconomic policy.

Mr. SMOOT. Mr. President, I do not know whether the report from the Finance Committee has been called to the attention of the Senate or not. I am not going to take the time to read the whole of it, but I will read just a part of it. The Senate knows that the bill was reported without recommendation, and I want to call attention to just a part of the report.

Mr. COPELAND. Mr. President, I hope the Senator will let the bill pass, because the Finance Committee has not acted upon the bill which we are now considering. It has not been before the Finance Committee.

Mr. SMOOT. What bill is it?

Mr. COPELAND. It is Senate bill 4925, which has been thoroughly considered by the Ways and Means Committee

of the House, and has been slightly amended here this morning.

Mr. SMOOT. Where did the bill come from?

Mr. COPELAND. I introduced it in the Senate on the 15th of June. It came from Mr. BACHARACH, of the House of Representatives, and I think the Senator will find that the Veterans' Administration considers this bill actuarially sound. I would not say it was recommended by the Veterans' Administration, but at least they have passed upon it and said there was no actuarial objection to it.

Mr. SMOOT. Mr. President, as I understand, in the bill now before the Senate, even in the bill to which the Senator refers, the rate has been cut from 4 per cent to 3 per cent.

Mr. COPELAND. That is true.

Mr. SMOOT. Then I want to call attention to what it means and what the loss to the Government would be.

Mr. COPELAND. Mr. President, we understood that. That was brought out, and we believe that in the House that may be corrected if there is an actuarial mistake.

Mr. SMOOT. This is the place to correct it, and not in the House, if we are going to correct it at all. General Hines's letter addressed to the Finance Committee was virtually the report of the committee, and the committee reported the bill to the Senate without recommendation. I do not want to read the whole of his letter, but I want to read just this part of it:

> In view of the fact (1) that the effect on Government financing of the granting of loans on adjusted-service certificates in increased amounts, has been and is a decidedly adverse one, and (2) that the present rate of interest being charged is considered most reasonable, and (3) a change in the interest rate to 3 per cent per annum compounded annually would result in reduced earnings to the United States in the amount of $398,623,833 (the preceding figure is based upon approximate amount of loans outstanding at March 31, 1932, of $1,350,000,000), I feel constrained to recommend against favorable consideration of this proposed measure.
>
> Although this bill has not been presented by this administration to the Director of the Bureau of the Budget, I wish to inform you that on a similar measure he stated that in view of the cost involved, it would not be in accord with the financial program of the President.
>
> This administration can not recommend favorably regarding any further liberalization of the World War adjusted compensation act, as amended, at this time.

The PRESIDING OFFICER. The hour of 12 o'clock having arrived the Chair lays before the Senate the unfinished business, which will be stated.

The CHIEF CLERK. A bill (H. R. 7233) to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands, to provide for the independence of the same, and for other purposes.

Mr. McNARY. Mr. President, I ask unanimous consent to lay aside temporarily the unfinished business, until we complete the call of the calendar. It will take only a few moments.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered. The question is on the amendment offered by the Senator from New York.

The amendment was agreed to.

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

### REPEAL OF OBSOLETE STATUTES

The bill (H. R. 7121) to repeal obsolete statutes, and to improve the United States Code, was announced as next in order.

Mr. HASTINGS. Mr. President, I would like to have the attention of the Senator from Nebraska [Mr. NORRIS], the chairman of the Committee on the Judiciary. He was not able to attend the committee meeting last Monday morning. The committee requested that I report this bill and the next calendar number, a bill (H. R. 9877) to repeal obsolete sections of the Revised Statutes omitted from the United States Code. They are intended to repeal certain obsolete sections of the Revised Statutes. The House committee has been studying the problem for some two years. These sections have been checked by every department of the Government that is interested, and they have all recommended that the bills be passed with the possible exception of one section. As to that, an amendment was suggested on page 7 of H. R. 9877, that Revised Statute 5599 be eliminated from the bill.

The Senator from Montana [Mr. WALSH], the Senator from Arizona [Mr. ASHURST], and I served as a subcommittee investigating these sections. While we did not personally make a study of each section, the Senator from Montana had an examination made by persons in his office and had written to the other members of the committee a letter stating that he was satisfied that the two bills ought to pass. My understanding is that the passage of the bills will save a large sum of money in reprinting the Revised Statutes.

Mr. ROBINSON of Arkansas. Mr. President, there appear to be several hundred at least of the sections proposed to be repealed.

Mr. HASTINGS. Yes; more than a thousand. In Calendar No. 1039 there are more than a thousand.

Mr. ROBINSON of Arkansas. Yes; there are more than a thousand sections to be repealed. In most part they are intended to eliminate obsolete statutes?

Mr. HASTINGS. That is correct.

Mr. ROBINSON of Arkansas. Has the Senator or the Committee on the Judiciary checked over each section and made a study of it to know whether the provisions are actually obsolete?

Mr. HASTINGS. I will say frankly to the Senator that the Senate committee did not do that, but it has been done with great care by the House committee.

Mr. LA FOLLETTE. Let the bill go over.

Mr. ROBINSON of Arkansas. The Senator from Delaware can not state with what care a committee at the other end of the Capitol may have done its work.

The PRESIDING OFFICER. On objection, the bill will be passed over.

The bill (H. R. 9877) to repeal obsolete sections of the Revised Statutes omitted from the United States Code was announced as next in order.

Mr. LA FOLLETTE. Over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. HASTINGS subsequently said: Mr. President, I ask unanimous consent that Calendar Nos. 1038 and 1039, the bill (H. R. 7121) to repeal obsolete statutes and to improve the United States Code, and the bill (H. R. 9877) to repeal obsolete sections of the Revised Statutes omitted from the United States Code, may be recommitted to the Committee on the Judiciary.

The PRESIDING OFFICER. Without objection, that order will be entered.

### OCTAVIA GULICK STONE

The bill (H. R. 9331) for the relief of Octavia Gulick Stone was considered, ordered to a third reading, read the third time, and passed.

### APPOINTMENT OF ACTING SECRETARY, HAWAII

The bill (H. R. 308) to provide for the appointment of an acting secretary of the Territory of Hawaii during the absence or illness of the secretary was announced as next in order.

Mr. LA FOLLETTE. Mr. President, I ask for an explanation of the bill.

Mr. McNARY. The Senator from Connecticut [Mr. BINGHAM], who reported the bill, is not present at the moment.

Mr. LA FOLLETTE. I suggest that it be passed over.

Mr. METCALF. Mr. President, it is merely to permit the secretary to take charge when the governor is off the island. It is a very simple measure.

Mr. LA FOLLETTE. I have not had an opportunity to study it. I ask that it may be read.

The PRESIDING OFFICER. The bill will be read for the information of the Senate.

The Chief Clerk read the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

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

*Be it enacted, etc.*, That section 69 of the act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900 (U. S. C., title 48, sec. 534), is amended by adding at the end thereof a new paragraph to read as follows:

"The secretary may, with the approval of the governor, designate some other officer of the government of the Territory of Hawaii to act as secretary during his temporary absence or during his illness. Such designation and approval shall be in writing and shall be filed in the office of the governor, and a copy thereof, certified by the governor, shall be filed in the office of the Secretary of the Interior of the United States. Such person so designated shall, during the temporary absence or illness of the secretary, be known as the acting secretary of the Territory of Hawaii, and shall have and exercise all the powers and duties of the secretary, except those provided for by section 70 of this act (U. S. C., title 48, sec. 535). Such acting secretary shall serve without additional compensation, but the secretary shall be responsible and liable on his official bond for all acts done by the acting secretary in the performance of his duties as acting secretary."

INTERNATIONAL COUNCIL OF SCIENTIFIC UNIONS

Mr. METCALF. Mr. President, I ask unanimous consent to return to Calendar No. 794, the joint resolution (S. J. Res. 127) authorizing appropriations for the maintenance by the United States of membership in the International Council of Scientific Unions.

The PRESIDING OFFICER. Is there objection?

Mr. METCALF. The Senator from New Mexico [Mr. BRATTON] objected when it was called before, but has withdrawn his objection.

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

*Resolved, etc.*, That there is hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, such sums, not to exceed $5,042.77, as may be necessary to enable the United States to maintain membership in the International Council of Scientific Unions, such sums to be expended under the direction of the Secretary of State.

J. H. WALLACE

The bill (H. R. 5820) for the relief of J. H. Wallace was considered. The bill had been reported from the Committee on Claims with an amendment in line 5 to strike out "$350" and insert "$250" so as to read:

*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 $250 to J. H. Wallace, of Paradise, Tex., as reimbursement of purchase money paid for real estate formerly owned by William Lyons and sold by the collector of internal revenue at a distraint sale March 14, 1911.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

WILLIAM R. NOLAN

The bill (H. R. 7656) for the relief of William R. Nolan. The bill had been reported from the Committee on Claims with an amendment, in line 6, to strike out "$613.75" and insert "$350," so as to read:

*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 of all claims against the Government, the sum of $350 to William R. Nolan for pay and allowance for the period from January 29, 1926, to April 14, 1926, and also for any disbursements and expenses incurred by reason of an injury incurred in line of duty.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

A. Y. MARTIN

The bill (S. 4909) for the relief of A. Y. Martin was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Whereas the duties incident to the office of United States commissioner for the western district of Kentucky, in the Paducah division thereof, were performed by A. Y. Martin, of Paducah, Ky., from December 8, 1930, to August 5, 1931, and statutory fees for the services so rendered and approved as to the amounts by the Department of Justice, are as follows: Fee account for quarter ending January 31, 1931, covering that portion of said account from December 8, 1930, to January 31, 1931, $180.55; account for quarter ending April 30, 1931, $119.60; account for quarter ending July 31, 1931, $667.25; account for portion of quarter from August 1 to 5, 1931, $12.60; total, $980; and

Whereas by oversight the reappointment of said Martin as such commissioner was not made on December 8, 1930, but was thereafter made and entered of record on August 5, 1931, with the result that he served as de facto commissioner during such interim, and incurred the expenses incident to the maintenance of such office and performed the services thereof for which the statutory fees allowable are in the amount hereinabove set forth, the payment of which has been disallowed by the Department of Justice because such order of reappointment was not made or entered of record: Now, therefore,

*Be it enacted, etc.*, That there is hereby appropriated and set apart the sum of $980, to be applied and paid by the Department of Justice in settlement of and by way of compensation for the services rendered by said de facto commissioner from December 8, 1930, to August 5, 1931, as hereinabove set forth.

SEC. 2. This act shall be effective from and after its due passage and approval.

The preamble was agreed to.

CHARLES L. BARBER

The bill (H. R. 3845) for the relief of Charles L. Barber was considered, ordered to a third reading, read the third time, and passed.

EMMA SHELLY

The bill (H. R. 4056) for the relief of Emma Shelly was considered, ordered to a third reading, read the third time, and passed.

CATHERINE BELL

The bill (H. R. 3961) for the relief of Catherine Bell was considered, ordered to a third reading, read the third time, and passed.

SAM ECHOLS

The bill (H. R. 6855) for the relief of Sam Echols was considered. The bill had been reported from the Committee on Claims with an amendment, in line 3, to strike out "authority is hereby granted to pay" and to insert "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," so as to make the bill read:

*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 Sam Echols, the father of George W. Echols, deceased, the sum of $7.14 due and unpaid the said George W. Echols in full payment of all claims against the Government of the United States for services rendered by him as postal clerk in the Railway Mail Service.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

ANNA A. HALL

The bill (H. R. 3992) for the relief of Anna A. Hall was considered, ordered to a third reading, read the third time, and passed.

GEORGE B. GATES

The bill (S. 4937) conferring jurisdiction upon the Court of Claims to return its findings of fact in the claim of George B. Gates was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That jurisdiction is hereby conferred upon the Court of Claims of the United States, notwithstanding the lapse of time or the statute of limitations, and the fact that George B. Gates was an employee of the United States as a draftsman at the Boston Navy Yard when he made his invention, and notwithstanding the provisions of the act of Congress approved June 25, 1910, and the amendatory act approved July 1, 1918, and notwithstanding the concluding clause of section 5 of the act of March 4, 1915, to return its findings of fact to Congress pursuant to Senate Resolution 262, Sixty-sixth Congress, agreed to February 9, 1920, in the claim of George B. Gates, No. 17320, now pending in the Court of Claims.

The PRESIDING OFFICER. That completes the call of the calendar.

THE PEANUT INDUSTRY (S. DOC. NO. 132)

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Federal Trade Commission, trans-

mitting a report of the commission, submitted, pursuant to Senate Resolution 139, to investigate an alleged illegal combination to fix the price of peanuts (71st Cong.), which was referred to the Committee on the Judiciary and ordered to be printed, with illustrations.

DOMESTIC VALUE—CONVERSION OF RATES

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the United States Tariff Commission, transmitting, pursuant to law, the report of the Commission on Domestic Value—Conversion of Rates (sec. 340, title 3, tariff act of 1930), which, with the accompanying report, was referred to the Committee on Finance.

EFFECT OF DEPRECIATED CURRENCIES—EXPORTS FROM THE UNITED STATES (PT. 3 OF S. DOC. NO. 90)

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the United States Tariff Commission, transmitting, in response to the requirements of that part of Senate Resolution 156 which refers to the subject of exportation, a report upon the effect of the depreciation in value of foreign currencies since the enactment of the tariff law of 1930, upon which the exportation from the United States of all the more important commodities, which, with the accompanying report, was referred to the Committee on Finance and ordered to be printed, with illustrations.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a letter in the nature of a memorial from Edward G. Boerger, president of the Edward G. Boerger Co., Logansport, Ind., remonstrating against the passage of the so-called Coolidge resolution, being the joint resolution (S. J. Res. 185) proposing an amendment to the Constitution of the United States providing for the election of President and Vice President, which was referred to the Committee on the Judiciary.

He also laid before the Senate a letter in the nature of a petition from Roy C. Toombs, Leavenworth, Kans., praying that he be granted a parole at as early a date as possible, which was referred to the Committee on the Judiciary.

He also laid before the Senate a resolution adopted by the South Side Woman's Christian Temperance Union, of Fort Scott, Kans., protesting against the resubmission of the eighteenth amendment of the Constitution to the States, and favoring the making of adequate appropriations for law enforcement and education in law observance, which was referred to the Committee on the Judiciary.

He also laid before the Senate a petition of sundry citizens of Atchison, Kans., praying that in the construction of a veterans' hospital at the Soldiers Home, Leavenworth, Kans., there be no discrimination against Kansas mechanics, and that mechanics be employed thereon residing in the first congressional district or at least within the State of Kansas, which was referred to the Committee on Finance.

He also laid before the Senate a letter in the nature of a petition from Arthur J. Vagg, of Newcastle, Colo., praying for the passage of an old age pension law, which was referred to the Committee on Pensions.

He also laid before the Senate a telegram from the Jewell County Farmers and Merchants Club, Esbons, Kans., stating: "Save farmers and business. Urge immediate resolution Farm Board hold surplus wheat until price reaches dollar and quarter. Remove threat of Farm Board surplus," which was referred to the Committee on Agriculture and Forestry.

He also laid before the Senate a communication from the Inalienable Rights Association, Miami, Fla., stating, in part, "We admonish Congress to remain in session to force through legislation, whatever is necessary, whatever that may be, to forestall the Money Trust from crushing the people," etc., which was referred to the Committee on Banking and Currency.

He also laid before the Senate telegrams in the nature of memorials from the Russian-American Anti-Communist League, of Detroit, Mich., signed by Nicholas Lambrin, and Russian Veterans of the World War, of Illinois, Wisconsin, and Indiana, signed by Jacques M. Lissovoy, commander, Chicago Post, Chicago, Ill., remonstrating against recognition of the Soviet Government of Russia, which were referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution adopted by the Convention of the American Federation of Musicians, at Los Angeles, Calif., protesting against dispensing with the services of musicians at the various national homes and substituting therefor various mechanical musical devices, which was referred to the Committee on Military Affairs.

He also laid before the Senate resolutions adopted by the Bellport, Long Island (N. Y.) Chamber of Commerce, favoring retrenchment in governmental expenditures, and protesting against the passage of legislation increasing the financial obligations of the Government or impairing the stability of the currency, which were ordered to lie on the table.

He also laid before the Senate resolutions adopted by the city councils of the cities of Palos Park and Geneseo, Ill., and the Business and Professional Women's Club, of Atlanta, Ga., favoring the passage of legislation authorizing a bond issue of not exceeding $5,000,000,000 to finance construction of public works and other improvements, so as to aid employment, which were ordered to lie on the table.

He also laid before the Senate a letter from Earle F. Ruther, of Chicago, Ill., submitting a plan for remedying the present economic conditions, which was ordered to lie on the table.

He also laid before the Senate an extract from a letter of September 7, 1931, received from John F. Ohmer, jr., vice president and Pacific coast manager of the Ohmer Fare Register Co., Dayton, Ohio, and major in the Cavalry Reserve Corps of the United States Army, submitting a plan for overcoming the present economic conditions by providing jobs with pay, which was ordered to lie on the table.

He also laid before the Senate a petition in the form of a resolution of sundry citizens and members of the Association of Commerce, of Quincy, Ill., praying for the balancing of the Budget through retrenchment in governmental expenditures, which was ordered to lie on the table.

He also laid before the Senate a letter in the nature of a petition from John Smithy, of Scranton, Pa., praying for the passage of legislation providing for the immediate payment of adjusted-service-compensation certificates (bonus) of World War veterans, which was ordered to lie on the table.

He also laid before the Senate a statement from Daniel C. Dennett, captain, legionnaire, of Winchester, Mass., opposing the immediate cash payment of the so-called soldiers' bonus and submitting his observations relative to bonus seekers, which was ordered to lie on the table.

He also laid before the Senate letters and telegrams in the nature of memorials from sundry citizens and organizations of the States of New York, Massachusetts, and Nebraska, remonstrating against the passage of the so-called Dies bill, being the bill (H. R. 12044) to provide for the exclusion and expulsion of alien communists, which were ordered to lie on the table.

He also laid before the Senate petitions in the form of letters, telegrams, and resolutions of sundry citizens and organizations of New Jersey, New York, and Washington, D. C., praying for the passage of the so-called Dies bill, being the bill (H. R. 12044) to provide for the exclusion and expulsion of alien communists, which were ordered to lie on the table.

He also laid before the Senate resolutions adopted by the convention of the American Federation of Teachers at Chicago, Ill., favoring the passage of legislation authorizing the Reconstruction Finance Corporation to make loans to States for and on behalf of municipalities, such as cities and school districts, for payment of salaries, also amendment of the so-called Wagner-Garner bill so as to provide aid temporarily to the several States to enable localities to maintain high educational standards, and also the passage of the said bill so as to make possible the feeding of thousands of American undernourished children, etc., which were ordered to lie on the table.

AGRICULTURAL DEPARTMENT REPORT ON MINERAL ACREAGE

Mr. THOMAS of Oklahoma. Mr. President, I am in receipt of a copy of a report (Senate Document 93, this session) from the Department of Agriculture made in response to Senate Resolution 377, which I offered last session. I consider this report of the utmost importance to the American farmer. It offers him new liquid assets and at the same time promises much for the stabilization of the oil industry and the orderly conservation of our mineral resources. It commits the Federal administration to the economic soundness of a new program of agricultural land policy. This report has been through the testing fire of economic criticism and has received favorable reaction from the National Land Use Conference, leading land economists, and, most significant, from individuals in high command of each of the three great American farm organizations.

This report should receive most favorable bipartisan consideration as it enunciates a policy for the relief of our farmers which was espoused by the honorable Vice President Charles Curtis in behalf of the Osage Indians a quarter of a century ago. This policy made the Osages the richest people per capita on the globe. Now, this report proposes a similar land policy for the enhancement of land values of farmers owning possibly 1,000,000,000 acres in the most stricken agricultural areas. It will eventually, if adopted, directly affect every State in the Union except a possible dozen and indirectly it will bring, I am confident, vast benefit to every State in the entire Nation, if suggestions here made are widely applied and encouraged. I hope that every Senator will carefully study this report and make its contents available to the farmers in his State.

For the first time in American history the Department of Agriculture recognizes as a farm crop the subsurface mineral rights of the farmer. In this report the department suggests methods whereby the farmer can figuratively extend the point of his plow to the cultivation of his subsurface acreage and control for his own greatest benefit those subsurface natural resources which he owns to-day but which, when they are exploited, rarely benefit him to any extent.

This report shows how, through cooperative pooling of mineral rights in potential oil and gas areas, every farmer in such areas can enhance the per acre value of his land just as the Farmers' Union members of Kansas and Oklahoma have done.

The report significantly says:

> Pooling increases the market value of mineral rights in a way analogous to that in which fire insurance increases the value of individual buildings. Whatever may be the normal probable ratio of the number of producing tracts to the total number of tracts—for instance, 1 to 20—the ratio will be more nearly realized, in the long run, if many tracts are considered.

In other words, if farmers in potential oil and gas areas have one chance in twenty of striking oil or gas on their lands as individuals, the application of the binomial theorem shows that where 100 such tracts are pooled the chances that one or more tracts will eventually strike oil are increased to 99 out of 100. This creates new values, new farm assets, by increasing the per acre value of those mineral rights.

The report says:

> The individual farmer, by pooling, substitutes a more stable for a less stable potential income.

In other words, pooling converts a gambler's risk into a business, liquefies frozen farm assets and fortifies the farmer's position. It gives him all the cake where heretofore he has had to be content with the frosting only. It inaugurates 2-dimension farming.

Records show that the Osages, by their collective bargaining power, have received an average of $150 per acre for their mineral leases while the average independent farmer receives an average of possibly $2.

This report covers 80 typewritten pages and represents a full year of study, research, investigation, and constructive criticism. It represents a new departure in our general land-use planning program.

I am proud that the entire history of this movement is of Oklahoma origin.

The potentialities of this movement were first called to my attention last year when two Oklahoma City citizens, Mr. Aldrich Blake and Mr. Ernest Chamberlain, proposed to me that the Senate ask the Bureau of Agricultural Economics to investigate and report on the extent and value of mineral acreage as a farm asset. Their request was supported by Mr. John A. Simpson, national president of the Farmers' Union. I also received interested inquiries from Mr. Chester Gray, of the Farm Bureau Federation. At the time Vice President CURTIS and Mr. Fred Brenckman, of the National Grange, expressed their interest in the proposed inquiry.

It is my understanding that it is now proposed to interest the three great farm organizations in the steps recommended to conserve for the American farmers the vast mineral resources which they now own but which represent frozen assets. With only a fraction of the success attained in the case of the Osage Indians, this movement may, as it gains momentum, liquidate thousands of delinquent taxes, pay interest on mortgages, and fortify the farmer against depressions in commodity markets.

A map which accompanies this report shows its applicability to vast areas in the South, in the West, the North, the East, and particularly in the vast midcontinent area.

Every Senator should study this map to see the application which the principles laid down in this report make to his own State. I am also appending to this statement estimates by States of the areas susceptible of adaptation to this pooling principle. If these estimates, quoted from responsible sources, are only 25 per cent correct, agriculture in America is in the position of a bankrupt merchant who has long been ignorant of a treasure chest under the floor of his establishment.

I confess that the magnitude of the possibilities which this investigation reveals was a complete surprise to me despite the enthusiastic espousal of the basic principles by those who first suggested this inquiry to me.

The report, moreover, but scratches the surface of the possibilities of farm relief by mobilization in the farmer's behalf of his frozen mineral resources. Millions in other mineral deposits are owned by farmers to-day, and managers of those pioneer pools now being formed are now aware of deposits of sulphur, gypsum, asphalt, and many other substances.

Instead of waiting for years for development of his own individual property and then selling out at the first opportunity in advance of actual development, the farmer, this report indicates, can put his mineral rights to work for him at once by participating, through his acreage, in development of active areas. The wildcat areas of to-day are the bonanza areas of to-morrow in mineral development. Neither the farmers nor the mining engineers can predict the future of oil development with any certainty.

I am glad that this report does honor to the name of John Palmer, of Pawhuska, Okla., now aging and blind. He is an adopted son of the Osages, who at the time of the allotment of the tribal lands contended against those who would divide the subsurface acreage along with the surface in the allotment to individual Indians. He declared that no one knew where oil and gas would be found on the reservation. He said:

> He who takes more than his fair share of the tribal wealth is a thief. He who takes less is a fool.

Senators, this is an Indian's version of the Golden Rule, which, if applied, might solve most of our economic difficulties.

With the aid of the Vice President, then representing Kansas in this body, the Osage mineral rights were pooled and held in common. As a result each member of the Osage Tribe has received $110,000, a total of $241,000,000; whereas their actual oil and gas production was less than that of many areas in which the farmers received little or nothing for their mineral rights.

This report shows that potential oil and gas areas of the United States are estimated by the American Petroleum Institute. Their report shows that structures and strata similar to those from which oil and gas are now produced cover 57 per cent of the area of the United States, mainly in agricultural areas. Farmers who pool their land will profit eventually from exploration, whether oil and gas are found or not, just as the Osages received most of their money, not from oil and gas but from lease rentals paid pending exploration. The report here suggests that pools in which tracts are selected for mineral potentiality should have greater prospects for success than the Osages, whose reservation was given to them without consideration of such possibilities, and, in fact, has produced less oil and gas than is found in many areas of similar extent.

This is not an untried theory. Farmers in Oklahoma, under the guidance of pools which are a part of the Farmers' Union activities, have led in the movement which is launched on a 10,000,000-acre program with mineral rights under more than a million acres already assembled in Oklahoma, Kansas, Texas, Colorado, and New Mexico. The report of the department shows how practically valueless mineral rights in these States have now achieved a per acre value of $15.32—page 44. The first of these pools, the Panhandle Cooperative Royalty Co., is reported as having a per acre appraised value of $28.14.

The only weakness of the report seems to lie in the fact that it has curtailed the recommendations of a tentative and unofficial draft which set forth a complete organization set-up. This was an adaptation of the plan in operation at the present time. I feel that committee hearings will bring out the definite plan which farmers should follow and make it possible for Congress to give some assistance.

We have argued long and earnestly over farm liabilities, farm debts, farm taxes. Here is the other side of the picture. Here is a new farm asset, frozen, unavailable to its owners under individual ownership. With the conservative background of approval from the agricultural economists of the Government this report offers the basis for creating new farm assets, values which never existed before.

Is it possible that we will adjourn with this opportunity before us and not take the obvious steps which will bid Godspeed to this new program for farm relief and economic stability?

Incidentally, the report asserts that the adoption of the pooling plan will add to the stability of the oil industry itself, promote greater conservation and unity of purpose on the part of land owners and producing operators.

VETERANS' RELIEF

Mr. WALCOTT. Mr. President, I ask unanimous consent to have printed in the RECORD, and that it may lie on the table, a very interesting and instructive article on veterans' relief published by the New York Trust Co.

There being no objection, the article was ordered to lie on the table and to be printed in the RECORD, as follows:

[The Index, published by the New York Trust Co.]

VETERANS' RELIEF—POSTWAR LEGISLATION AND INCREASED COSTS

In the Index of July, 1931, an article entitled "Rising Costs of Government" presented an analysis of the general upward trend of governmental costs since 1913. An article entitled a "Challenge to the American People," published in May, 1932, dealt generally with the current position and especially with the imperative need for drastic retrenchments in our governmental expenditures. In this and succeeding articles we propose to present and analyze separately the more important elements of governmental costs.

By far the largest single item in the Federal Budget at the present time is the cost of veterans' relief. Appropriations made this year for veterans' relief amounted to $928,387,795, or approximately one-fourth of the total Federal appropriations for all purposes.

Between 1918 and June 30, 1931, more than $6,000,000,000 was spent by the Federal Government in various forms of relief to veterans of the World War and their dependents and beneficiaries. State governments have spent for similar purposes more than $580,000,000. By 1945 the Federal Government will have spent $21,500,000,000 under existing relief commitments, according to the Administrator of Veterans' Affairs, who points out that the sum is equal to "the cost of this country's actual participation in the war." The commitments, however, will not be discharged by 1945, and before they are discharged the expense to the country, according to reliable estimates, will exceed the staggering sum of $100,000,000,000.

Year by year since the war ended the demands for relief have progressively widened. The immediate climax has been reached with the agitation for cash payment of adjusted-service compensation amounting to over $3,600,000,000. This sum is not due for payment until 1945.

COSTS MORE THAN "DOLE"

Postwar demands have increased enormously the cost not only of World War relief but of that in respect of other wars. Since 1930, for instance, pension payments in respect of the Spanish-American War have multiplied tenfold. Pensions are still being paid to widows of soldiers who took part in the War of 1812, as well as to survivors and relatives of veterans of the Civil, Spanish-American, Mexican, and Indian Wars. As of October 31, 1931, a total of $14,810,349,455 had been disbursed for relief of veterans of all wars, their dependents, or beneficiaries. Each year the costs increase.

The general tendency of postwar legislation has been to change the basis of veterans' relief by diverting increasing amounts to men who suffered no disability due to war service. Veterans' relief, in fact, as a result of this tendency, is in danger of becoming, in some respects, a thinly disguised "dole" system.

In a single year the United States now spends nearly twice as much for veterans' relief as the British Government spent in 11 years for its "dole" or unemployment insurance. As previously stated, appropriations made this year for veterans' relief aggregate $928,387,795. Between 1920 and 1931 Great Britain's unemployment scheme cost that country $525,000,000.

WAR-TIME PROVISIONS

To understand the present position it is necessary to trace the steps leading up to it. The United States entered the World War in April, 1917. The first American troops were landed in France at the end of June. By the time the armistice was signed our military forces numbered 4,355,000 officers and men. Of the total, 2,151,644, or a little less than half, served overseas. A considerable proportion of these took no part in actual fighting. Our total casualties, including 234,300 wounded, amounted to 350,300 officers and men, or 8 per cent of our total mobilized forces.

The American minimum pay was $30 a month. British infantrymen received approximately $7 a month. France paid her soldiers a minimum of $1.75 per month; the German pay was $3 a month; the Belgian, $2; and the Italian, $1.75. Moreover, making an allowance of $2 for daily maintenance, or total earnings of $90 monthly, American soldiers received a fair wage in comparison to the average American worker, who, according to the National Bureau of Economic Research, received about $89 monthly in 1918.

In addition, family allowances paid to American soldiers' dependents during the period of active service were at a higher rate than in any other country. Congressional appropriations for these allowances totaled $298,615,000. Another appropriation, amounting to $237,979,340, was made in 1919 to give each man on discharge, irrespective of length of service and whether he had been overseas or not, an immediate cash discharge fee of $60. This amount was larger than that paid by any other country to men with comparable length of service. Another $718,666,370 was spent between 1918 and 1925 for maintenance, support, and training of veterans trained and restored to civilian occupations under the Federal scheme for vocational rehabilitation. These three items alone accounted for a sum of $1,255,260,710.

WAR-RISK INSURANCE

Immediately after the United States entered the World War President Wilson and Congress took up the question of providing for those who suffered injuries or sickness and for the dependents of those who died here during active service. It was generally agreed that the evils of the Civil War pension system should be avoided, and with this object expressly in mind it was decided to develop a comprehensive governmental insurance scheme open to all persons engaged in the forces. Accordingly the war-risk insurance plan was enacted by Congress in October, 1917.

By this plan Congress undertook to grant, in the words of the first Director of the War-Risk Insurance Bureau, "governmental insurance to soldiers and sailors at a premium rate which took account only of the peace-time risk, leaving the whole cost of operation, the cost of disability benefit, the cost due to the war hazard to be borne by the country at large as part of the cost of the war." The original intention was to provide, in this way, allowances for death and disability "resulting from war service." From the start, however, the plan was somewhat wider, for it not only provided for death and disability resulting from war service but also gave policyholders the privilege, on termination of war service, of converting policies, on favorable terms, into any of the usual forms of Government life or endowment insurance.

Each member of the forces was permitted to take out war-risk insurance to a total amount of $10,000 at $8 per thousand. Drives were undertaken, at the expense of the Government, to familiarize all members of the forces with the program. Before the war ended more than 4,000,000 men and women in military service had taken out policies. As of June 30, 1931, disbursements under the plan amounted to $1,374,004,790, from which $450,000,000 may be deducted for premiums paid by policyholders themselves, leaving a net cost to the country, to the end of June last, of nearly a billion dollars. In addition, more than 640,000 policies have been converted into United States Government life and endowment insurance with a total value of more than $3,000,000,000.

COMPENSATION APART FROM INSURANCE

In addition to family allowances and the war-risk insurance plans, Congress, in 1917, passed legislation providing for:

1. Cash compensation to veterans for injuries or sickness contracted or aggravated during service, irrespective of whether the veteran had taken out war-risk insurance.

2. Cash allowances for widows and other dependents of those who died or were killed during or as a result of war service.

3. Medical, surgical, and hospitalization services for all disabled veterans whose sickness or injuries resulted in any degree from war service.

Under these provisions, disabled men have been and are paid various amounts according to the degree of disability, calculated on the basis of impairment of normal earning power. Payments are made for temporary or permanent, partial or complete disability in amounts ranging from $8 to $250 per month. In case of death, the veteran's widow receives $30 a month, with additional allowances for children. If the deceased veteran was unmarried, monthly allowances are paid to other dependents. The "compensation" allowances are in addition to those received under the war-risk insurance scheme.

As of October 31, 1931, 313,848 World War veterans were receiving compensation for disabilities, apart from that under the war-risk insurance scheme; compensation was also being paid to dependents of 96,787 veterans whose death occurred in or resulted from service in the World War. The cost of compensation, up to June 30, 1931, was approximately $1,800,000,000.

The intention of the various measures enumerated, according to William G. McAdoo, then Secretary of the Treasury, was to provide "a substitute for, and to make unnecessary future pension laws to cover this war." It was generally felt that passage of the various acts in 1917 provided just and equitable arrangements for the contingencies involved.

Shortly after the war, however, the compensation and hospitalization provisions were liberalized, and were applied not only to World War veterans but veterans and dependents of veterans of other wars. Subsequently, a series of "veteran relief" bills have been passed by Congress, sometimes over a presidential veto.

The general tendency of postwar liberalization has been to depart more and more from the original, fundamental principle that relief, whether in the shape of pensions, disability allowances, compensation, or hospital treatment should be granted, primarily, because of death or injuries actually due to war service. Moreover, "liberalization" has been extended to veterans of other wars. It is impossible here to detail all the amendments to former legislation which have resulted. A few representative examples may be noticed.

Pensions previously granted in respect of war-service disabilities to veterans of the Spanish-American War, the Philippine insurrection, the Boxer rebellion were allowed, by an act passed in 1920, to men suffering from mental or physical disabilities, irrespective of whether the disability was connected with war service. In addition, pensions were granted to such veterans over 62 years of age and with 90 days' service, whether suffering from disability or not. Under these provisions, the number of such pensioners increased from 30,432 in 1920, when the amendments were passed, to 235,463 in May this year. The cost of the pensions has been multiplied tenfold in 10 years and, at the present time, 30 years after the Spanish-American War, in number and amount, these pensions stand at the highest point ever reached.

Under the emergency officers' act, compensation was awarded for complete or partial disability, sometimes certified by lay witnesses only, to a number of former officers, some of whom were and are regularly employed by the governmental departments.

HOSPITALIZATION

Hospitalization facilities and benefits were made available to veterans of the Spanish-American War, the Philippine insurrection, and Boxer rebellion as well as to veterans of the World War in respect to certain ailments and diseases regardless of whether such ailments or diseases were due to military service or not. A series of "presumptive" acts, whereby it is presumed that diseases and injuries in general developed under certain conditions after discharge from the service might have originated in war service have further widened the scope of medical and hospital benefits. As a consequence of numerous "liberalizing" provisions in this respect, patients receiving free medical and hospital treatment have multiplied, the facilities for giving such treatment have constantly expanded, and the costs to the country have steadily risen.

In his report for the year 1931 the Director of the Veterans' Bureau pointed out that no less than 52 per cent of the cases in hospitals and 75 per cent of the recent admissions were in respect of non-service-connected disabilities. The director observed: "If it be the policy of our Government to furnish hospitalization to veterans of all wars, then the existing and authorized Government facilities will have to be widely and materially increased to meet future demands."

Illustrating the consequence of opening the hospitals to veterans with nonservice diseases and disabilities, it may be noted that whereas, in 1925, 63,569 out of 76,812 hospital admissions were in respect of service-connected disabilities, in 1931 the position was completely reversed, 86,850 out of 113,649 admissions being in respect of nonservice disabilities. In addition, during the year ending October 31, 1931, no less than 838,845 patients received free out-treatment and a total of 2,138,258 physical examinations were made for all purposes. As of June 30, last year, the cost of hospitalization and hospital construction, since 1919, amounted to $627,378,112.

COMPENSATION FOR NONSERVICE DISABILITIES

Postwar "liberalizing" amendments have also increasingly extended disability allowances and compensation to men who suffered no disability actually due to war service, while payments are often continued to men who have subsequently recovered from their disabilities.

At the close of last year 1,102,814 persons were receiving monthly veterans' relief allowances of one kind and another. Of this number 313,737 were veterans with service-connected disabilities, 326,395 were veterans whose disabilities were not connected with war service. Up to March 31, 1932—20 months after passage of a "liberalizing" law extending these disability allowances for nonservice disabilities—811,492 claims had been filed under it by veterans.

As to the present ratings, anomalies abound. The widow of a man killed in action in the World War receives $30 a month. The widow of a veteran of the Civil War who is past 70 and was married prior to 1905 receives $40 a month. A dependent mother of a soldier killed in the World War receives $20 a month. A man who served a month in the Army, saw no fighting, and contracted a disease for which he was court-martialed and which, after the war, developed into total permanent disablement, may receive up to $257.50 a month—more than twelve times the amount paid to a dependent mother of a man killed in action. In a group of over 300,000 cases it was found that men disabled in action receive an average of $39 a month, whereas men disabled by disease contracted in the United States averaged $48 a month.

The cost of disability allowances and compensation is the largest single item in the expenditures so far made in respect of relief to World War veterans and their dependents. At the end of February, this year, it amounted to $2,039,480,000. Extension of these allowances on account of nonservice disabilities threatens to increase the amount in the future.

"ADJUSTED COMPENSATION"

In 1924 Congress, over President Coolidge's veto, enacted the bonus bill, but not as originally proposed. The original suggestion was that $180 should be paid in cash to every ex-service man irrespective of length of service.

The sums to be paid were computed by allowing $1.25 for each day of overseas service and $1 a day for home service. The total amount of service credit for a veteran serving overseas was limited to $625 and the total amount to be paid to a veteran with no overseas service was limited to $500. Veterans who were entitled to not more than $50 were paid in cash immediately. Those entitled to more were given "adjusted-service certificates" in the form of a 20-year endowment insurance policy. The policy, in effect, was a promise to pay at death, or in 1945, such sum in 20-year endowment as the "adjusted-service credit" increased by 25 per cent would buy according to the age of the veteran in question.

Consequently the face value of the policy of "adjusted-service certificate" was and is considerably higher than the amount of the "service credit." For instance, a 30-year-old veteran with $625 due in "service credit" would receive a policy authorizing payment, on death or in 1945, of $1,577.50. Clearly, the "bonus" in this form was a much more substantial gift than a cash payment of $180 as originally proposed.

Up to October 31, 1931, the provisions of the World War adjusted compensation act had been extended to 3,865,276 veterans, or dependents of deceased veterans. Cash payments, where certificates were not issued, amounted to $41,756,940; awards on maturity of certificates by death amounted to $114,186,950; the total face value of certificates issued amounted to $3,600,595,339.

DEMAND FOR LOANS

Under the act of 1924 Congress was authorized to put aside $112,000,000 a year for 20 years to build up a "certificate fund" which, with these contributions plus compound interest, would amount at the end of the period to about $3,500,000,000. This sum, it was intended, should be available to pay off the certificates upon maturity.

Over President Hoover's veto, Congress, in February, last year, voted to permit loans up to 50 per cent of the face value of the certificates at the rate of 4½ per cent interest. By November 28, 1931, according to the Veterans' Administration, approximately 2,500,000 veterans had borrowed a total of $1,173,330,971.37.

The entire sum accumulated for the sinking fund on which the whole certificate plan was based has already gone in loans. In addition, more than $300,000,000 of the five hundred million and odd capital reserves of the United States Government life-insurance fund, to which veteran holders of war-risk insurance look for security, have also gone in loans.

Making the loans has, in effect, involved substitution of veterans' notes for obligations of the United States. The financial bases of the adjusted-compensation scheme and of the insurance fund alike have been weakened. Furthermore, immediate cash payment of what is not due until 1945 would mean the abandonment of the original arrangement to accumulate the amount by annual contributions plus interest.

In summation: The total cost of relief to veterans and dependents has been $14,810,000,000 for all our wars. The costs of Federal and State relief to veterans and dependents of veterans of the World War now totals between seven and eight billion dollars. Between the end of the war and June 30, 1931, $946,600,000 was expended in discharge fees and vocational rehabilitation; $1,800,000,000 in compensation allowances; about $1,000,000,000 in war-risk insurance claims; and $627,000,000 went for hospitalization.

In the meantime, among other measures, the bonus plan has been put in effect, and loans totaling $1,173,000,000 have been made against an eventual face value of certificates of $3,600,000,000. Finally, in the present fiscal year, $928,000,000, or one-fourth of the Nation's expenses and actually about one-half of its income, has been appropriated for veterans' relief.

CONSEQUENCES TO THE NATION

There is complete unanimity on the proposition that men who were disabled in war service and the widows and other dependents of men who died in war service should receive some fair measure of support from the Nation. There is, on the other hand, a wide divergence of opinion regarding the justice and advisability of the much broader legislation both passed and proposed. Avoiding such controversy, we have confined ourselves to the facts. However, we think it only proper to emphasize two conclusions obviously to be drawn from such facts: First, that the cost of veterans' relief while benefiting less than 5 per cent of the people, falls, through taxation, either directly or indirectly on all of the people; and, secondly, if the movement persists at the rate now indicated, far more burdensome taxation for all may be expected to result.

UNEMPLOYMENT INSURANCE (S. REPT. NO. 964)

Mr. HEBERT, from the Select Committee on Unemployment Insurance, pursuant to Senate Resolution 483, establishing a Select Committee to Investigate Unemployment Insurance Systems (71st Cong.), submitted a report.

PRINTING OF ADDITIONAL COPIES OF HOUSE REPORT NO. 2290

Mr. MOSES. Mr. President, from the Committee on Printing I report back favorably a concurrent resolution (S. Con. Res. 31), which I ask may be read, and I shall then ask for its present consideration.

The PRESIDING OFFICER (Mr. COUZENS in the chair). The concurrent resolution will be read for the information of the Senate.

The Chief Clerk read the concurrent resolution (S. Con. Res. 31) submitted by Mr. GLENN on the 8th instant, as follows:

*Resolved by the Senate (the House of Representatives concurring)*, That there be printed 5,000 additional copies of House Report No. 2290, Seventy-first Congress, of which 2,000 copies shall be for the use of the Senate document room, and 3,000 copies for the use of the House document room.

Mr. LA FOLLETTE. Mr. President, what document is it that is involved?

Mr. MOSES. It is the so-called Fish report. A resolution was introduced by the Senator from Illinois [Mr. GLENN] for the printing of the document. The supply has been completely exhausted and there have been a great many demands for it, both upon the Senate document room and the House document room.

Mr. LA FOLLETTE. How many have been printed up to this time?

Mr. MOSES. The regular number plus $200 worth. The regular number is 1,396. Then the chairman of the Joint Committee on Printing is authorized always to issue an order for $200 worth more.

Mr. LA FOLLETTE. How much is the cost of printing the 5,000 additional copies?

Mr. MOSES. I can not say. It is plate work, and the plates are already in existence.

Mr. LA FOLLETTE. I thought it was customary for the Committee on Printing to get estimates.

Mr. MOSES. Yes; for the printing of the original document, not for a reprint.

Mr. LA FOLLETTE. I ask that the resolution go over without prejudice and I will confer with the Senator from New Hampshire.

The PRESIDING OFFICER. The concurrent resolution will be passed over without prejudice.

MINING OF COAL ADJACENT TO THE ALASKA RAILROAD

Mr. BINGHAM. Mr. President, the bill (H. R. 12281) to encourage the mining of coal adjacent to the Alaska Railroad in the Territory of Alaska, and for other purposes, has been referred to the Committee on Territories and Insular Affairs. I ask unanimous consent that that committee may be discharged from the further consideration of the bill and that it be referred to the Special Select Committee to Investigate the Alaska Railroad, which was created some time ago.

The PRESIDING OFFICER. Without objection, that order will be entered.

Mr. HOWELL subsequently, from the Special Select Committee to Investigate the Alaska Railroad, to which was referred the bill (H. R. 12281) to encourage the mining of coal adjacent to the Alaska Railroad in the Territory of Alaska, and for other purposes, reported it with an amendment and submitted a report (No. 965) thereon.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

Mr. VANDENBERG (for Mr. WATERMAN), from the Committee on Enrolled Bills, reported that on to-day, June 30, 1932, that committee presented to the President of the United States the following enrolled bills and joint resolution:

S. 772. An act to authorize the Secretary of Agriculture to sell the Morton Nursery site, in the county of Cherry, State of Nebraska;

S. 1030. An act for the relief of John A. Pearce;

S. 2242. An act granting six months' pay to Louis Soluri; and

S. J. Res. 188. Joint resolution amending the joint resolution providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska, approved June 6, 1932.

TEMPORARY AID TO AGRICULTURE

Pursuant to permission previously granted, Mr. NORBECK (late in the evening of June 29, 1932) introduced a bill (S. 4940) to provide temporary aid to agriculture for the relief of the existing national economic emergency, which was read twice by its title and referred to the Committee on Agriculture and Forestry.

BILLS INTRODUCED

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

By Mr. COPELAND:

A bill (S. 4941) to amend the act to exclude and expel from the United States political refugees, approved October 16, 1918, as amended by the act approved June 5, 1920; to the Committee on Immigration.

By Mr. ROBINSON of Indiana:

A bill (S. 4942) granting an increase of pension to Alice Hamilton (with accompanying papers); and

A bill (S. 4943) granting an increase of pension to Mary P. Noble (with accompanying papers); to the Committee on Pensions.

PER DIEM COMPENSATION AT GENEVA CONFERENCE, ETC.

Mr. BORAH. Mr. President, I desire to introduce a joint resolution. It seems that sections 207, 208, and 803, Part II, of the act making appropriation for the legislative branch of the Government, limited all per diems of parties employed by the Government abroad to $6 a day. The Secretary of State has sent me a joint resolution modifying that provision so far as the Geneva conference and the coming radio convention are concerned. It appears that arrangements were made with certain individuals who are now in attendance upon the Geneva conference and who will be in attendance upon the radio convention, in which certain per diems were agreed upon, and I introduce a joint resolution, therefore, providing that the terms of the act be modified so as not to include those in attendance upon the two conventions referred to.

The joint resolution (S. J. Res. 190) concerning the expenses of participation by the United States in the General Disarmament Conference at Geneva and in the International Radiotelegraph Conference at Madrid was read twice by its title and referred to the Committee on Foreign Relations, as follows:

*Resolved, etc.*, That the provisions of sections 207, 208, and 803 of Part II of the act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes, shall not be applicable to the appropriations made for participation by the United States in the general disarmament conference in Geneva, Switzerland, in 1932, nor in the conference for the revision of the international radiotelegraph convention of November 25, 1927, to be held in Madrid, Spain.

Mr. JOHNSON. Mr. President, will the Senator tell us how much we have appropriated for the Geneva conference?

Mr. BORAH. I do not recall the amount, but I recall it was a large sum.

Mr. JOHNSON. The junior Senator from Indiana [Mr. ROBINSON], sitting in front of me, suggests that it was about $500,000. I think we can conclude, if it was $500,000, which I do not think is entirely the fact, that $499,000 has been wasted.

Mr. BORAH. I will not debate that question with the Senator until after the conference ends.

Mr. BORAH subsequently said: Mr. President, this morning I introduced a joint resolution (S. J. Res. 190). Since that time I have polled the Committee on Foreign Relations, all those who are available, and I now report back the joint resolution favorably and ask for its immediate consideration.

The VICE PRESIDENT. Let the joint resolution be read for the information of the Senate.

Mr. ROBINSON of Arkansas. Mr. President, before the joint resolution is reported I wish to say that I support the request of the Senator from Idaho.

The Chief Clerk read the joint resolution.

Mr. McNARY. Mr. President, I think the Senator should make a brief explanation of the resolution.

Mr. BORAH. I made an explanation this morning. The appropriation bill to which this refers limits the per diems to $6 for those who are engaged in the affairs of the Government, such as the commissions which are mentioned in the joint resolution. I have a letter from the Secretary of State stating that the conditions under which those people accepted appointments on the commission would make it practically a violation of the obligation of the Government as it was entered into. I ask to have the letter inserted in the RECORD at this point.

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

JUNE 28, 1932.

The Hon. W. L. JONES,
*United States Senate.*

MY DEAR SENATOR JONES: Under date of June 21, 1932, I wrote you proposing an amendment to the pending deficiency bill, to read somewhat as follows:

"The provisions of sections 207, 208, and 803 of part 2 of the act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes, shall not be applicable to the appropriations made for participation by the United States in the General Disarmament Conference in Geneva, Switzerland, in 1932."

You will doubtless recall that this suggestion was made in order that the members of the American delegation now present at the General Disarmament Conference at Geneva might continue to receive per diem in lieu of subsistence at the rates which have been paid them since the opening of the conference. I pointed out that the reduction of all per diems of the delegation to $6, as provided for in the bill making appropriations for the legislative branch of the Government (H. R. 11267, pt. 2), would subject the members of the delegation to serious loss and would be bound to work grave injustice.

I am now informed by Mr. Carr, Assistant Secretary of State, that at a hearing before your committee yesterday morning a similar question was raised with reference to the restriction of the rates of per diem for the International Radiotelegraph Conference, which will open at Madrid on September 3, 1932. I believe that Mr. Carr told you how difficult, if not impossible, it is for us to secure the services of the experts whom we need at this conference if they are to be limited to a per diem of $6, and in such case inevitably called upon to spend extensively of their own funds.

I understand that you requested that the department submit to you a draft of a joint resolution which would exempt the American delegations to both these conferences from the restrictions as to per diem to which I have referred above.

It is a pleasure for me, in compliance with your request, to inclose a draft of a joint resolution intended to carry out this purpose. I wish in this connection to point out that the enactment of the resolution would not require any increase whatsoever in appropriations but would merely make possible the utilization of available funds in a manner calculated to fulfill efficiently the very purposes for which these funds were appropriated.

Sincerely yours,

H. L. STIMSON.

Mr. JONES. Mr. President, may I say that this grows out of the economy bill which we passed, which limits the per diems of foreign representatives to $6 a day. It was not intended to affect commissions like those referred to in the resolution, but only the ordinary per diems for our agents or representatives in foreign countries. I think it but fair and proper that the resolution should be adopted.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the joint resolution (S. J. Res. 190) was considered, ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT TO PHILIPPINE INDEPENDENCE BILL—DUTY ON BUTTONS OF PEARL OR SHELL, ETC.

Mr. DICKINSON submitted an amendment intended to be proposed by him to House bill 7233, the Philippine independence bill, which was read, ordered to lie on the table, and to be printed, as follows:

Amendment intended to be proposed by Mr. DICKINSON to the bill (H. R. 7233), page 28, line 17, insert new section as follows:

"There shall be levied, collected, and paid on all buttons of pearl or shell, finished or partly finished, and on all pearl or shell button blanks, not turned, faced, or drilled, coming into the United States from the Philippine Islands in any calendar year in excess of a collective total of 800,000 gross of all such articles hereinbefore enumerated, the same rates of duty which are required by the laws of the United States to be levied, collected, and paid upon like articles imported from foreign countries."

SPECIAL SELECT COMMITTEE TO INVESTIGATE THE ALASKA RAILROAD

Mr. KENDRICK. Mr. President, I ask unanimous consent to submit a resolution. I ask that it may be read and I shall then ask consent for its immediate consideration.

The PRESIDING OFFICER. Without objection, the resolution will be received and read for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 257), as follows:

*Resolved*, That Senate Resolution 298, agreed to July 1, 1930, and continued by resolution of January 16, 1931, authorizing a special committee to investigate the operations, economic situation, and prospects of the Alaska Railroad, hereby is continued in full force and effect until December 4, 1933.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

MIGRATORY BIRD CONSERVATION

Mr. WALCOTT. Mr. President, I ask unanimous consent for the immediate consideration of Calendar 783, the bill (S. 4726) to supplement the migratory bird conservation act by providing funds for the acquisition of areas for use as migratory bird sanctuaries, refuges, and breeding grounds, for developing and administering such areas, for the protection of certain migratory birds, for the enforcement of the migratory bird treaty act and regulations thereunder, and for other purposes.

The PRESIDING OFFICER. Is there objection?

Mr. BLAINE. I object.

The PRESIDING OFFICER. Objection is made.

PHILIPPINE INDEPENDENCE

The Senate resumed the consideration of the bill, H. R. 7233, to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands, to provide for the independence of the same, and for other purposes.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

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

| | | | |
|---|---|---|---|
| Ashurst | Black | Brookhart | Caraway |
| Austin | Blaine | Broussard | Carey |
| Barbour | Borah | Bulow | Coolidge |
| Bingham | Bratton | Capper | Copeland |

| | | | |
|---|---|---|---|
| Couzens | Hebert | Norris | Steiwer |
| Davis | Howell | Nye | Thomas, Idaho |
| Dickinson | Johnson | Oddie | Thomas, Okla. |
| Fletcher | Jones | Patterson | Townsend |
| Frazier | Kean | Pittman | Trammell |
| George | Kendrick | Reed | Vandenberg |
| Glenn | Keyes | Robinson, Ark. | Wagner |
| Goldsborough | La Follette | Robinson, Ind. | Walcott |
| Hale | McGill | Schall | Watson |
| Hastings | McNary | Sheppard | White |
| Hatfield | Metcalf | Shipstead | |
| Hawes | Moses | Shortridge | |
| Hayden | Norbeck | Smoot | |

The PRESIDING OFFICER. Sixty-five Senators having answered to their names, a quorum is present. The question is on the amendment offered by the Senator from Michigan [Mr. VANDENBERG].

Mr. VANDENBERG. Mr. President, I do not care to repeat my explanation of the pending amendment other than to inform the Senate in a sentence or two as to its purpose. Under the plan of economic preparation submitted in the pending Hawes-Cutting bill there is a period of 10 years in which there is no attempt made to reduce the amount of Philippine exports into our free market. The entire process of progressive economic preparation under the pending Hawes-Cutting bill is confined to the final five years of the 15-year period. I am submitting an amendment to the Senate on the theory that if that economic preparation is to be adequately undertaken in serious earnestness, and with an actual purpose to accomplish economic self-sufficiency, the process should start sooner than 10 years, and the pending amendment proposes to start it in 5 years.

From the viewpoint of those American interests which are primarily concerned in a defense of American markets against what they believe to be the hazard of Philippine imports, the standpoint of these particular interests having been highly stressed by the authors of this measure, I submit that the pending amendment makes the Hawes-Cutting bill more acceptable rather than less so. That, however, is not the motivating purpose behind its submission, so far as I am concerned. My purpose is to make this period of economic preparation livable for the Filipinos themselves and at the same time sufficiently practical in all its economic phases to produce an actual net result at the end of the period which through economic self-sufficiency will permit successful independence at that time.

I call the attention of the Senate to the fact that under the terms of the pending bill the ultimate restriction upon Filipino exports into the free market of the United States becomes only 25 per cent of our existing tariff rates. In other words, the transition at the end of the 15-year period or the 16 or 17 year period, as it may happen to develop—the native transition at that final moment is from an inhibition of 25 per cent to an inhibition of 100 per cent; in other words, the jump in the finale of this program is from a prohibition against 25 per cent of our free market to a prohibition against 100 per cent of our free market.

I submit, Mr. President, that this final 75 per cent jump—sudden, summary, at the very moment when this new republic is undertaking to establish itself and is beset by a multitude of burdens and other responsibilities—is an unlivable change for which preparation is entirely inadequate, and that, from the point of view of the Philippine experiment itself, it is far better that this progressive economic preparation should come nearer to a simulation of the same conditions which must be subsequently confronted under their own free flag. Therefore, Mr. President, I submit the amendment as indicated.

Mr. BINGHAM. Mr. President, I should like to ask the Senator from Michigan just what the last line of this proposed amendment means. It is easy to understand the first four lines, which read:

During the sixth, seventh, eighth, ninth, and tenth years after the inauguration of the new government, the commodity exemptions defined in subsections a, b, c, d, and e of this section shall be reduced 25 per cent.

And then the amendment provides that:

The rates of duty shall be administered on this basis.

What rates of duty?

Mr. VANDENBERG. The rates of duty which apply to commodities in excess of the exemptions. The language is precisely the language which is used in the preceding section.

Mr. BINGHAM. The amendment reported by the committee reads:

During the eleventh year after the inauguration of the new government the export tax shall be 5 per cent of the rates of duty—

Does the exemption which the Senator has provided extend to the eleventh year, the twelfth year, and so forth?

Mr. VANDENBERG. It does.

Mr. BINGHAM. I thank the Senator. In other words, Mr. President, what this amendment proposes to do is to change the theory established in the bill as reported from the committee, which gives a period of some 10 years for economic adjustment during which we fix the amount of free imports practically at quantity now being imported. The amendment changes that theory, and after five years the exemptions are cut down by 25 per cent. The amendment is based on a very different theory than that on which the bill is constructed, and, therefore, I hope the amendment will not be adopted.

If the Senator had proposed a sliding scale of duties, so that the squeeze would come gradually, it would be more in line with the theory which he himself has advocated; but after five years he jumps it immediately and reduces the amount of the free imports by 25 per cent and continues that percentage for the next five years.

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

Mr. BINGHAM. I yield.

Mr. VANDENBERG. I quite agree with the Senator that the theory of this amendment is not in complete harmony with a program for continuous, progressive, and regular Filipino export reductions. That theory, however, is submitted completely and with mathematical correctness in my substitute. I found it impossible to raise that question in respect to the text of the bill itself, except in the fashion I have here indicated, unless I undertook to rewrite the bill entirely.

Mr. BINGHAM. I wish the Senator would submit his substitute and permit us to vote on it, instead of tinkering with the bill, which the committee in very full sessions and after long study finally put into shape. However, I will refrain from making any further remarks, Mr. President, hoping that the amendment may be submitted and may be defeated.

Mr. HAWES obtained the floor.

Mr. VANDENBERG. Mr. President, will the Senator from Missouri permit me to make just one observation in response to the last remark of the Senator from Connecticut?

Mr. HAWES. I yield.

Mr. VANDENBERG. I would be quite satisfied to submit the entire issue upon my substitute alone, as is indicated would be the preferable course from the viewpoint of the Senator from Connecticut, if it were not for the fact that I have no illusions respecting the ultimate fate of that substitute. The Senator from Missouri himself has repeatedly advised the Senate of the overwhelming majority which is awaiting the roll call upon the bill as it now stands. Therefore, since I conscientiously believe that the bill as it now stands can and most emphatically should be improved, even though it can not be brought to the full measure of my own approval, it seems to me that it is my duty to undertake these corrections, or at least to give the Senate an opportunity to pass upon them. I thank the Senator from Missouri for his courtesy.

Mr. HAWES. Mr. President, it is impossible to pass upon these amendments submitted by the Senator from Michigan one at a time; and I think it is desirable that the Senate

should know something about the history of the bill now before it.

The amendment to the bill before the Senate, H. R. 7233, was prepared for the committee after long hearings by the Legislative Counsel of the Senate. The Senator from Michigan [Mr. VANDENBERG] discussed before the committee everything that he is now discussing before the Senate, and he stood absolutely alone. He was the only one of the 15 members of the committee who advocated a plan which is impossible of execution and which is unconstitutional.

That bill, in my opinion, is a legislative monstrosity. I call the attention of Senators to it. It proposes that the Filipino people must put burdens upon their backs at certain periods, and if they fail to add to their tax burdens they may not have independence.

Mr. ROBINSON of Indiana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Indiana?

Mr. HAWES. I do.

Mr. ROBINSON of Indiana. The Senator spoke of the bill as being a monstrosity. I hope he did not have reference to the bill which is now under consideration.

Mr. HAWES. I have reference to the Vandenberg substitute.

Mr. ROBINSON of Indiana. I thought the Senator had reference to the substitute.

Mr. HAWES. Let us see the difference. The substitute is designed to defeat independence. I am suspicious of the bill because I believe its inspiration came from the Insular Affairs Bureau of the War Department. See what it does:

There are five different ways in the bill to prevent independence. It proposes, if the Filipino legislature during the fifth year shall fail to petition for a decrease in the amount of duty-free sugar, coconut oil, and cordage they shall lose their independence.

The customary way of passing a law is for Congress to act, either for a measure or against a measure; but the proposal of the Senator from Michigan is that the law is not complete until the Legislature of the Philippines acts. It is not Congress putting on a tariff duty each five years. It proposes that the Legislature of the Philippine Islands each five years shall approve or disapprove of an increase in duty.

I know of no similar act of Congress where a foreign nation or a dependency, by its veto power or its approval, in effect enacts a law for the Congress.

It is a brutal thing to do to say to the people of the Philippines by this bill, "In this year you must vote for a tariff duty, and if you do not vote to put a burden upon yourselves, you may not have your independence," and then wait another period of five years and again ask the Philippine Legislature to impose an additional burden upon the Filipino people, and each time the legislature is told that if it does not do this thing the islands lose their independence. Think of the turmoil, the confusion, the uncertainty, both in the Philippines and in the United States, while this process of determination is going on in the Philippines—not in the Congress of the United States but in the Legislature of the Philippines.

Mr. ROBINSON of Indiana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Indiana?

Mr. HAWES. I do.

Mr. ROBINSON of Indiana. Is it true, I ask the Senator from Missouri, that the Committee on Territories and Insular Affairs held various meetings which were always well attended; that practically all the members of the committee were present from both sides of the Chamber, and various portions of the bill, section by section, were carefully discussed; that everybody was permitted to have his say; that the various matters that are now sought to be interpolated as amendments were before that committee and were thoroughly argued, the best arguments available being brought to bear on each and every one, pro and con; that after the fullest discussion all of the matter contained in the so-called Vandenberg substitute was discarded, and the bill as it now appears before the Senate as a substitute for the House bill represents the unanimous opinion of the members of the Committee on Territories and Insular Affairs on both sides of the Chamber save only the Senator from Michigan [Mr. VANDENBERG] and the Senator from Utah [Mr. KING], who desires immediate independence?

Is not that true? The question is a rather long one, but I ask the Senator if it is not true.

Mr. HAWES. The Senator is entirely right. Not only did we have a full attendance, but every feature of this bill was discussed. That very distinguished and able young lawyer, Mr. Boots, of the Legislative Counsel's office, when we had interpreted a section, revised it, and we considered it over and over again.

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

Mr. HAWES. Just a second. Not only is that so, but there was not a single member who favored what might be called Senator VANDENBERG's substitute, and the legal question was raised in the committee that the Congress of the United States can not delegate to the Legislature of the Philippines the enactment of laws for the American Congress. That is the reason why I was interested to inquire whether this bill had ever been submitted to the legislative counsel of the Senate, and I found that it was not.

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

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Louisiana?

Mr. HAWES. I yield.

Mr. BROUSSARD. The Senator is quite correct in saying that so far as my attitude is concerned—because I am included when reference is made to every member of the committee—I voted against the Vandenberg substitute; but I think the statement made by the Senator from Indiana does not accurately describe my action with reference to the length of time intervening before independence, and the limitation on importations to this country, and in regard to the duties imposed under this bill. I objected to all three of those matters and stated to the committee that I would take them to the floor, and that was understood. I think the Senator from Missouri will bear me out on that.

Mr. HAWES. The Senator from Louisiana is correct. Since we are getting into the matter of the committee, I will say that the committee took up the element of time and voted, as I recollect, upon three periods. The first was the period suggested by the Senator from Utah [Mr. KING] of 4 years; then the suggestion of the Senator from Louisiana [Mr. BROUSSARD] of 5 years, and then the suggestion of 10 years. The bill of the Senator from Michigan was for 20 years; and on a roll call, as I recollect, there were only 3 votes in the committee opposed to the 15-year period and none in favor of the proposal of the Senator from Michigan of 20 years.

Mr. ROBINSON of Indiana. Mr. President——

Mr. HAWES. I yield to the Senator from Indiana.

Mr. ROBINSON of Indiana. Just this further interruption: I think there is no question but that all the Senator says is true. I do not think anybody expects any of these various amendments to be adopted by the Senate. Without suggesting any evil motive on the part of any Member of the Senate—I would not go into that, or question any Senator's motives—I do not think there is any expectation on the part of any Member of the Senate that any of these amendments will be adopted by the Senate. That being true, in the closing days of the session, when we are about to adjourn, one naturally imagines that the reason for their being discussed at length and interjected at this time would be to make impossible the passage of the bill.

Mr. HAWES. I will say to the Senator that in my opinion that is obvious.

Mr. ROBINSON of Indiana. Exactly; and to force the bill over to December. In other words, those proposing the amendments evidently are not very anxious for Philippine independence under any circumstances; but we shall have to take the situation as it arises and face it as it comes, and

sooner or later the bill will be passed. I think the best bill that we can pass is the bill that has been submitted by the eminent Senator from Missouri, Mr. HAWES, and his equally eminent colleague from New Mexico, Mr. CUTTING.

Mr. SHORTRIDGE. Mr. President——

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

Mr. HAWES. I yield to the Senator; but I should like to express my very deep regret that the Senator from New Mexico [Mr. CUTTING], the coauthor of this bill, is ill and can not be here.

Mr. SHORTRIDGE. Mr. President, I rise merely to make an inquiry.

In view of what has been said as to action taken by the committee, as the bill now appears, how long will it be before independence will come to the Philippine people?

Mr. HAWES. Does the Senator mean under the Vandenberg bill?

Mr. SHORTRIDGE. Assuming that the provisions are complied with or carried out, how long will it be? Will we all be dead? How long will it be? I ask, not to provoke controversy, but I merely wanted that stated.

Mr. HAWES. The House bill—that is the best way to compare this—and the Senate bill run for a period of years with a limitation of output in which the committee has tried to arrive at the status quo. The House bill gives independence in eight years.

Mr. SHORTRIDGE. Eight years from the passage of the act?

Mr. HAWES. Yes; and the adoption of a constitution by the Philippine people.

Mr. SHORTRIDGE. Assuming that they carry out the provisions of the House bill, eight years would intervene before independence?

Mr. HAWES. That is right. In the Senate bill we have made the period of limitation 10 years, and at the expiration of 10 years a tariff duty begins and runs for 5 years.

Mr. SHORTRIDGE. Pardon me if I make that clear. So that from the passage of the act, for 10 years, the tariff does not apply.

Mr. HAWES. But a limitation takes effect immediately.

Mr. SHORTRIDGE. Yes; and then after the 10-year period, a 5-year period follows. What, in regard to tariff legislation, as to that later period?

Mr. HAWES. The duty begins each year and is increased each year for the 5-year period.

Mr. SHORTRIDGE. May I just add this thought: Personally for many years I have favored the independence of the Philippine people, and my present regret is that a bill could not have been framed and enacted to give them complete independence within, say, 1, 2, 3, or 4 years. My great regret is that the bill does not give earlier independence to the Filipino people.

Mr. HAWES. Mr. President, the Senator from Michigan indicated that some uncertainty would be produced because of this apparent change each year in five years. The philosophy of this bill is that it sets out definitely 10 years in advance what will happen in each of these five years. The proposal of the Senator from Michigan is not certain and clear as that and makes it all dependent upon the act of the Legislature of the Philippines and not upon the act of the Congress of the United States. There is no possible way of understanding the series of six amendments; it can not be done, unless they are all considered at the same time. The Senator from Michigan has a bill, a substitute bill, which embodies his philosophy, his thought on the subject. Why can he not let his substitute come before the Senate and let the Senate decide whether they want it or not, not in sections, not in driblets, not in six amendments, but in one document, so that the whole philosophy of that bill may be understood? When it is understood, I venture the assertion that it will be decided, as the Senator said, adversely.

Why he should bring in six different amendments, when all of this matter is covered in one substitute, is something that I can not understand.

Mr. ROBINSON of Indiana. And, may I add, was thoroughly discussed before the committee with the full membership present.

Mr. COPELAND. Mr. President, the discussion we have heard on this bill this morning, it now being 12.50 o'clock p. m., makes it plain and it must be evident that this is not a Philippine independence bill we are discussing. This bill and all of its amendments can not give any encouragement and consolation to the Filipinos. There is nothing back of these measures except sordid selfishness. We are seeking to protect the sugar interests and the oil interests and the lumber interests and the cotton interests. We want to put a tariff on hemp and on other products coming from the Philippines. We are not interested in the independence of the Filipinos. We are interested in the financial and selfish economic interests of the United States.

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

Mr. COPELAND. I yield.

Mr. PITTMAN. That might be the opinion of the Senator from New York, but I do not wish to sit here, even at the expense of aiding him in his address, and be committed to that.

I assure the Senator that the committee, and every member of the committee, including the Senator from Michigan, gave as much consideration to the welfare of the Filipino people as they did to the welfare of the American people. While there was a difference of opinion as to methods, I wish, in defense of the committee, to state that that sentiment did move them all the way through.

I call attention to the fact that there are two interests to be conserved. One of them is the interest of the Filipinos, to whom we are under obligation by reason of our trusteeship, and the other is the interest of our own citizens. We have tried to meet both.

When this bill attempts to reduce the immigration from the Philippine Islands it can not be called a selfish proposition, because there is a great migration from the Philippine Islands at a time, I will say to the Senator, when we have more laborers in this country than we need, at a time when there are probably 10,000,000 idle people here.

Mr. COPELAND. May I interrupt the Senator there? When does the Senator propose stopping the migration of the Filipinos to the United States?

Mr. PITTMAN. I will say to the Senator that, in my opinion, and I believe in the opinion of nearly all of the committee, it could not be accomplished while the Filipinos are under the sovereignty of the United States, except by their consent and approval.

Mr. COPELAND. Let me interrupt the Senator again. As a distinguished Democrat, as a member of the party which will take control of the Government next year, does the Senator believe that our party is so impotent that it can not reestablish the economic prosperity within the period of 15 years?

Mr. PITTMAN. Oh, no.

Mr. COPELAND. It might well be, then, that we might have a place for some Filipinos and for some other people when we have economic prosperity.

Mr. PITTMAN. That may be true, and I think it will be, but we are dealing right now with a great many emergencies; and Congress, time and time again, have shown that they will not tolerate the imposition of restrictions on a people whom we dominate, who are under our sovereignty, without their consent or approval.

Mr. COPELAND. Then, if I may ask the question, is this an immigration restriction bill? Are we going to alienate sovereignty over the Philippines so as to keep the Filipinos out and prevent them from coming in as immigrants? If so, why do we wait 15 years? We have an economic depression now.

Mr. PITTMAN. If the Senator had been on the committee instead of writing a treatise on law, he would have known our viewpoint.

Mr. COPELAND. If the committee had given some thought to the law instead of writing theses on immigra-

tion restriction, I think perhaps we might have made more progress.

Mr. PITTMAN. We were unfortunate in not having a doctor on the committee.

I do not wish to criticize the position taken by the Senator from New York with regard to the constitutional question, but I simply wanted to rise to state that it is not a selfish question in the narrow sense of that word. All questions are selfish, of course, in a sense. Our committee have tried to protect the interests of both sides as fairly as we could. We know that the Congress of the United States are not going to subject any people we dominate, under our sovereignty, to the restrictions of our tariff laws or our immigration laws. That has been demonstrated.

The argument that we could not suddenly throw the Filipinos on their own absolute independence was appreciated not only by every member of the committee but also by the representatives of the Filipino people themselves. Therefore we had the two problems to face, our duty to the Filipino people, in the first place, and in the second place, our duty to our own citizens.

The Filipino people recognized the fact that under the conditions of unemployment in this country, which may last for a long time, it was injurious to us to have an influx of people from their country. As I have said, they agreed to the restriction of 100 a year from the very time we give them autonomous government, and they did it gladly. That is the only way we can get it that is honorable. They also agreed to another thing, I will say to the Senator. Knowing that the Congress would not impose any restrictions on their commerce as long as they were under our domination, but realizing the situation, they agreed that they would not increase their exports to this country of the three major products, and that on all of the natural increase of the production of the Philippine Islands they would pay our rates of tariff.

They went further than that; they agreed that on all in excess of a certain status quo of exportation to this country they would put an export tax equal to our duty, and put that in a special fund to pay off their bonds, so that our moral responsibility, if not legal, would be met.

They not only did that, but while they agreed to the restrictions on themselves in the payment of tariffs above the quota, they agreed to let all of our exports to the Philippine Islands go in free during the whole time until independence was finally granted. So I say that while there was selfishness in this such as every man has, it was a very modulated selfishness in which we tried to meet the wishes of both sides.

The committee gave most careful and serious attention and consideration to the matter. I agree with the Senator from Connecticut [Mr. BINGHAM], chairman of the committee, and I agree with the Senator from Missouri [Mr. HAWES], one of the authors of the bill, that there is only one question here and that is the theory and the thought suggested by the Senator from Michigan [Mr. VANDENBERG] and the theory and the thought suggested by the committee. We can not frame the bill here on the floor of the Senate by cutting down on days and months and years in this section and on the amount of exports and imports. We have spent a long time considering those matters. Those in favor of the theory of the Senator from Michigan ought to vote against the bill. Those in favor of the theory of the bill ought to vote down every amendment because they have got to trust to the working out of the matter by the committee, and then let the issue come squarely between the two theories.

Mr. BORAH. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Idaho?

Mr. COPELAND. I yield.

Mr. BORAH. The feature of this bill about which I have thought most is the length of time elapsing between the passage of the bill and independence. Sometime, though I do not care to trespass upon the time of the Senator from New York now, I would like to have an expression of view by the Senator from Nevada as to why it is necessary to extend the time over such a long period.

Mr. COPELAND. I shall be very glad to yield the floor for that purpose now.

Mr. PITTMAN. No; I would rather we come to a vote on the amendment and get that matter cleared up first. Let us get it down to a direct issue between the two views. I think we will not have any undue delay. I would be very happy to explain to the Senator from Idaho and others the reasons which actuated us, and then he can use his own judgment as to the weight to be attached to our reasons.

Mr. COPELAND. Mr. President, the Senator from Nevada made rather a facetious reference to the lack of a doctor. I can not readily find the reference in the Bible, but there is something there about things being revealed unto babes and not given to the wise. I am hiding behind the Scripture in the position which I take about it.

Mr. PITTMAN. Of course, I can not answer that. [Laughter.]

Mr. COPELAND. My friend from Nevada has given emphasis to what I have been saying about the pending measure. Yesterday the Senator from Missouri [Mr. HAWES] spoke about the three farm organizations and the American Federation of Labor and certain great commercial interests favoring the bill. Why do they favor the bill? They favor it, of course, because their particular selfish interests will be served by the passage of the bill. I can not understand why my friends in the Philippines—some of them, not all of them—are so eager for this legislation. It would seem to me that if they would study the certain effect which this new relationship will have upon their commercial and social welfare, they would not be so eager for it.

As I said yesterday, and I repeat it to-day, if the sovereign people of the United States are willing to relinquish sovereignty over the Philippines, and indicate that willingness in due and ancient form by a constitutional amendment, I would join in any movement which gives honest-to-goodness freedom to the Filipinos. We are talking about a period of 15 or 20 years or some other number of years. Either the Filipinos should have independence or they should not. If they are ready for independence, and say they are, then the desire that lives in my heart that there shall be local self-determination would cause me to say, "All right. God bless you! Here are the thousand islands. They are yours. Do with them as you like." But we are not here to-day talking about the liberty and the freedom of the Filipinos, those aspirations which are native to every heart. We are not talking about those things. We are proposing some scheme by which we may impose tariffs upon the products of the Philippine Islands, and in that way increase the prosperity and economic welfare of commercial and industrial and agricultural interests in the United States. That is what we are doing.

Mr. NORRIS. Mr. President——

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

Mr. COPELAND. I yield.

Mr. NORRIS. I want to make just a brief comment and place in the RECORD an article to which I am going to refer. Will the Senator from New York yield for that purpose?

Mr. COPELAND. I am glad to yield.

FEDERAL TAX LEVY ON STATES AND THEIR AGENCIES

Mr. NORRIS. In the revenue act which we recently passed all Senators will remember that we levied a tax upon electricity manufactured by municipally owned plants, providing that the municipality shall collect the tax. We all know, and so I am not trying to repeat, the story of the action that was first taken by the Senate, levying a tax on privately owned corporations manufacturing and distributing electricity, and that in that condition the bill went to conference and when the conferees brought it back it contained an entirely different provision.

Mr. C. R. Reid, of California, has written an interesting article in which he submits an argument as to the consti-

tutionality of that act, arguing that it is a law taxing a subdivision of the State. He quotes, among other things, from McCulloch against Maryland, the famous opinion rendered by Mr. Chief Justice Marshall. I want to read that quotation. Chief Justice Marshall said:

It is admitted that there is no express provision in the Constitution that prohibits the Federal Government from taxing the means and instrumentalities of the State, nor is there any prohibiting these States from taxing the means and instrumentalities of that Government. In both cases the exemption rests upon necessary implication and is upheld by the great law of self-preservation: As any government whose means employed in conducting its operations, if subject to the control of another and distinct government can exist only at the mercy of that government. Of what avail are these means if another power may tax them at discretion?

Mr. President, I ask permission to have printed in the RECORD at this point as a part of my remarks the entire article of Mr. Reid.

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

The article is as follows:

FEDERAL TAX LEVY ON STATES AND THEIR AGENCIES

By C. R. Reid

If certain provisions of the revenue act of 1932 recently passed by Congress are upheld it will establish a precedent which tends to wreck all of our municipal parks, playgrounds, swimming pools, electric plants, gas plants, steam plants, street railways, hospitals, irrigation districts, reclamation districts, airports, sewage and garbage systems, water systems, etc.; in short, every State and the United States.

If you followed the enactment of the revenue act of 1932 through Congress you are aware that two electric energy amendments taxing consumers were defeated, which identical proposition was advanced in the conference managers' group.

You probably will be advised, although it was conceded by proponents of the various measures that Congress could not levy a tax on municipalities or political subdivisions, that the Treasury Department is going to try forcing political subdivisions to pay the tax by the subterfuge of requiring that you as a vendor collect the tax for them. The Federal Government is going to try demanding that you, a regularly constituted political subdivision of a State, devote your time and money to act as a collection agency for them by taxing the owners of your enterprise 3 per cent on their electric bill, thereafter transmitting the proceeds to the Federal Government. It might be said at this point that the Budget was theoretically balanced as it left the Senate without the electric energy consumers' provision, which tax collects $11,000,000 less than the amendment passed by the Senate. Was this a patriotic measure to unbalance the Budget?

Twenty-five delegates of our larger California cities, consisting of city managers, city attorneys, and other city officials, as representative delegates at a regularly called meeting on June 22, 1932, passed the following resolution:

"It was regularly moved, seconded, and unanimously carried that the delegates here assembled do vigorously protest against the taxing of States, municipalities, and publicly owned public utilities and do suggest to our governing boards, concerted action to study the cost and proper method of opposing the tax on constitutional grounds."

Numbers of suggestions were offered at this meeting. A few follow:

It was suggested that no tax be paid to the Federal Government or no tax be collected for the Federal Government by any municipal enterprise or by any political subdivision.

It was also suggested that political subdivisions do not concede the Internal Revenue Bureau anything unless they make their claims or demands in writing; and if you believe you must comply with the demand, to do so only under written protest.

It was also suggested that no sales tax be paid by a State or one of its agencies on any article at any time.

It was suggested that if the Internal Revenue Bureau insists on payment of the sales or excise taxes or the collection of tax by States or their agencies, that every State and/or their agency have a citizen enjoin said State or State agency from expending public funds for the required labor, material, time, and money involved.

It was also suggested that if the injunction was removed, that these States and agencies levy the same tax claimed by the United States against said Federal Government and the funds be impounded upon Federal court authority until an agreement has been reached by concerted action and not by individual State agencies, because it was believed that if the United States has the power to tax States and State agencies, the States and their agencies have the same power to tax the United States.

The duties of our public officials are prescribed by charter or other legislative action. It is not believed their present bond will cover or the Federal Government has the authority to delegate our elected officials as deputy collectors of Internal Revenue to be paid out of our public funds. This will necessitate a tax being levied by the State agencies for the necessary labor, material, time, and money involved to pay a tax to the Federal Government. The cost of making the accounting installation was averaged at approximately 7 cents per customer, thereby requiring our larger municipal enterprises to expend several thousand dollars per year to collect the tax.

To the other taxpayers that may be forced to pay the tax, do not forget that the act says "electrical energy." This does not mean that the Treasury Department should interpret it to include the so-called stand-by charge of fifty or more cents per month which you pay for maintenance, reading, up-keep, etc. Therefore, this should be deducted from the bill before the tax is computed.

The municipal plants that are supplying electricity to their owners have come into existence almost entirely because of a desire to lower rates or on account of inadequate service. These projects passed beyond the "proprietary" capacity or limit into a "governmental" function. Practically all of these larger projects have been forced on the municipalities on account of inadequacy of capital, thereby requiring the public to vote a tax levy on their property to furnish funds for either the construction or acquisition and the maintenance of whatever it may have been required when the emergency presented itself. If we shut our eyes altogether, we can revert to the time when the collecting of taxes themselves was a "proprietary" function. The Government let the collection of them out to the highest bidder until this duty progressed beyond the scope of a "proprietary" function. Perhaps the Government can explain why they thought it necessary to take over the "proprietary" express business in the postal department and call it "governmental" parcel post, or the banking business and call it "Federal reserve," both functions which had theretofore been so-called "proprietary." Municipal plants are cooperative institutions. There is no individual profit. The municipality owns the plant, manufactures electricity, and they, the owners, pay the manufacturing cost. Congress has heretofore exempted cooperative associations where no individual makes a profit. Has it reversed this practice?

A home owner generating electricity for his own needs is exempt from taxation. A municipally owned system supplying itself with electricity is a group of home owners generating electricity for their own requirements with no individual profit. Is there a reason why the group and not the individual should pay the Federal Government a fee for the electricity they themselves consume?

It is the opinion of the writer that this provision of the revenue act of 1932 is unconstitutional, because the "power of policy dictation" or the "right of States or their agencies to administer their own affairs" or the "demand by the Federal Government that the public funds be expended" is a usurpation of power which alleged unconstitutionality is dovetailed in the same lack or avoidance of power of the Federal Government to tax a State or the State agency thereof.

A few decisions follow setting forth the principle which the writer contends:

Chief Justice John Marshall, of the United States Supreme Court, held that the United States did not have the power to tax individual States or the agencies of the States. (McCulloch *v.* Maryland, 4 Wheat. 316.) The Supreme Court said:

"It is admitted that there is no express provision in the Constitution that prohibits the Federal Government from taxing the means and instrumentalities of the State, nor is there any prohibiting these States from taxing the means and instrumentalities of that Government. In both cases the exemption rests upon necessary implication and is upheld by the great law of self-preservation: As any government, whose means employed in conducting its operations, is subject to the control of another and distinct government can exist only at the mercy of that government. Of what avail are these means if another power may tax them at discretion?"

In the case of Pollock *v.* Farmers' Loan & Trust Co. (157 U. S. 584) Mr. Justice Fields said:

"The right of States to administer their own affairs through their legislative, executive, and judicial departments, in their own manner through their own agencies is conceded by the uniform decision of this court, and by the Federal Government from its organization. This carries with it an exemption of those agencies and instruments from the taxing power of the Federal Government. If they may be taxed lightly, they may be taxed heavily; if justly, oppressively, their operation may be impeded and destroyed if interference is permitted. Hence the beginning of such taxation is not allowed on the one side and is not claimed on the other."

The writer is of the opinion that by the foregoing decision, if we permit the Federal Government "the power of dictation or interference" in this instance, we grant a precedent that has never before been asked. You have been shown that it was not for the purpose of "balancing the Budget," then why was it inserted and for what purpose? If we wish to open the way for destruction of our Federal Government, allow the individual States the power to tax the national instrumentalities; and if we give the Federal Government the "power of interference," we are undermining our Federal system of Government and sacrificing our liberties to vicious legislation.

The Hon. Charles Evans Hughes, now Chief Justice of the Supreme Court of the United States, said in his message on Federal taxation to the Legislature of the State of New York on June 5, 1910:

"While we may desire that the Federal Government may be equipped with all necessary national powers in order that it may perform its national function, we must be equally solicitous to secure the essential basis of State government."

The following quotations are from persons questioning this portion of the act:

Senator ROBINSON of Indiana said: "It is unquestionably wrong. The Senate has decided on two successive votes that it was wrong; and finally on the third vote decided definitely that the (private) vendor must pay this tax. The bill (10236) should be sent back again for further action, and this tax should be assessed and placed right where it belongs, and where the Senate decided it should be placed. I think the whole thing is an outrage which ought to be corrected."

Senator HOWELL, of Nebraska, said: "The Senate specifically excluded from taxation energy supplied by publicly owned power plants. The provision adopted by the conferees provides for the taxation of the consumption of publicly owned power plants. Nothing of the kind was contemplated by the Senate. It was not contemplated by either House."

Senator DILL, of Washington, said: "I want to explain briefly why I shall vote against the conference report. I do so as a protest against the action of the conferees in relation to the tax on electricity. I think it is the most indefensible thing that has been done by conferees for the Senate in many years. * * * I will not be a party to such action. The Senate voted against this provision twice as it is now written."

Senator THOMAS J. WALSH of Montana, regarded by many as one of the ablest constitutional lawyers in the Senate, said of this electric-energy amendment: "It is unconstitutional and unenforceable, for this reason: That in the case of a municipally owned plant by this provision the committee undertakes to force the municipality to collect this tax of the consumer, a thing which the Congress of the United States can not possibly do. The Congress of the United States can not impose a duty upon municipalities, a subdivision of a State government, any more than it could impose a duty of that character upon the State government."

Attorneys representing political subdivisions other than electrical energy stated: "While at present the attempt is merely made to make the State agency collect from the consumer a tax on electricity, if it can be done by a public body selling electricity, it likewise could be done by a public body dealing in other commodities which, at the present time, have passed from 'proprietary' to 'governmental' function. We are therefore directly interested in the principle involved."

Previous tax bills have been greatly improved between the time of passage and their delivery for the President's signature. Many objectionable and unlawful provisions thus became known and were eliminated. Provisions not fully considered were more carefully drawn. The people of the United States should not overlook the fact that our Government is supposed to consist of three branches—executive, legislative, and judicial—to act as a check upon one another. When our tax laws are being framed by our legislative department the people who pay the taxes should have the same permission to be represented by competent tax counsel as other interests or the executive department, which privilege was previously conceded to all but those who pay the taxes.

The writer contends that once this vicious precedent of levying a tax upon States and their agencies is established, every activity excepting those under the Federal Government will be scuttled. Why is it now proposed that discretion be cast to the four winds by the nullification of our dual system of government? Who is it that is now advocating the disruption of the States and their agencies?

It may be that an honest error has been made. However, let the people of the United States demand a rectification so that there will be no mistake in the administration of the law. The people of the United States must have two amendments immediately. The first one stating in no uncertain terms that in the enforcement of the revenue act of 1932 the Federal Government shall not impose any taxation obligation upon any State or Territory or political subdivision thereof or the District of Columbia or the officers or the employees of the aforesaid. The second amendment, a definition absolutely necessary, is that the term "political subdivision" be inclusive of any of the States or State agencies for the purpose of constructing or operating any public utilities. If there is no amendment, it will cause municipalities endless expensive litigation. Furthermore, if there is to be litigation, it should be by concerted action.

The foregoing decision has been reached by separate, independent investigations of several groups of State agencies and their legal staff.

Mr. COPELAND. May I say to my friend from Nebraska that if they had any electric power in the Philippines there would be no trouble at all about getting an ample tax upon it in order that it might be transmitted into the United States. It is too bad he can not add that as an amendment to the pending bill.

DISTRIBUTION OF GOVERNMENT-OWNED WHEAT AND COTTON

Mr. McNARY. Mr. President, will the Senator from New York yield to enable me to present a conference report? If it leads to any debate, I shall withdraw it.

Mr. COPELAND. I am glad to yield to the Senator from Oregon for that purpose.

Mr. McNARY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 418) authorizing the distribution of Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

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

"That the Federal Farm Board is authorized and directed to take such action as may be necessary to deliver to the American National Red Cross, and any other organization designated by the American National Red Cross, on July 1, 1932, or as soon thereafter as may be practicable, 45,000,000 bushels of wheat of the Grain Stabilization Corporation and 500,000 bales of cotton of the Cotton Stabilization Corporation, for use in providing food, cloth, and wearing apparel for the needy and distressed people, and in providing feed for livestock in the 1932 crop-failure areas, after the needs of human consumption have been taken care of, in the opinion of the director of the Red Cross, of the United States and Territories. Such wheat or cotton shall be delivered upon application therefor, but only upon the approval of the President of the United States, and in such amounts to each organization as the President may approve.

"SEC. 2. No part of the expenses incident to the delivery, receipt, and distribution of such wheat or cotton shall be borne by the United States or the Federal Farm Board. In order to carry out the purposes of this resolution such wheat or the products thereof may be milled or processed into, or exchanged for, flour of any kind, bread, or food, provided, in making such exchange, preference shall be given whenever practicable to foods of which wheat products are a substantial ingredient, or cotton may be manufactured into or exchanged for cloth, or wearing apparel, or other articles of clothing, made of cotton; but such milling, processing, or manufacturing shall be without profit to any mill, organization, or other person.

"SEC. 3. In so far as wheat or cotton is donated to relief agencies by the Grain Stabilization Corporation or the Cotton Stabilization Corporation under this resolution the Federal Farm Board is authorized to cancel such part of its loans to such corporation as equals the proportionate part of said loans represented by the wheat or cotton delivered hereunder, less the current market value of the wheat or cotton delivered; and to deduct the amount of such loans canceled from the amount of the revolving fund established by the agricultural marketing act. To carry out the provisions of this resolution, such sums as may be necessary are hereby authorized to be appropriated and made immediately available to the Federal Farm Board to be used solely for the following purposes:

"(a) For advancing to such corporations amounts to repay loans held by commercial or intermediate credit banks against wheat or cotton which would be released for donations under this resolution.

"(b) For reimbursing each such corporation for its net equity in the wheat or cotton used for donations under this resolution, according to the current market value at the time of the donation.

"(c) For meeting carrying and handling charges, and interest payments on commercial or intermediate credit bank loans, on or against wheat and cotton which would be released for donations under this resolution between the date of its approval and the delivery of the wheat or cotton to the American National Red Cross or other organization.

"SEC. 4. The Federal Farm Board shall execute its functions under this resolution through its usual administrative staff, and such additional clerical assistance as may be found necessary, without additional appropriations beyond its usual administrative appropriation under the agricultural marketing act."

And the Senate agree to the same.

That the Senate recede from its amendment to the title of the joint resolution.

CHAS. L. MCNARY,
G. W. NORRIS,
JOHN B. KENDRICK,
*Managers on the part of the Senate.*

MARVIN JONES,
H. P. FULMER,
G. N. HAUGEN,
*Managers on the part of the House.*

Mr. ASHURST. Mr. President, I am pleased that the able Senator from Oregon has presented the report. I understand it involves the joint resolution to make available more Government-owned wheat.

Mr. McNARY. The House passed the measure providing 50,000,000 bushels and the Senate reduced that amount and we compromised on 45,000,000 bushels.

Mr. COPELAND. Does it have the trade agreement in it?

Mr. McNARY. Yes; modified so it contains a preferential provision.

Mr. ASHURST. It was my desire when the measure was before the Senate to offer an amendment preventing the distribution of any of this wheat to nationals of a foreign country; but fearful that I might thus impede, if not destroy, the chance of passing the resolution I withheld the amendment.

I have received advices stating that a considerable amount of this Government-owned wheat and flour has been distributed to persons not citizens of the United States and who do not live in the United States. I have not made careful investigation of the charges, hence can not vouch for their accuracy; but I am informed that some nationals of another country—to wit, Mexico—have come into the United States and have received quantities of this wheat or flour and thereby have deprived needy and worthy American citizens of the same. I hope that the Red Cross and such other authority as shall distribute this wheat or flour will exercise care hereafter to see to it that none of this Government wheat or flour is sent into a foreign country, or is distributed to nationals of a foreign country who come into the United States to obtain this relief.

Mr. McNARY. I appreciate the Senator's observation and shall take up the matter with Judge Payne during the day.

Mr. NORRIS. Mr. President, I would like to say to the Senator from Arizona that I am perfectly clear in my own mind that under the joint resolution now before us there would be no authority whatever to give any of the wheat to anyone coming here from a foreign country for the purpose of getting the wheat.

Mr. ASHURST. I agree with the Senator.

Mr. NORRIS. If a foreigner were lawfully here he would be entitled to be fed, and we would have to take care of him the same as anybody else; but certainly there is nothing in the law that would make it legal for some one coming from a foreign country to get some of the flour or wheat and take it out of the country to feed people outside of this country.

Mr. ASHURST. I was quite unprepared to believe that nationals of a foreign country were receiving any of this wheat or flour when they entered the United States for that purpose, but reliable persons have sent me the charges that such nationals were coming into the United States and receiving this wheat and flour and returning with it to Mexico.

Mr. NORRIS. That, of course, would be illegal.

Mr. ASHURST. The Senator is quite right.

While I am on my feet I should like to say to the Senator from New York that the question involved, particularly with reference to feeding the poorer people in large cities, of which New York is an outstanding example, gave to the conferees a rather difficult matter to settle. The conferees agreed on a compromise provision; I think probably neither side was entirely satisfied, and yet both have agreed to the provision. A Representative from the city of the Senator from New York, Mr. LAGUARDIA, who has taken a very great interest in this matter, although not a member of the conference committee, has acquiesced in the amendment. So I think that will be a sufficient assurance to the Senator from New York.

Mr. COPELAND. I thank the Senator; and I observe the following language in the conference report:

> In order to carry out the purposes of this resolution, such wheat or the products thereof may be milled or processed into or exchanged for flour of any kind, bread, or food, provided, in making such exchange, preference shall be given whenever practicable to foods of which wheat products are a substantial ingredient.

I think that is entirely satisfactory, Mr. President.

The PRESIDING OFFICER. Without objection, the conference report is agreed to.

PHILIPPINE INDEPENDENCE

The Senate resumed the consideration of the bill (H. R. 7233) to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands, to provide for the independence of the same, and for other purposes.

Mr. COPELAND. Mr. President, yesterday I made reference to the rather remarkable legislative proceeding in connection with an effort made by former Senator Mason, of Illinois, on February 14, 1899, attempting to place a limitation upon the intent of the Senate about the treaty at peace with Spain. A week before, by an overwhelming vote, the Senate declined to make an almost identical change in the treaty itself. I recited that on February 6, in executive session, when the treaty of peace with Spain was under consideration, there was an effort made, in the first place, to change the language so that Spain would relinquish sovereignty and not cede the territory of Puerto Rico and the Philippines. An effort was made at that time to change the treaty and to add to Article III of the treaty the following language:

> The United States, desiring that the people of the archipelago shall be enabled to establish a form of free government suitable to their condition, and securing the rights of life, liberty, and property, and the preservation of order and equal rights therein, assumes for the time being and to the end aforesaid, the control of the archipelago so far as such control shall be needful for the purposes above stated, and will provide that the privileges accorded to Spain by Articles IV and V of this treaty shall be enjoyed.

That proposal was overwhelmingly defeated in the Senate, the vote on the amendment, grouped together, being 30 yeas and 53 nays, an overwhelming vote against the change proposing to leave to the people of the Philippines the privilege of forming their own government.

I referred yesterday to the fact that a week later Mr. Mason, then a Senator from Illinois, proposed this, and I repeat it in order that I may continue the argument laid down by the court:

> *Resolved, etc.*, That by the ratification of the treaty of peace with Spain it is not intended to incorporate the inhabitants of the Philippine Islands into citizenship of the United States, nor is it intended to permanently annex said islands as an integral part of the territory of the United States; but it is the intention of the United States to establish on said islands a government suitable to the wants and conditions of the inhabitants of said islands to prepare them for local self-government, and in due time to make such disposition of said islands as will best promote the interests of the citizens of the United States and the inhabitants of said islands.

When that resolution was put to a vote it developed that there was not a quorum present. There were 48 votes cast, 26 in the affirmative and 22 in the negative.

The court, in the Fourteen Diamond Rings case, commented upon this at some length, and I want to refer more fully to what the court said than I did yesterday. It was developed by those arguing the case that the resolution which I have just read was of importance in rendering the decision; that is, that there was a distinction raised between our relationship with Puerto Rico and our relationship with the Philippines by reason of this resolution; but the court, through Mr. Chief Justice Fuller, set that aside as of no significance. The court said:

> But it is said that the case of the Philippines is to be distinguished from that of Puerto Rico because on February 14,

1899, after the ratification of the treaty the Senate resolved, as given in the margin—

And the margin shows the resolution which I have just read from the CONGRESSIONAL RECORD.

That it was not intended to incorporate the inhabitants of the Philippines into citizenship of the United States, nor to permanently annex those islands.

The contention was disposed of by the court in this language:

We need not consider the force and effect of a resolution of this sort if adopted by Congress, not like that of April 20, 1898, in respect of Cuba, preliminary to the declaration of war, but after title had passed by ratified cession.

It is enough that this was a joint resolution, that it was adopted by the Senate by a vote of 26 to 22, not two-thirds of a quorum, and that is absolutely without legal significance on the question before us. The meaning of the treaty can not be controlled by subsequent explanations of some of those who may have voted to ratify it. What view the House might have taken as to the intention of the Senate in ratifying the treaty we are not informed, nor is it material—

The point being that it never did go to the House, and no action was taken there—

and if any implication from the action referred to could properly be indulged it would seem to be that two-thirds of a quorum of the Senate did not consent to the ratification on the grounds indicated.

I think that makes it very clear that even at the time when all these matters were fresh in the minds of legislators and of the people of the United States the court ruled as it did.

My memory goes back very acutely to that period because of an intense interest I had in the liberation of Cuba. I have previously told the Senate that the first public speeches I ever made were made in connection with this matter, when I went with Mr. Quesada about my State, imploring the people to urge those in authority to have our country intervene in Cuba, which it afterwards did, although I am not quite sure that the part I played in the matter had anything to do with the result. Anyway we did intervene.

There was great clamor after it was made known that the Senate had overwhelmingly ratified the treaty. As a matter of fact, the vote of ratification was determined in the affirmative by 57 yeas and 27 nays. When knowledge of the action of the Senate came to the people there was that anti-imperialistic cry which I have no doubt had its effect upon the Senate. If Senators will recall, it was a very bitter controversy. I spoke of the part that Mr. Bryan played in it. He used that as a great argument against the McKinley administration, and there was aroused a very considerable sentiment against our new relationship to the Philippines.

I dare say that cry was not much different than it was when we took Alaska. There has always been in America an underlying sentiment against widening our boundaries beyond the natural confines of this section of North America. Some, at least, of the founding fathers—as Mr. Harding used to call them—anticipated that there would be an expansion which might include our country from the Atlantic to the Pacific; but when we involved ourselves in taking over noncontiguous territory there was resentment.

I know my own feeling was that we made a tremendous mistake in taking over the Philippines. The debates in the House were very bitter against the payment of the $20,000,000 involved. By the way, there is great misapprehension as to what that $20,000,000 was for. It is often said that we bought the Philippines for $20,000,000; that we did not acquire them alone by the victory of our arms but that we purchased them. That is not true. The $20,000,000 involved was to repay Spain for public improvements made in the Philippines, obligations which she had incurred in the way of public improvements in the Philippines.

Mr. PITTMAN. Mr. President——

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

Mr. COPELAND. I yield to my friend.

Mr. PITTMAN. I agree with the historical accuracy of that statement by the Senator; but I doubt if we conquered the Philippines. I think the Philippines had conquered the Spanish before we went there.

Mr. COPELAND. I think that is true. I believe the Senator is right. It is certain that when we took possession of the Philippines we bought more than land. We bought a big row; but it had been a successful war as regards the Filipino arms. They deserve plaudits for the valor and vigor which they used in that war—a battle to determine their freedom and to win their freedom.

I have no wonder that the Filipinos have their aspirations toward liberty. It is perfectly human. Particularly when we think of a people oppressed as they were by the cruelties of Spanish dominion, there can be no wonder that they cry out now for freedom and liberty; and they have my deepest sympathy. I want them to have liberty, but I want them to have it so that when they get the deed there is no flaw upon the title; and that is the contention that I make, have made, and, until I am convinced to the contrary, shall continue to make—that we have not the power to give title to the Filipinos.

I shall hope, as this debate develops, to make it clear from the legal standpoint that the Congress of the United States, the Members of this body, are the agents of the sovereign people. We have no more right to alienate sovereignty over the Philippines than a lawyer has to give a deed to property temporarily under his control, belonging to a client who has not delegated to him the power to deed that property to somebody else.

I do not want the Filipinos to gain a sovereignty which will be questioned through the ages. I want this transfer made to the people of the Philippine Islands in such form that historians of the future will say, "That was the proper method of disposal of the islands."

Mr. PITTMAN. Mr. President——

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

Mr. COPELAND. I yield to the Senator.

Mr. PITTMAN. The Senator will remember that under the pending bill it will be more than 15 years before any cession of sovereignty or title to land is conveyed. In the meantime autonomous government is given to the Filipinos. Even under the theory of our Constitution we certainly are not prohibited from granting to the Filipinos any form of autonomous government that our Government sees fit to grant.

Mr. COPELAND. I agree fully with that.

Mr. PITTMAN. Therefore, if the Senate were in doubt about the constitutionality of an ultimate cession of sovereignty and conveyance of title at the end of 15 years, it would be well, in the event we pass this bill—thus showing that Congress favors ultimate independence—to submit a proposal for an amendment to the Constitution, which could be easily acted on within the 15 years.

Mr. COPELAND. I am satisfied that without such an amendment we could not give a flawless title.

Mr. PITTMAN. I am sure I know the sentiments of the Senator from New York. I am sure that he is just as much in favor of independence as I am. I am also sure he sincerely believes in the opinion he has expressed with regard to the constitutional question. What I am urging on him is to cooperate with us who wish to give a greater freedom to these people as soon as possible, in view of the fact that neither under this bill nor under the bill suggested by the Senator from Michigan could the question as to the constitutional authority to cede sovereignty or convey title arise in any instance for at least 15 years, which gives us ample opportunity to discuss that legal question and to submit it as a matter of precaution, if necessary, for ratification by three-fourths of the States.

Mr. COPELAND. I am very much interested in what the Senator has just said. Would the Senator agree to an amendment to this bill, at the proper place and in the right form, that the consummation of the plan is contingent upon the consent of the people through a constitutional amendment?

Mr. PITTMAN. That would be very difficult for me to answer at once, Mr. President.

Mr. COPELAND. I present it.

Mr. PITTMAN. If Congress should express its opinion that the Philippines should have a chance for independence under the terms provided in one of these bills, I am satisfied that two-thirds of these bodies would submit the proposal to the States, and I am satisfied that three-fourths of the States would pass it; and yet there would be the doubt remaining then as to ultimate independence, of course. That doubt, I mean, would exist in the minds of the Filipinos and in the minds of American business men. They might say that one State less than three-fourths, although having the right to amend the Constitution so as to assure that, might not do it; and therefore we should of course continue to be threatened with that uncertainty, which is very detrimental to our commerce on both sides. That is the main thing that is worrying me—the uncertainty.

Mr. COPELAND. Let me say to the Senator that if the proponents of this bill would consent to an amendment to the bill making action contingent upon the consent of the people by constitutional amendment—and I think it could be passed—my objections then would relate merely to details of the bill.

In the Seventy-first Congress I introduced a joint resolution, which I put in the RECORD yesterday, proposing an amendment to the Constitution of the United States relating to Philippine independence. I am convinced that if we were to submit to the people a proposal asking them if they would consent to a constitutional amendment delegating to Congress the power to alienate sovereignty over any unincorporated territory now or in the future within our control, they would not pass it; but, on the other hand, if we specifically presented to the people the proposition that conditions now are such, they have so changed in the Philippines, that the time is rapidly approaching when freedom should be given them, I do not believe there would be any opposition of any consequence in the country. There would be some selfish interests in opposition then, such as I accuse the proponents of the bill of having on their side. There would be certain importers and exporters who would oppose the proposal; but if it were submitted to the people, and they said, "Yes; we are willing," every objection I have to the principle would disappear.

I want my friend from Nevada to give some thought to that suggestion, and talk with his friends.

Mr. President, the Senator from Nevada, who is a great student, has spoken about the efforts of the Filipinos themselves in the period preceding and following the Spanish War to establish themselves to subjugate those in opposition. It is a very interesting thing that in this very decision from which I have been quoting there is some discussion of that subject, and I read further from the case of Fourteen Diamond Rings *v.* United States (183 U. S. 180):

> It is further contended that a distinction exists in that while complete possession of Puerto Rico was taken by the United States, this was not so as to the Philippines, because of the armed resistance of the native inhabitants to a greater or less extent.
>
> We must decline to assume that the Government wishes thus to disparage the title of the United States or to place itself in the position of waging a war of conquest.
>
> The sovereignty of Spain over the Philippines and possession under claim of title had existed for a long series of years prior to the war with the United States. The fact that there were insurrections against her or that uncivilized tribes may have defied her will did not affect the validity of her title. She granted the islands to the United States, and the grantee in accepting them took nothing less than the whole grant.

I emphasized that on another occasion that there can be no doubt that the Philippine Archipelago belongs to the people of the United States. It does not belong to Congress, it does not belong to me, it belongs to us only in the fact that we are citizens of this country. All the citizens have a common ownership in the Philippines, and when we took them we took nothing less than the whole grant.

The court continues in its opinion:

> If those in insurrection against Spain continued in insurrection against the United States, the legal title and possession of the latter remained unaffected.
>
> We do not understand that it is claimed that in carrying on the pending hostilities the Government is seeking to subjugate the people of a foreign country, but, on the contrary, that it is preserving order and suppressing insurrection in territory of the United States. It follows that the possession of the United States is adequate possession under legal title, and this can not be asserted for one purpose and denied for another. We dismiss the suggested distinction as untenable.

Mr. Justice Brown, an old friend of mine, coming from the same State, in concurring in the conclusion of the court enlarged somewhat upon the subject just discussed, and it bears on this remarkable resolution which was proposed in the Senate on the 14th of February, 1899. I am determined, Mr. President, to find out about what led up to that. It seems to me it is one of the most interesting of the unsolved problems of history. We have seen many reversals of opinion in the Senate, but I declare I never saw such a somersault taken by the Senate, when, in a week's time, they simply went head over heels. I want to know why they did it, and I shall find out if I can.

Referring to the Senate resolution, Mr. Justice Brown said, as appears on page 182:

> With regard to this, I would say that in my view the case would not be essentially different if this resolution had been adopted by a unanimous vote of the Senate. To be efficacious such resolution must be considered either (1) as an amendment to the treaty or (2) as a legislative act qualifying or modifying the treaty. It is neither.
>
> It can not be regarded as part of the treaty, since it received neither the approval of the President nor the consent of the other contracting power. A treaty in its legal sense is defined by Bouvier as "a compact made between two or more independent nations with a view to public welfare" (2 Law Dic. 1136) and by Webster as "an agreement, league, or contract between two or more nations or sovereigns, formally signed by commissioners properly authorized and solemnly ratified by the sovereigns or the supreme power of each state." In its essence it is a contract. It differs from an ordinary contract only in being an agreement between independent states instead of private parties. (Foster *v.* Neilson, 2 Pet. 253, 314; Head Money Cases, 112 U. S. 580.) By the Constitution (Art. II, sec. 2) the President "shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur." Obviously the treaty must contain the whole contract between the parties, and the power of the Senate is limited to a ratification of such terms as have already been agreed upon between the President, acting for the United States, and the commissioners of the other contracting power. The Senate has no right to ratify the treaty and introduce new terms into it which shall be obligatory upon the other power, although it may refuse its ratification or make such ratification conditional upon the adoption of amendments to the treaty.

Much as we did in connection with the World Court and the League of Nations. In both those cases the Senate refused to ratify and suggested amendments. The amendments were sent to the other parties to the treaties, in the case of the League of Nations not accepted, in the case of the World Court modified in some mysterious manner, which only high Heaven can decipher. But the Senate, when it was considering the treaty of peace with Spain, and afterwards considering the Mason resolution, sought to amend the contract between the United States and Spain by the insertion of new language, which, of course, as Mr. Justice Brown points out, is simply impossible. A contract can not be modified in that way; a contract between nations, which is a treaty, any more than a contract between individuals, where one party wants a change which is not acquiesced in by the other.

I continue the quotation on page 183:

> If, for instance, the treaty with Spain had contained a provision instating the inhabitants of the Philippines as citizens of the United States, the Senate might have refused to ratify it until this provision was stricken out. But it could not, in my opinion, ratify the treaty and then adopt a resolution declaring it not to be its intention to admit the inhabitants of the Philippine Islands to the privileges of citizenship of the United States. Such resolution would be inoperative as an amendment to the treaty, since it had not received the assent of the President or the Spanish commissioners.

At this point Mr. Justice Brown turned aside to an allusion which had been made in the argument in the case of the New York Indians against United States, reported in 170 United States. He said:

Allusion was made to this question in the New York Indians *v.* United States (170 U. S. 1, 21), wherein it appeared that, when a treaty with certain Indian tribes was laid before the Senate for ratification, several articles were stricken out, several others amended, a new article added, and a proviso adopted that the treaty should have no force or effect whatever, until the amendment had been submitted to the tribes, and they had given their free and voluntary assent thereto. This resolution, however, was not found in the original or in the published copy of the treaty, or in the proclamation of the President, which contained the treaty without the amendments. With reference to this the court observed: "The power to make treaties is vested by the Constitution in the President and the Senate, and, while this proviso was adopted by the Senate, there was no evidence that it ever received the sanction or approval of the President."

It will be recalled with reference to the same resolution that Mr. Justice Fuller pointed out the fact that there was not a quorum present, certainly not two-thirds of a quorum, but Mr. Justice Brown attacks it on the other ground, that there was no evidence that it ever received the sanction or approval of the President.

It can not be considered as a legislative act, since the power to legislate is vested in the President, Senate, and House of Representatives. There is something, too, which shocks the conscience in the idea that a treaty can be put forth as embodying the terms of an arrangement with a foreign power or an Indian tribe, a material provision of which is unknown to one of the contracting parties, and is kept in the background to be used by the other only when the exigencies of a particular case may demand it. The proviso appears never to have been called to the attention of the tribes, who would naturally assume that the treaty embodied in the presidential proclamation contained all the terms of the arrangement.

And yet that is what the Senate tried to do on the 4th day of February, 1899. After the treaty had been ratified by the Senate and proclaimed by the President, it was then sought by legislative act to put new substance into the treaty. The effort was made to declare it to be the intention of the Congress that by the adoption of the treaty there was no thought about the incorporation of statehood for the Philippines, but that independence was to be granted them at some future time. Of course, it is readily seen—even I as a layman can see it—that the words of the Supreme Court of the United States hold that that was utterly futile and of no avail.

Mr. Justice Brown went on to say:

In short, it seems to me entirely clear that this resolution can not be considered a part of the treaty.

I think it equally clear that it can not be treated as a legislative act, though it may be conceded that under the decisions of this court Congress has the power to disregard or modify a treaty with a foreign state. This was not done.

The resolution in question was introduced as a joint resolution, but it never received the assent of the House of Representatives or the signature of the President. While a joint resolution, when approved by the President, or, being disapproved, is passed by two-thirds of each House, has the effect of a law (Const., Art. I, sec. 7), no such effect can be given to a resolution of either House acting independently of the other. Indeed, the above clause expressly requires concurrent action upon a resolution before the same shall take effect.

This question was considered by Mr. Attorney General Cushing in his opinion on certain resolutions of Congress (6 Ops. Atty. Gen. 680), in which he held that while joint resolutions of Congress are not distinguishable from bills, and have the effect of law, separate resolutions of either House of Congress, except in matters appertaining to their own parliamentary rights, have no legal effect to constrain the action of the President or heads of departments. The whole subject is there elaborately discussed.

In any view taken of this resolution it appears to me that it can be considered only as expressing the individual views of the Senators voting upon it.

Mr. President, it is clear enough as this decision says that when Spain granted the islands to the United States, the grantee in accepting them took nothing less than the whole grant. I think no one can question that our sovereignty over the island is absolute. The question is, Can we alienate that sovereignty by an act of Congress? My contention is that we can not. I do not want to evade that question. I have no desire to evade it. I hope I am open to conviction if I am wrong about it, but at this moment there is no shadow of doubt in my mind that we can not alienate sovereignty without the consent of the people of the United States.

This is no fanciful statement. This is not something that is an emanation from my brain. The view which I have expressed has controlled the American people from the time of the Constitutional Convention in 1787 down to now. It goes even back of that, because in the Confederacy, before the adoption of the Constitution, our possessions were considered inalienable. Read the Articles of Confederation. I do not happen to have them before me or I should repeat what was said there. But from the beginning it has been the view of all who have studied the question that we have no power under the Constitution to alienate a single square foot of American territory.

I hold in my hand a copy of the writings of Thomas Jefferson, memorial edition, issued under the auspices of the Thomas Jefferson Memorial Association. I regret that since this discussion has arisen I have not had access to my own library, because there is full confirmation of what it sets forth here in Jefferson's writings in what can be found in the writings of Alexander Hamilton. There is no difference of opinion. In the volumes of Hamilton's writings that I have in my library this matter was discussed at greater length. I want to quote from a statement of Mr. Jefferson as regards the right to alienate any portion of territory.

Mr. SHORTRIDGE. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from California?

Mr. COPELAND. I yield.

Mr. SHORTRIDGE. I understand the Senator to take the position that the United States can not sell an acre of land or a foot of land belonging to the United States.

Mr. COPELAND. That is the position I take.

Mr. SHORTRIDGE. It can never dispose of it?

Mr. COPELAND. It can not.

Mr. SHORTRIDGE. In that connection has the Senator had occasion to study the treaty between Great Britain and the then American colonies?

Mr. COPELAND. Yes, I have; and I should be glad to have the Senator quote it. I have an answer for it. There never has been a cession of a square foot of land except in the settlement of boundaries where we were holding land which the commissioners held not to be ours.

Mr. SHORTRIDGE. Does the Senator take the position that Great Britain did not have the power to grant independence to the original thirteen Colonies?

Mr. COPELAND. Oh, no; and I do not take the position either that we could not give up Long Island in case of a disastrous war. By treaty following a disastrous war we could give up anything that we were forced to give up because we were on our knees.

Mr. SHORTRIDGE. The treaty referred to by me was the treaty which followed the Revolutionary War.

Mr. COPELAND. The Ashburton treaty?

Mr. SHORTRIDGE. No, earlier than that; the 1783 treaty which followed our successful Revolutionary War. By that treaty Great Britain surrendered sovereignty over the then thirteen Colonies and acknowledged them as free and independent. Nobody questioned it.

Mr. COPELAND. That is true.

Mr. SHORTRIDGE. I am wondering whether the Senator takes the position now, as he has indicated that he does, that the United States of America can not by treaty surrender territory or its jurisdiction over its people.

Mr. COPELAND. It can not be done by treaty except under the doctrine of force majeure. Yes; if we are whipped in a war and have to give up, we could even divest ourselves of the Golden State, terrible though it seems. I would not vote for it until the very last drop of blood had been shed.

Mr. SHORTRIDGE. California does indeed remain the Golden State, as I exhibit to the Senator the only $20 gold piece I have.

Mr. COPELAND. So far as I know, that is the only $20 gold piece any friend of mine has! [Laughter.] It seems to me as strange as if it came from the planet Mars. Let me look at it again! That is wonderful. I would not dare touch it. [Laughter.]

Mr. President, I contend that under no circumstances except the force of necessity could we alienate a foot of our territory.

I was about to quote from the fathers. On page 337 of the writings of Jefferson I find this statement made on February 25, 1793:

The President desires the opinions of the heads of the three departments, and of the Attorney General, on the following question, to-wit: Mr. Ternant having applied for money equivalent to three millions of livres, to be furnished on account of our debt to France at the request of the executive of that country, which sum is to be laid out in provisions within the United States, to be sent to France. Shall the money be furnished?

I will ask, Mr. President, that the next couple of paragraphs be included in the RECORD because they have no bearing on the argument.

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

The matter referred to is as follows:

The Secretary of the Treasury stated it as his opinion, that making a liberal allowance for the depreciation of assignats (no rule of liquidation having been yet fixed), a sum of about $318,000 may not exceed the arrearages equitably due to France to the end of 1792, and that the whole sum asked for may be furnished within periods capable of answering the purpose of Mr. Ternant's application, without a derangement of the Treasury.

Whereupon the Secretaries of State and War, and the Attorney General, are of opinion that the whole sum asked for by Mr. Ternant ought to be furnished: The Secretary of the Treasury is of opinion that the supply ought not exceed the above-mentioned sum of $318,000.

Mr. COPELAND. Then Mr. Jefferson continues, on page 338:

The President having required the attendance of the heads of the three departments, and of the Attorney General, at his house, on Monday, the 25th of February, 1793, the following questions were proposed and answers given:

1. The Governor of Canada having refused to let us obtain provisions from that province, or to pass them along the water communication to the place of treaty with the Indians; and the Indians having refused to let them pass peaceably along what they call the bloody path, the Governor of Canada at the same time proposing to furnish the whole provisions necessary, ought the treaty to proceed? Answer unanimous; it ought to proceed.

2. Have the Executive or the Executive and Senate together authority to relinquish to the Indians the right of soil of any part of the land north of the Ohio which has been validly obtained by former treaties

The Secretary of the Treasury, the Secretary of War, and Attorney General are of opinion that the Executive and Senate have such authority, provided that no grants to individuals, nor reservations to States, be thereby infringed. The Secretary of State is of opinion they have no such authority to relinquish.

3. Will it be expedient to make any such relinquishments to the Indians if essential to peace?

The Secretaries of the Treasury and War, and the Attorney General, are of opinion it will be expedient to make such relinquishments if essential to peace, provided it do not include any lands sold or received for special purposes (the reservations for trading places excepted). The Secretary of State is of opinion that the Executive and Senate have authority to stipulate with the Indians and that if essential to peace it will be expedient to stipulate that we will not settle any lands between those already sold or reserved for special purposes and the lines heretofore validly established with the Indians.

Whether the Senate shall be previously consulted on this point. The opinion unanimously is that it will be better not to consult them previously.

I think we can turn aside for a moment to note that there was secret diplomacy even in those days; there was not that openness in diplomacy for which we now contend so vigorously.

February the 26th, 1793. Notes on the proceedings of yesterday. (See the formal opinions given to the President in writing and signed.)

First question. We are all of opinion that the treaty should proceed merely to gratify the public opinion and not from an expectation of success.

Mr. President, in that conference we find both Hamilton and Jefferson, as well as Edmund Randolph, and they solemnly agreed that they were going to do this just to gratify public opinion. They resorted to expediency as long ago as 1793, and I think there has been no change in the policy in some quarters since that time.

Mr. Jefferson proceeds:

I expressed myself strongly that the event was so uncompromising, that I thought the preparations for a campaign should go on without the least relaxation, and that a day should be fixed with the commissioners for the treaty, beyond which they should not permit the treaty to be protracted, by which day orders should be given for our forces to enter into action. The President took up the thing instantly, after I had said this, and declared that he was so much of the opinion that the treaty would end in nothing that he then, in the presence of us all, gave orders to General Knox not to slacken the preparations for the campaign in the least but to exert every nerve in preparing for it. Knox said something about the ultimate day for continuing the negotiations. I acknowledged myself not a judge on what day the campaign should begin, but that, whatever it was, that day should terminate the treaty. Knox said he thought a winter campaign was always the most efficacious against the Indians. I was of opinion, since Great Britain insisted on furnishing provisions, that we should offer to repay. Hamilton thought we should not.

Second question—

And this is the important one—

I considered our right of preemption of the Indian lands not as amounting to any dominion, or jurisdiction, or paramountship whatever but merely in the nature of a remainder after the extinguishment of a present right, which gave us no present right whatever, but of preventing other nations from taking possession and so defeating our expectancy; that the Indians had the full, undivided, and independent sovereignty as long as they choose to keep it, and that this might be forever; that as fast as we extend our rights by purchase from them, so fast we extend the limits of our society; and as soon as a new portion became encircled within our line it became a fixed limit of our society; that the Executive, with either or both branches of the legislature, could not alien any part of our territory; that by the law of nations it was settled that the unity and indivisibility of the society was so fundamental that it could not be dismembered by the constituted authorities, except, 1, where all power was delegated to them (as in the case of despotic governments), or, 2, where it was expressly delegated; that neither of these delegations had been made to our General Government, and, therefore, that it had no right to dismember or alienate any portion of territory once ultimately consolidated with us; and that we could no more cede to the Indians than to the English or Spaniards, as it might, according to acknowledged principles, remain as irrevocably and eternally with the one as the other. But I thought that as we had a right to sell and settle lands once comprehended within our lines, so we might forbear to exercise that right, retaining the property till circumstances should be more favorable to the settlement, and this I agreed to do in the present instance, if necessary for peace.

Hamilton agreed to the doctrine of the law of nations, as laid down in Europe, but that it was founded on the universality of settlement there; consequently, that no lopping off of territory could be made without a lopping off of citizens, which required their consent; but that the law of nations for us must be adapted to the circumstance of our unsettled country, which he conceived the President and Senate may cede; that the power of treaty was given to them by the Constitution, without restraining it to particular objects; consequently, that it was given in as plenipotentiary a form as held by any sovereign in any other society. Randolph was of opinion there was a difference between a cession to Indians and to any others, because it only restored the ceded part to the condition in which it was before we bought it, and consequently, that we might buy it again hereafter; therefore, he thought the Executive and Senate could cede it. Knox joined in the main opinion. The President discovered no opinion, but he made some efforts to get us to join in some terms which could unite us all, and he seemed to direct those efforts more toward me; but the thing could not be done.

Third question. We agreed in idea as to the line to be drawn, to wit, so as to retain all lands appropriated, or granted, or reserved.

Mr. President, in a fuller account of this episode it seems that the President submitted these questions particularly to Mr. Hamilton and to Mr. Jefferson, but first to Jefferson, who took the view that we could not alienate any territory. That is a very brief statement of his conclusions. Then President Washington passed the paper on to Mr. Hamilton. Mr. Hamilton made no comment on the question of the alienation of territory except to this extent: He asked the question, "Could we not alienate uninhabited territory?" Mr. Jefferson replied, "If we can alienate uninhabited territory we can alienate inhabited territory and thus give away people." President Washington apparently agreed with the view which Jefferson expressed.

However, I wish to go farther into that matter to show the attitude of the founding fathers, as Mr. Harding called them.

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

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

Mr. COPELAND. I yield.

Mr. SMOOT. How does the Senator construe section 3 of Article IV of the Constitution which reads:

> The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States; and nothing in this Constitution shall be so construed as to prejudice any claims of the United States, or of any particular State.

How does the Senator construe that in connection with what he has just read?

Mr. COPELAND. Before I get through with my argument, I shall go into that very extensively, but that provision does not mean "dispose of" in the sense of selling. It means management of the property; that is, where we speak of lands in contradistinction to things, to personal property.

Mr. SMOOT. The Government of the United States. sells lands now.

Mr. COPELAND. Yes; but it does not alienate sovereignty over people.

Mr. SMOOT. It does not alienate sovereignty, but the Constitution provides:

> The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States; and nothing in this Constitution shall be so construed as to prejudice any claims of the United States, or of any particular State.

Mr. COPELAND. Mr. President, I have innumerable references to what the courts have said on that question.

Mr. SMOOT. If the Senator is going to come to it later, we might just as well let it go over, unless he desires to answer the question now.

Mr. COPELAND. I am coming to it later.

Mr. SMOOT. If Congress can "dispose of it," it seems that the authority, so far as that is concerned, is granted within or without the limits of the United States. The provision, in my opinion, can not possibly be construed as the Senator has construed it. I thought while on that subject I should like to have the Senator give the reasons why he takes the position he does.

Mr. COPELAND. I will be very glad to do that, and I might as well do it now.

### THE HOME LOAN BANK BILL

Mr. CAPPER. Mr. President, I join with other Senators and with the country in hoping for an early adjournment of this Congress; but, nevertheless, I am strongly opposed to an adjournment before the Senate takes action on a few important matters of legislation.

There is the 3-way farm relief bill championed by the national farm organizations. I regard it as most important. The price level of farm products must rise before we can start on the return road to prosperity.

The home loan bank bill, already passed by the House and approved by the Senate committee, by all means should receive immediate action, and the action should be favorable. I take this opportunity of urging the senior Senator from Indiana [Mr. WATSON], in charge of this important legislation, to bring it before the Senate and get a vote on it before adjournment.

Mr. President, I am getting letters and telegrams every day urging the passage of this measure. It was recommended by President Hoover; it has the approval of the leadership of both branches of Congress. Some such backing for the building and loan associations seems to be very necessary. I hope the Senator from Indiana will insist upon the passage of this measure. And I ask unanimous consent to have printed in the RECORD and lie on the table a number of letters and telegrams from among those I have received upon the subject.

There being no objection, the letters and telegrams were ordered to lie on the table and be printed in the RECORD, as follows:

KANSAS BUILDING AND LOAN LEAGUE,
*Topeka, Kans., June 29, 1932.*

Hon. ARTHUR CAPPER,
*United States Senate, Washington, D. C.*

MY DEAR SENATOR: I am wondering if it is not possible to soon have a vote on the Federal home loan bank bill. I realize that it is sometimes difficult to work in so many different measures shortly before adjournment, but this bill has passed the House, and the bill as it was passed in the House has been recommended for passage by the Senate Banking and Currency Committee. This measure was introduced early in the session and has been considered very carefully by the committees.

I realize that there is certain opposition to this measure, but at the same time Congress has already provided ways and means of relief for the very concerns which are now opposing this measure. I feel rather confident, from information obtainable, that if this measure was called to a vote that it would pass the Senate without any trouble. I realize that you have been working very hard for its passage and that you favor its provisions, and your support thus far given this measure is certainly appreciated by the associations throughout the State. However, I would like to ask that you take it upon yourself to get this measure before the Senate for a vote if there is any possible way of doing so.

The situation in Kansas as regards building and loan associations is not so favorable as it was 30 or 60 days ago, and there is practically no money available in these institutions to make any loans for home purposes of whatever nature they may be. Our associations do not even have the funds to make loans for remodeling or any repair work. If we were able to obtain funds for this purpose, many of our laboring men now unemployed could be given some work, which would greatly relieve the general situation.

There is another advantage in having this bill, which I think the building and loans have in mind, and that is that it is generally conceded that the banks have been greatly strengthened since the passage of the Reconstruction Finance Corporation, and that the general public feels and shows more confidence in the banks at the present time. If this is true, then this bill should do the same thing for the building and loan associations. It is hard to realize that Congress can refuse to recognize the financial institutions representing resources in excess of $9,000,000,000 in their request for this measure.

Your immediate urge to get this bill on the floor of the Senate for a vote will certainly be appreciated by your many building and loan friends throughout this State.

Yours very truly,

PAUL B. MORRISON,
*Executive Secretary.*

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IOLA, KANS., *June 30, 1932.*

Senator ARTHUR CAPPER:

Twelve million people vitally interested in home loan bank bill, including over 200,000 in Kansas. This is not "pork-barrel" legislation but is sound measure affecting home owners, wage earners, and gets to smallest communities. Construction and associated industries can not recover without it. Is Republican measure passed by Democratic House and shoved in behind Philippine independence by Republican Senate. Building and loan members looking for leaders to bring bill to immediate vote in Senate and see that it passes.

DIRECTORS SECURITY BUILDING AND LOAN ASSOCIATION.
DIRECTORS IOLA BUILDING AND LOAN ASSOCIATION.

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WICHITA, KANS., *June 30, 1932.*

Hon. ARTHUR CAPPER,
*Senate Building:*

Wichita association of building and loans as well as building-trades organizations feel it would be disastrous if Federal home loan bill does not pass present session of Congress. We confidently hope that you and Senator MCGILL will do everything in your power to have this come up for consideration before adjournment.

WICHITA LEAGUE OF BUILDING AND LOAN ASSOCIATIONS,
L. W. BAUERLE, *President.*
H. D. BAKER, *Vice President.*

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THE CAPITOL BUILDING AND LOAN ASSOCIATION,
*Topeka, Kans., June 29, 1932.*

The Hon. ARTHUR CAPPER,
*The United States Senate, Washington, D. C.*

DEAR SIR: For an administration measure, which was recognized and passed by a Democratic House, it seems to me that the home loan bank bill is receiving very little attention. I can not understand why Senators can not demand that this bill be brought out and acted upon. It is very important that this be done, for each day makes the need of this act more acute in the building and loan associations of the United States.

We must have some such institution unless building and loans are just left to freeze up and thaw out as times improve. The banks have received help time after time and, while building and loan associations were named in the Reconstruction Finance Cor-

poration measure, they have received practically no help from this organization. Not one cent of this money has ever come into the State of Kansas.

I know that you can not realize how important this is to the building and loan associations of Kansas. We worry about the condition of the farmer all the time and we know that he needs consideration, and it is just as true that building and loan associations need help.

In this particular instance we are not asking the Government for dole. We are merely asking for the establishment of an institution that makes it possible for building and loan associations to operate effectively and individually. If these institutions are worth anything to the country, they should be given consideration—if not, then the proper course is being pursued, and they will liquidate and go out of existence.

You have agreed that you would support the measure when it came to a vote, but now we want somebody to bring this bill out where it can be seen and acted upon. We are asking your assistance in seeing that this is done.

Will you please give this prompt attention, as this bill must be passed before Congress adjourns?

Yours very truly,

C. A. STERLING, *Secretary*.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9699) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1933, and for other purposes; and that the House had receded from its disagreement to the amendment of the Senate numbered 9 to the said bill, and concurred therein.

The message also announced that the House further insisted upon its disagreement to the amendment of the Senate numbered 132 to the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes, further insisted on by the Senate; agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. OLIVER, Mr. GRIFFIN, Mr. CANNON, Mr. WOODRUM, Mr. SHREVE, and Mr. TINKHAM were appointed managers on the part of the House at the further conference.

The message further announced that the House had passed without amendment the following bill and joint resolution of the Senate:

S. 4874. An act to grant a right of way or easement over lands of the United States within the Upper Mississippi River Wild Life and Fish Refuge to the Savanna-Sabula Bridge Co., a corporation, for the construction, maintenance, and operation of a highway between Savanna, Ill., and Sabula, Iowa; and

S. J. Res. 188. Joint resolution amending the joint resolution providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska, approved June 6, 1932.

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President;

S. 772. An act to authorize the Secretary of Agriculture to sell the Morton Nursery site, in the county of Cherry, State of Nebraska;

S. 1030. An act for the relief of John A. Pearce;

S. 2242. An act granting six months' pay to Louis Soluri;

H. R. 10022. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1933, and for other purposes;

H. R. 10884. An act to authorize the Secretary of the Interior to adjust reimbursable debts of Indians and tribes of Indians;

H. R. 12202. An act to extend certain provisions of the river and harbor act of March 3, 1899, to the Virgin Islands;

S. J. Res. 188. Joint resolution amending the joint resolution providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska, approved June 6, 1932; and

H. J. Res. 443. Joint resolution directing the President of the United States of America to proclaim October 11, 1932, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski.

PHILIPPINE INDEPENDENCE

The Senate resumed the consideration of the bill (H. R. 7233) to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands, to provide for the independence of the same, and for other purposes.

Mr. COPELAND. Referring to what the Senator from Kansas has just said, I am very eager to have the home loan bank bill brought before the Senate and enacted into law. Last night we thought we had an agreement that the pending bill should go over until December as it should. I think this morning we have made some progress with an amendment to the bill, including a constitutional amendment, but there was objection raised to the unanimous-consent agreement. I hope and believe, however, that the home loan bank bill will come up, and it should be disposed of.

Now, Mr. President, I want to speak about what the Senator from Utah has just said. I do not want to do it from my own words; I want something more authoritative than anything I might say to be put in the RECORD as an answer to the Senator.

One of the two authorities who are quoted most extensively by those who contend that we have a right to alienate sovereignty in such a way as is proposed here is Mr. Justice Malcolm, of the Philippine Supreme Court. It so happens that he was a college mate of mine, and an old friend. We exchange gifts at Christmas time, and are very good friends; and the book which I have in my hand is a gift from him. The title of it is "Philippine Constitutional Law," by Mr. Justice George A. Malcolm, Associate Justice of the Supreme Court of the Philippine Islands and professor of public law in the University of the Philippines.

Mr. HAWES. Mr. President, the Senator has probably seen in the RECORD an opinion by this very judge on the point he has been discussing for the last two days.

Mr. COPELAND. That is just what I am going to speak on now.

Mr. HAWES. He takes the opposite view from the Senator.

Mr. COPELAND. Yes; but not with regard to the particular matter about which I have been speaking.

I want to make clear to the Senator from Utah [Mr. SMOOT], and others who may be interested, that one of the strongest advocates of the theory that we have a right to alienate sovereignty is my old friend Mr. Justice Malcolm; and if by chance he should ever read what I am saying, I want him to know, as he already knows in his heart, that I would not say anything that could possibly be offensive to him, or impair in any way the very delightful friendship which has existed between us for many years—more than 40 years, in fact.

On page 179 of Malcolm's work on Philippine Constitutional Law, I find this:

> The Constitution likewise grants to Congress the power "to dispose of * * * the territory or other property belonging to the United States."

That is what the Senator just quoted from the Constitution.

> The full scope of this provision "has never been definitely settled." It is probable, however, that the term "territory" as here used "is merely descriptive of one kind of property; and is equivalent to the word lands." If this be true, this provision of the Constitution would have no bearing on a change of status for the Philippines, as a political entity.

He makes reference also to the discussion by Mr. Justice White of the same question in the case of Downes against Bidwell, found in 182 United States Reports.

TREASURY AND POST OFFICE APPROPRIATIONS—CONFERENCE REPORT

Mr. ODDIE. Mr. President——

Mr. COPELAND. I am glad to yield to the Senator from Nevada, because he has an important conference report.

Mr. ODDIE. I thank the Senator.

Mr. President, I send to the desk the conference report on the Treasury and Post Office Departments appropriation bill, and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. Is there objection?

Mr. COPELAND. Mr. President, I suggest the absence of a quorum, and I do so because the Senator from Georgia [Mr. GEORGE] desires to be here when this conference report is taken up.

The PRESIDING OFFICER. The clerk will call the roll.

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

| | | | |
|---|---|---|---|
| Ashurst | Couzens | Jones | Robinson, Ark. |
| Austin | Davis | Kean | Robinson, Ind. |
| Barbour | Dickinson | Kendrick | Schall |
| Bingham | Fletcher | Keyes | Sheppard |
| Black | Frazier | La Follette | Shipstead |
| Blaine | George | McGill | Shortridge |
| Borah | Glenn | McNary | Smoot |
| Bratton | Goldsborough | Metcalf | Steiwer |
| Brookhart | Hale | Moses | Thomas, Idaho |
| Broussard | Hastings | Norbeck | Townsend |
| Bulow | Hatfield | Norris | Trammell |
| Capper | Hawes | Nye | Vandenberg |
| Caraway | Hayden | Oddie | Wagner |
| Carey | Hebert | Patterson | Walcott |
| Coolidge | Howell | Pittman | Watson |
| Copeland | Johnson | Reed | White |

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

Mr. ODDIE: I ask that the conference report be read.

The conference report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9699) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1933, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 3, 5, 17, 28, and 29.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 6, 7, 8, 13, 14, 15, 16, 18, 19, 20, 21, 22, 23, 25, 26, 27, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 45, 46, 47, 48, 49, 50, 51, and 52, and agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows:

"The offices of surveyors of customs (except the surveyor of customs at the port of New York) and appraisers of merchandise (except the appraiser of merchandise at the port of New York), 21 in all, with annual salaries aggregating $102,000, are hereby abolished. The duties imposed by law and regulations upon surveyors and appraisers of customs, their assistants and deputies (except the surveyor and the appraiser, their assistants and deputies at the port of New York) are hereby transferred to, imposed upon, and continued in positions now established in the Customs Service by or pursuant to law, as the Secretary of the Treasury by appropriate regulation shall specify; and he is further authorized to designate the titles by which such positions shall be officially known hereafter. The Secretary of the Treasury, in performing the duties imposed upon him by this paragraph, shall administer the same in such a manner that the transfer of duties provided hereby will not result in the establishment of any new positions in the Customs Service."

And the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$950,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$410,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$27,800,220"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert "$19,460,000"; and the Senate agree to the same.

The committee of conference have not agreed on amendment numbered 9.

TASKER L. ODDIE,
REED SMOOT,
GEO. H. MOSES,
E. S. BROUSSARD,
PARK TRAMMELL,
*Managers on the part of the Senate.*

JOSEPH W. BYRNS,
WILLIAM W. ARNOLD,
LOUIS LUDLOW,
WILL R. WOOD,
M. H. THATCHER,
*Managers on the part of the House.*

Mr. ROBINSON of Arkansas. Mr. President, may I ask the Senator whether the amendment providing a fund for rural sanitation, and so forth, has been dealt with in this report?

Mr. ODDIE. Mr. President, that amendment was lost in the conference.

Mr. ROBINSON of Arkansas. I am going to ask that the conference report be rejected, and that the matter be given further consideration. I am morally sure that the matter is entitled to more attention that has been given it.

Mr. SMOOT. Mr. President, I want to say to the Senator that I think that was about the last amendment we considered.

Mr. ROBINSON of Arkansas. I have talked to more than one member on the conference committee, who tell me that they did not even know that it had been yielded.

Mr. ODDIE. There was no Budget estimate for this item, but the Senate conferees, I know, tried to hold it in the bill.

Mr. ROBINSON of Arkansas. A bill passed the Senate carrying this exact amount, for the express purposes stated in the amendment, by unanimous vote, early in the present session, and the Senate having taken that action on the matter, is entitled to have the amendment given more consideration. I am going to ask that the report be rejected.

Mr. TRAMMELL. Mr. President, I very much hope the chairman of the committee will not resist having the report sent back for further consideration in regard to this item. While I was on the conference, I did not realize that the Senate conferees had receded on this particular amendment. Of course, I know the chairman of the committee knows exactly what was done, but it is a matter of a great deal of importance, and if we could get together and have it sent back, it ought not to take very long. I hope the chairman will be willing to have that done.

Mr. MOSES. Mr. President, I add my feeble voice also to that suggestion, because I feel sure after having talked with the author of the amendment that the conferees can reach some agreement with reference to it, probably by having the House accept with an amendment or the Senate recede with an amendment, which would take care of the matter.

Mr. COPELAND. Mr. President, I want to call the attention of the Senator from Nevada to the typewriter matter.

By reference to the CONGRESSIONAL RECORD, page 14132, I find this, it being my own comment:

Mr. President, may I have the attention of the Senator in charge of the bill? There was a misapprehension in the committee about these rates. After the words "to wit," in line 10, page 7, there should be inserted "Portable desk models, $60." Then, in line 11, "10-inch" should be "$70." I have here the General Supply Committee specifications, and what I am saying to the Senate now is in accordance with them. So there should be inserted in line 10, after the words "to wit," "Portable desk models, $60." That is where the "$60" comes in. Then, on line 11, the committee amendment should be rejected and left at $70.

The Presiding Officer ruled that since it was an amendment to the original text, it could not be considered except by unanimous consent, and there was objection.

I renewed the request later in the afternoon, and at that time proposed that the language be changed in accordance with what I have just said was my original proposal. I do not seem to be able to put my finger on the place in the RECORD where that occurred, but the RECORD was not complete at the second time, and I find now that the conference report comes in referring to portable desk models, "10-inch," and so forth. That is not the way it was stated. It was stated, "portable desk models, $60; 10-inch correspondence models, $70," and so on. Now the committee comes in, having receded, so that the Government would be permitted to pay only $60 for the standard machine, which it can not buy for that price.

If I may have the attention of the Senator in charge of the bill, if this conference report goes back, I shall hope that this matter regarding typewriters will be made right, so that it would be, "portable desk model $60," and the 10-inch correspondence models, $70. That was the intention of the Senate by the action which we took.

Mr. SMOOT. In regard to the reduction from $70 to $60, not only the conferees of the House but the representatives of the department said that they could buy these portable desk models at $60 to-day.

Mr. COPELAND. Certainly; the portable desk models can be bought, but the way the bill comes back to us the standard 10-inch typewriters must now be bought at $60.

Mr. SMOOT. They can be bought for $48 and some cents.

Mr. COPELAND. That is not the statement of the General Supply Committee.

Mr. SMOOT. That was the information furnished the conferees. Not only that but that they had been buying them for $60 even before the conditions existing to-day.

Mr. COPELAND. Buying what—standard machines?

Mr. SMOOT. Buying the standard typewriters.

Mr. COPELAND. I hope they will be able to buy them for $40 or $25, but the point I make is that that item was not in conference. The action of the Senate was to disagree to the Senate committee amendment.

Mr. SMOOT. From $70 to $1 was in conference, because any amount from nothing to $70 was in conference, and, therefore, we struck out the $70 and made it $60, because there was no necessity of its being there, we were told.

Mr. COPELAND. I am most unfortunate in my choice of language. The point I make is that the conference committee had no latitude except so far as they might strike out the portable desk model, because the Senate disagreed to the change from $70 to $60, and it should have been left at $70. Therefore that item was not in conference.

Mr. SMOOT. But the amendment striking out $70 and inserting $60 was in conference.

Mr. COPELAND. That is my contention exactly; that it was not in conference because the Senate rejected the Senate committee amendment and left it at $70.

Mr. SMOOT. The Senator is mistaken. Here is the bill. I will hand it to the Senator and he can see for himself. Here is the amendment—$60, striking out $70 and inserting $60.

Mr. COPELAND. Let me show the Senator something.

Mr. SMOOT. This is the official copy.

Mr. COPELAND. That may be the official copy, but mistakes sometimes occur in official copies. The Senate rejected that amendment changing the figure from $70 to $60 and it was not in conference. Therefore the act of the conference committee was improper, under the rules.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. ROBINSON of Arkansas. Mr. President, I am morally sure that if this bill goes back to conference an adjustment can be made, if the Senate conferees will give some consideration to the item of the amendment relating to rural sanitation. I have made some investigation into the subject and I am not at all pleased at the way the matter has been handled. A bill in language identical with that in the Senate amendment was reported by the Committee on Agriculture and Forestry by unanimous vote of that committee.

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

Mr. ROBINSON of Arkansas. I yield.

Mr. SMOOT. I think more than likely we would save time by letting the bill go back. I have no objection, so far as I am concerned, if the chairman of the committee will agree.

I would like to ask a question of the Chair. Could not the report be agreed to, with the exception of the amendment referred to by the Senator from Arkansas, and let it go back on that one amendment only?

Mr. ROBINSON of Arkansas. That would be satisfactory to me; but I have no authority to speak about the other amendments. In fact, I am not familiar with them.

Mr. GEORGE. Mr. President, may I ask the chairman of the committee whether the item of $375,000, and the second item of $85,000, for air mail service from Charlotte via Columbia to Augusta, Ga., were retained in the bill?

Mr. SMOOT. The amount of the appropriation was retained in the bill, but they did not want to earmark any appropriation. The amount of $90,000, as I remember it, was included in the bill, as well as the $375,000. In other words, instead of $19,000,000, nineteeen million four hundred and some odd thousand dollars, just as the Senate had it, was inserted.

Mr. GEORGE. Four hundred and sixty thousand dollars.

Mr. SMOOT. That was appropriated to take care of those two items.

Mr. GEORGE. So the amounts are retained?

Mr. SMOOT. The amounts are retained.

Mr. JONES. Mr. President, if this is a full conference report, and if this one item is to go back, we will have to reject the whole conference report, and have another conference.

Mr. ODDIE. Mr. President, before the question is put, I would like to reply to the Senator from Georgia on the question of the air mail. The bill as it passed the Senate contained an item of $460,000 in addition to the $19,000,000 carried in the House bill. That was for resuming the night air mail service between Salt Lake City, Utah, Las Vegas, Nev., and Los Angeles and San Diego, Calif. Also $85,000 of that $460,000 was for the establishing of a new air mail service between Charlotte, N. C., Columbia, S. C., and Augusta, Ga.

The conferees decided that, as a matter of policy, it would be better to remove what are called the earmarks; but they left the amount at $460,000. So the Post Office Department is on notice that the conferees of both Houses intended that the Salt Lake City-Los Angeles line be reestablished and that the line through North and South Carolina to Georgia be created. It is a moral and binding obligation on the Post Office Department to establish that service. I think there can be no question, when the conferees of both Houses have agreed to the item, and the money that was appropriated for those two particular purposes is provided for in the bill, that the service will be established.

Mr. GEORGE. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was rejected.

Mr. ODDIE. Mr. President, I move that the Senate further insist on its amendments, except amendment num-

bered 9, ask for a further conference with the House, and that the Chair appoint conferees.

The motion was agreed to; and the Presiding Officer appointed Mr. ODDIE, Mr. SMOOT, Mr. MOSES, Mr. BROUSSARD, and Mr. TRAMMELL conferees on the part of the Senate at the further conference.

Mr. COPELAND. Mr. President, may I ask the Senator from Nevada a question?

Mr. ODDIE. Certainly.

Mr. COPELAND. I ask the Senator, when the report goes back to conference, to give renewed consideration to the matter of typewriters. I think we should get information about it. The advices I get are that the standard machine is the $70 machine; but I ask that the conferees discover the facts regarding it. My contention is that, regardless of what the RECORD may show, the item was not in conference.

Mr. ODDIE. I shall request the conferees to give attention to the item.

SECOND DEFICIENCY APPROPRIATIONS—CONFERENCE REPORT

Mr. JONES submitted the following report:

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12443) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1932, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1932, and June 30, 1933, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 20, 21, 22, 29, and 41.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 24, 25, 27, 28, 31, 32, 33, 35, 38, 39, 40, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, and 72, and agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$50,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"General and Special Claims Commissions, United States and Mexico: The unexpended balance of the appropriation for the General and Special Claims Commissions, United States and Mexico, for the fiscal year 1932, shall remain available for the same purposes until June 30, 1933."

And the Senate agree to the same.

The committee of conference have not agreed on amendments Nos. 23, 30, 34, 37, and 42.

W. L. JONES,
REED SMOOT,
FREDERICK HALE,
JOHN B. KENDRICK,
CARL HAYDEN,
*Managers on the part of the Senate.*

JOSEPH W. BYRNS,
EDWARD T. TAYLOR,
WILL R. WOOD,
*Managers on the part of the House.*

Mr. JONES. Mr. President, I want to say with reference to the matters in disagreement that they have to be taken back to the House. The conferees on the part of the House will recommend their adoption by the House.

The report was agreed to.

PHILIPPINE INDEPENDENCE

The Senate resumed the consideratiton of the bill (H. R. 7233) to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands, to provide for the independence of the same, and for other purposes.

Mr. VANDENBERG. Mr. President, I am perfectly willing to proceed to a vote on the pending amendment and then to proceed as rapidly as possible to the balance of the amendments. This is the first opportunity I have had to obtain the floor since the Senator from Missouri [Mr. HAWES], the Senator from Nevada [Mr. PITTMAN], and the Senator from Indiana [Mr. ROBINSON] were indirectly discussing earlier in the afternoon the question of the good faith in which these amendments may or may not have been offered.

I want to express my particular gratitude to the able senior Senator from Nevada [Mr. PITTMAN], who made it very plain that, so far as his judgment is concerned, he understands the amendments are submitted in good faith and are submitted for no other purpose than to undertake to make what I deem to be an unpalatable bill as palatable as possible. Those who may feel that I have some collateral purpose are simply mistaken, and I regret that they may have found it even remotely necessary to express such a thought. The RECORD belies them. I have occupied the floor but a comparatively few moments and always in discussion of the immediate legislative objective. As a matter of blunt truth, the whole debate, involving the interests of 13,000,000 people in the Philippines and 120,000,000 people in the United States, has run on for little more than a day. This is precious little consideration to give to so large and so far-reaching a problem.

I think I have demonstrated during the past year that no Senator, not even excepting the able senior Senator from Missouri [Mr. HAWES], has any more definite or more constructive or more sympathetic interest in Philippine independence upon a proper and adequate and ultimately permanent basis than I have. During the past three months, in my capacity as chairman of the so-called steering committee, if there had been any desire upon my part to take advantage of the Senate situation for the purpose of preventing or delaying the consideration of this problem upon its merit, I think it will be conceded that I would not have cheerfully insisted upon a place upon the Senate's regular order of preferred business for the pending measure.

One year ago I took three months to visit the Philippine Islands, to study the problem at first hand, by way of supplement to the study and consideration which I had given it in committee. I returned with certain fixed convictions and with a real friendship for the Filipino people. I intend to persist in those convictions. I decline to be turned aside from submitting those convictions to the Senate by any inferences that my purpose may be other than a good-faith purpose.

It has been repeatedly urged that this entire problem was canvassed at great length and in great detail by the Committee on Territories and Insular Affairs, of which the Senator from Missouri [Mr. HAWES] and the Senator from New Mexico [Mr. CUTTING], the authors of the pending measure, and myself are all members. It is absolutely true, Mr. President, that in my five years' experience in the Senate no subject was ever canvassed with any greater earnestness or with any greater sympathy than the subject of Philippine independence was canvassed by this particular committee at this particular time.

I have said before, and I say again, that I have nothing but the utmost respect for the devotion which the senior Senator from Missouri has given to this cause. The mere fact, however, that we happen to disagree upon the correct route to an ultimate objective is no reason why we should in any degree differ respecting the good faith in which we each choose our respective routes.

It is true that the subject was canvassed with great finality in the committee. It is true that the committee was

overwhelmingly in favor of the so-called Hawes-Cutting bill as it has been submitted to the Senate. But I know of no rule or precedent in the Senate which would directly or indirectly call upon me to withhold my view of the matter simply because I happen to have been overwhelmingly voted down in the committee. If I am alone in the possession of the view that I hold, namely, that so long as the American flag is in the Orient American authority shall remain in the Orient equal to the responsibilities which we thus carry and meet—if I am alone in that view, I regret it, but my lonesomeness will not for a single moment deter me from continuing to present to the Senate what I believe to be its meditated error. Minorities have been known to win ultimate vindication.

It is true, I repeat, that the committee under the chairmanship of the able Senator from Connecticut [Mr. BINGHAM] was almost united in favor of the pending measure. But it is also true that there are certain executive departments of the Government which have an equal right of consultation in a problem of this character. It is equally true that the State Department in respect of our international relationships and the War Department, in respect of the administrative responsibilities of the Philippine Islands, have a right of consultation in the settlement of a problem of this character quite equal to the consideration that may be given to the members of the Committee on Territories and Insular Affairs. The fact is that the State Department and the War Department, for whatever their objection may be worth, stand in positive opposition to the pending legislation. They may be wrong. They are wrong in the view of my colleagues on the committee. Whether they are wrong or not, however, they have submitted profoundly persuasive reasons for the position they have taken, and in some degree and in some respects I heartily share the viewpoint which they have thus expressed. It would scarcely be candid to brush their recommendations contemptuously aside.

I believe, with all the sincerity at my command, that it would be a tragedy for us to proceed upon this adventure as it is written in this pending measure. Despite that fact, I am of the opinion that the pending measure could be brought within some degree of reasonable acceptance by certain amendments which I am proposing to continue to submit. Those amendments can be dispatched, Mr. President, as promptly as the Senate pleases. I have taken none of the Senate's time in any prolonged discussion of any of these amendments. I shall content myself with the briefest résumé of the reasons which move me to submit them. Then, when they shall have been dispatched, I shall present the completed substitute which represents the theory upon which I have approached this problem and upon which I believe the Philippine Islands will reach their permanent independence not only sooner but more safely than under any other theory now pending in this body.

I shall undertake to submit to the Senate the reasons why I think that substitute is preferable. I shall do it with all the brevity possible. I shall not undertake, directly or indirectly, to contribute to delay any legislation at this hour in the Senate's proceedings, but I repeat, Mr. President, that the suggestions which I am bringing to the attention of the Senate are submitted in utter good faith, and I should be greatly disappointed if any colleague should seriously have any other view.

Let there be no mistake, Mr. President, about my attitude. I again summarize it categorically. I favor action at the present session of the Congress in behalf of Philippine independence. The Filipinos deserve to have immediate implements supplied to develop our promise in the Jones preamble of 1916. These implements should be sound and dependable. We of the United States are entitled to restrict immigration and imports in this connection. They of the Philippines need these same restrictions in order to develop self-sufficiency such as must be sustained when actual independence comes. Meanwhile, so long as American sovereignty continues at Manila, so long as American responsibility persists, there must be unimpaired American authority. We dare not be an absentee landlord 10,000 miles from home.

Let there be no mistake, Mr. President, about the fact that I am trying to hasten these objectives. Lest self-serving inferences may have invited a different interpretation of my purpose, let the record show that in point of ultimate time my substitute proposal runs but four years longer to its maturity than does the pending measure. Meanwhile, it begins its limitations upon Philippine imports five years sooner than does the pending bill. It provides a more temperate and practical progression in these limitations, yet arrives at larger limitations than the pending bill. It stops immigration precisely as does the pending bill. It immediately enlarges native autonomy, although this is scarcely a serious matter because the Philippines already are 98 per cent autonomous. It leads to the absolute assurance of a plebiscite. It transfers to the Filipinos the complete mastery of their own ultimate destiny. Shall any Senator pretend that this is inimical to the cause of independence? Let him be answered by my statement that I am willing to vote at this moment for the substitute and to have it become immediate law.

The fundamental difference, Mr. President, is that the substitute puts the new Philippine constitution at the end instead of at the beginning of the period of preparation which under either bill involves about two decades. It insists that so long as American sovereignty remains, American authority shall serve it. This spells no imposition upon the natives, because, I repeat, they already have 98 per cent of political autonomy. On the contrary it is an additional warrant that the new republic, when established, shall not fall. For America it involves a basic philosophy which I decline to desert.

I want action. My substitute represents action. The Senate has been officially notified that the War Department favors it as among all pending measures. I want a bill that can complete its legislative and executive journey and become a law. Pending decision upon my substitute, I offer the amendments to the pending text which will at least help it to trend in this direction.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Michigan.

The amendment was rejected.

Mr. VANDENBERG. Mr. President, assuming that the vote just taken by the Senate expresses its unwillingness to change the economic structure embraced in the Hawes-Cutting bill, I shall not undertake to submit the supplemental amendment which was prepared and printed dealing with the economic portion of the program. Now, however, I want to submit an amendment dealing with another phase of the matter, and if I may have the attention of the Senator from Nevada [Mr. PITTMAN] I shall hope to interest him in the philosophy of this proposal.

I send to the desk an amendment which I ask may be read.

The VICE PRESIDENT. Let the amendment be stated.

The CHIEF CLERK. It is proposed, on page 39, after line 20, to insert a new paragraph reading as follows:

SEC. —. That the bonds and other obligations of the Philippine Government or of the provincial and municipal governments thereof, hereafter issued during the continuance of United States sovereignty in the Philippine Islands, shall specifically provide that there is no obligation, moral or legal, on the part of the United States to meet the interest or principal of such bonds or obligations: *Provided*, That such bonds and obligations hereafter issued shall not be exempt from taxation in the United States or by authority of the United States: *And provided further*, That no such obligations shall be contracted in foreign countries without the prior approval of the President of the United States, nor shall the proceeds of any such obligations contracted in foreign countries be applied, without such approval, to purposes other than the retirement of existing obligations of the Philippine Government, or the provincial and municipal governments thereof, heretofore issued under authority of some act of Congress of the United States.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Michigan.

Mr. VANDENBERG. Mr. President, I am very glad also to invite the attention of the senior Senator from Missouri

[Mr. HAWES] to this amendment. He was not in the Chamber at the moment when I previously spoke.

Mr. President, there is at best a somewhat difficult and perplexing problem involved in the mixed fiscal responsibilities and obligations of the Philippine Islands and the United States. While it is true that none of the obligations of the Philippine Islands bear the legal imprint and warrant of the Government of the United States, the Attorney General of the United States, in a formal decision a number of years ago, insisted that there is a specific moral obligation on the part of the Government of the United States in respect of such securities as have been issued by the Philippine Islands and their various subdivisions of government.

Mr. BORAH. Mr. President——

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

Mr. VANDENBERG. I yield.

Mr. BORAH. Upon what theory did the Attorney General arrive at that conclusion?

Mr. VANDENBERG. I have not his opinion at hand. It was first called to my attention by the Senator from Pennsylvania [Mr. REED], and I should be very happy to ask him if he remembers the theory upon which the Attorney General of the United States, in a formal decision, which the Senator from Pennsylvania will recall, declared that there is a binding moral obligation upon the United States behind certain of these Philippine fiscal obligations?

Mr. REED. Yes; that is true, Mr. President. There is not any formal guaranty by the United States Government, but more than 20 years ago—probably 25 years ago—there was a ruling of the Attorney General to the effect that, while there existed no formal legal guaranty, there seemed to him to be a clear moral responsibility resting upon us who had authorized the issuance of the bonds to see that they were paid; and those bonds have been sold generally throughout the United States since that time with never a syllable of contradiction by anybody of that expressed opinion of the Attorney General. If it is possible for the Government to assume an implied obligation of that sort, then certainly it assumed it in that case.

Mr. VANDENBERG. That is my understanding of the situation. It is a situation freighted with contingent liabilities, which should not persist under this new and virtually independent Philippine government.

Mr. BORAH. Mr. President——

Mr. VANDENBERG. I yield.

Mr. BORAH. I do not know how the Government of the United States could assume a moral obligation with reference to securities of that kind.

Mr. VANDENBERG. It is my understanding that much of the financing of the Philippine Islands and some of its subdivisions is done directly through the Bureau of Insular Affairs in the War Department here in Washington, that bureau acting virtually as the fiscal agent for the Philippine Islands.

Mr. BINGHAM. That is true.

Mr. VANDENBERG. And obviously that situation, right or wrong, would invite the interpretation to which the Senator from Pennsylvania has referred.

Mr. BINGHAM. New issues of bonds are nearly always advertised by the War Department for the Philippine government.

Mr. BORAH. Yes; I know that is true, but they were simply acting as fiscal agents of the Philippine Islands, to accomplish a certain purpose, and anyone purchasing the bonds would have to determine who was responsible for the bonds, and there would be no legal obligation. Therefore, if the Government did nothing more than act as fiscal agent and assist in putting the bonds upon the market, I do not see how there could be any moral obligation on its part.

Mr. VANDENBERG. Mr. President, whether there be a legal or a moral obligation or not, I announce the fact that the Attorney General gave a decision of that character, and I come to the conclusion that such a situation should not be permitted to continue under the new arrangement under any circumstances.

Mr. BORAH. Who was the Attorney General?

Mr. VANDENBERG. I am unable to answer that question.

Mr. REED. I have forgotten who the Attorney General then was.

Mr. BINGHAM. It is quite obvious that the people who purchased such bonds believed that the Attorney General was correct, because the bonds have been selling at a rate comparable only to securities behind which is the credit of the United States.

Mr. BORAH. I would like to know, for my own satisfaction, what is the moral obligation of the United States? How can the Government of the United States become responsible or assume a moral obligation under such circumstances?

Mr. VANDENBERG. There is the circumstance of sale and distribution to which I have referred, and the nature of the relationship between the islands and the United States, which provide the only possible reason I could give the Senator; but I say to the Senator that I cordially concur in what seems to be his inferential position, that no such thing should exist and that there should be no fiscal obligations upon the United States that are either moral or indirect unless they are written into the bond.

Mr. BINGHAM. Mr. President——

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

Mr. VANDENBERG. I yield.

Mr. BINGHAM. Does not the Senator agree with me that most of the persons who have purchased those bonds through the fiscal agent of the Philippine Islands, namely, through the Bureau of Insular Affairs of the War Department, have by the very fact of the price they are willing to pay for them made evident their belief that they were guaranteed by the United States?

Mr. VANDENBERG. I think the price is conclusive proof that the purchaser thinks he had a warrant.

Mr. BORAH. We certainly are not responsible for the ignorance of the purchaser.

Mr. PITTMAN. Mr. President——

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

Mr. VANDENBERG. I yield.

Mr. PITTMAN. Having in mind the opinion of the Attorney General referred to—and I must say frankly the opinion of others—that our Government, because of the control it has maintained over the fiscal system of the Philippine Islands, through its banks, through the issuance of its bonds, through the sale of its bonds, through the power of veto of the issuance of bonds, and the power to veto the sale of bonds, has assumed a certain obligation, yet one might infer from the amendment offered by the Senator that there is no protection in this bill.

Mr. VANDENBERG. Mr. President, the Senator has anticipated my statement; I certainly intended to leave no such inference, and I am coming now to the precise part of the bill to which the Senator is about to advert. I am perfectly willing to have him make his statement, but I do not want him to think that I intended to overlook the provision to which he is about to refer.

Mr. PITTMAN. I was going to see if we had not done that, if I may say so. For instance, there are the provisions as to the public debt and obligations which it is made mandatory shall be placed in the constitution of the Philippine Islands or, if not in the constitution, then in the statutes of the Philippine Islands, which shall have the same effect.

Then there is the provision found on page 31 of the bill, being the second paragraph of section 7, containing provisions with regard to the obligations assumed by the government of the Philippine Islands:

(2) The President of the United States shall have authority to suspend the taking effect of or the operation of any law, contract, or executive order of the government of the Commonwealth of the Philippine Islands, which in his judgment will result in a failure of the government of the Commonwealth of the Philippine Islands

to fulfill its contracts, or to meet its bonded indebtedness and interest thereon or to provide for its sinking funds, or which seems likely to impair the reserves for the protection of the currency of the Philippine Islands, or which in his judgment will violate international obligations of the United States.

The President shall also have authority to take such action as, in his judgment, may be necessary in pursuance of the right of intervention reserved under paragraph (n), section 2, of this act.

Here is a further safeguarding provision found on page 33, paragraph 4:

If the government of the Commonwealth of the Philippine Islands fails to pay any of its bonded or other indebtedness or the interest thereon when due or to fulfill any of its contracts, the United States high commissioner shall immediately report the facts to the President, who may thereupon direct the high commissioner to take over the customs offices and administration of the same, administer the same, and apply such part of the revenue received therefrom as may be necessary for the payment of such overdue indebtedness or for the fulfillment of such contracts.

Now, here is something additional. That is under the new autonomous government. Here is the safeguard. There is an absolute supervision under this bill over their issuance of obligations. They are under that control; but what we wanted in this bill was to provide a revenue so that that question would not arise, so that there would not be any doubt as to the validity of their bonds. So what did we do? We provided on page 29, under section (e), this:

The government of the Commonwealth of the Philippine Islands shall impose and collect an export tax on all articles that may be exported to the United States from the Philippine Islands free of duty under the provisions of existing law as modified by the foregoing provisions of this section, including the articles enumerated in subdivisions (a), (b), and (c), within the limitations therein specified, as follows:

Then the bill goes on, and specifies one after the other.

The government of the Commonwealth of the Philippine Islands shall place all funds received from such export taxes in a sinking fund, and such fund shall, in addition to other moneys available for that purpose, be applied solely to the payment of the principal and interest on the bonded indebtedness of the Philippine Islands, its Provinces, municipalities, and instrumentalities, until such indebtedness has been fully discharged.

Under that fiscal plan it is admitted by all of the experts who have testified on this question that that fund will pay off every dollar of the Philippine indebtedness before the period of independence. We have not only provided a fund for them which is not provided in the Senator's bill, we have not only guaranteed their independence but we have by their own consent placed it in the power of the President to suspend any act that threatens a violation of that credit or the failure to accumulate the sinking fund; and they can take charge of the customs, if they want to, and enforce the collection of those export taxes.

The Senator's bill has this in mind: The Senator's bill does not anticipate an autonomous government. It anticipates a power to become independent at the end of 20 years.

Mr. VANDENBERG. Mr. President, may I reclaim the floor just long enough to suggest to the Senator that I am discussing an amendment to the pending text, and not the substitute, at the present time, and that the amendment which I submit is supplemental to all of these other protections to which the Senator has referred—protections which I entirely agree are worthy and justified and sound. I am simply submitting to the Senate that they do not go far enough, and should be supplemented as I now indicate.

Mr. PITTMAN. We must do one of two things: We must either let the Philippines control their own economic conditions in the manner we have described here, or we must take charge of the whole situation. If, under the Senator's amendment, we are to declare to the world that the United States has not any legal or moral responsibility whatever as to their securities, and yet we are going to keep them under our sovereignty and under our domination, with no increased autonomous government, we are practically committing political murder against them.

Mr. VANDENBERG. Then, may I ask the Senator if it is his conception of the situation that there will be a continuing fiscal responsibility upon the Government of the United States in respect to subsequent securities issued by the Philippine Commonwealth?

Mr. PITTMAN. Undoubtedly there will be just the same as there is now, except that we have taken the precaution to offer a great many protections with regard to those securities that are not taken now.

Mr. VANDENBERG. I think the Senator's statement only emphasizes the necessity for the amendment which I have submitted. If there has been any misunderstanding heretofore respecting the precise nature of the responsibility of the Government of the United States for the financing of the Philippine Islands and their subdivisions, and if there is any remote danger that that misunderstanding will persist and continue under this new set-up, then, I think it is most emphatically wise to make it plain, here and now, that there is no such obligation. The situation which will exist under the new set-up is a totally different thing from the situation which has existed heretofore. Even if this moral fiscal obligation may have been justified heretofore, I can not see that it would be justified hereafter, in view of the fact that we are undertaking to establish an autonomous unit of government which is supposed to be able to handle its own problems and which presumably is preparing itself for a complete autonomy in which there shall remain no element of American reliance or stewardship.

What does this amendment provide? Simply that the bonds and other obligations of the Philippine government, or of the provincial and municipal governments thereof, hereafter issued during the continuance of United States sovereignty in the Philippine Islands, shall specifically provide that there is no obligation, moral or legal, on the part of the United States to meet the interest or principal of such bonds or obligations. That is a recital of a fact. There can be no question but that that is the recital of a fact; yet neither can there be any question that the fact is at variance with the common understanding of American investors during the past 20 years. I think the Senator from Connecticut [Mr. BINGHAM], the chairman of the committee, will concede that point. Sooner or later, whatever our relationships may be, there certainly must be a dividing line upon this fiscal responsibility which the United States carries. Certainly the place to provide it is in the charter of a new Philippine Commonwealth. Furthermore, I know of no reason why, under a new set-up of this character, the securities of a quasi-independent government, virtually external to the Government of the United States, should enjoy tax-exemption privileges within the United States. We have too many tax-exempt securities already.

Let us be consistent in our policy. If we are going to establish this experiment—and establish it, I hope, with all the blessings of success that our prayers can give it—if we are going to establish it, let us make the relationship specific and absolutely understood as between the sovereignty which we retain, the sovereignty which we transfer, and the sovereignty which is to be exercised by both of us.

I have repeatedly complained heretofore against that phase of the bill which provides a constitution at the beginning of the preparatory independence period instead of at the end, because it seems to me, as I said on yesterday, that this means that we neither leave the flag up nor take the flag down. We leave it at a sort of half-mast; and a flag at half-mast involves implications which I do not enjoy.

Here is another of those twilight zones where the responsibility of one group merges into the responsibility of another group, and no one knows the dividing line. The amendment recites the *fact*—I emphasize the word "fact"—it recites the *fact* that we have ceased to be responsible, even indirectly, for these fiscal obligations. Why should not the fact be recited, in common honesty to the American investor and in fairness to the Philippine Commonwealth itself, so that there may be absolutely no misunderstanding as to whose credit is involved in these future funding operations?

Mr. BINGHAM. Mr. President——

The PRESIDING OFFICER (Mr. PATTERSON in the chair). Does the Senator from Michigan yield to the Senator from Connecticut?

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

Mr. BINGHAM. With a great deal of what the Senator has said I am in accord, and with the first part of his amendment I have no particular quarrel; but I call his attention to the fact that in his final proviso he says to the new Philippine Commonwealth, "You may not issue any bonds unless the President of the United States gives you the permission to do it," whereby on the one hand he says that the United States will not be responsible at all and that no one can say there is any moral obligation, and on the other hand he says that the President of the United States will have to give his approval of the issue of these bonds; and the investor, seeing in the advertisement that the President of the United States has approved the issue of these bonds and not knowing the first part of it, will be misled. The Senator is trying to give the Philippines independence in connection with their fiscal relations and at the same time keep them in leading strings.

Mr. VANDENBERG. I think the Senator's point is perfectly well taken. When I read over the amendment this morning in its printed form it occurred to me that there was this clash between the two sections, and I had intended to withdraw the latter paragraph before the amendment was submitted. I now do perfect my amendment by putting a period after the word "United States," on line 2 of page 2, and striking out the balance of the amendment.

FIDUCIARY POWERS OF BANKS

Mr. WALCOTT. Mr. President, on June 27 identical measures, House bill 8694, and Senate bill 4851, were passed, giving the Comptroller of the Currency certain additional powers.

Both measures were passed, but I find that in printing the Senate bill an error was made with reference to the section to be amended. The Senate bill was entitled, "An act to amend section 5202," but it should agree with the wording of the title of the House bill, "To amend section 5240." It is a printer's error. Therefore, I ask unanimous consent that the Senate proceed to the consideration of the House bill, which is identical with the Senate bill, with the exception of this slight printer's error in the title.

The PRESIDING OFFICER (Mr. PATTERSON in the chair). Is there objection to the unanimous-consent request of the Senator from Connecticut?

There being no objection, the Senate proceeded to consider House bill 8694, to amend section 5240, United States Revised Statutes, as amended (U. S. C., title 12, ch. 3, secs. 481, 482, 483, 484, 485), and for other purposes, which was ordered to a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That section 5240, United States Revised Statutes, as amended (U. S. C., title 12, ch. 3, secs. 481, 482, 483, 484, 485), be amended by adding thereto a new paragraph reading:

"In addition to the expense of examination to be assessed by the Comptroller of the Currency as heretofore provided, all national banks exercising fiduciary powers under the provisions of section 11 (k) of the Federal reserve act, as amended (U. S. C., title 12, ch. 3, sec. 248 (k)), and all banks or trust companies exercising fiduciary powers in the District of Columbia shall be assessed by the Comptroller of the Currency for the examinations of such fiduciary powers, a fee in proportion to the amount of individual trust assets under administration and the total bonds and/or notes outstanding under corporate bond and/or note issues for which the banks or trust companies are acting as trustees upon the dates of examination of the various banks or trust companies."

GRAND CENTRAL STATION POST OFFICE, NEW YORK

Mr. COPELAND. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill 12360, to authorize the Secretary of the Treasury to enter into a contract to purchase the parcel of land and the building known as the Grand Central Station Post Office and Office Building, No. 452 Lexington Avenue, in the city, county, and State of New York, for post-office and other governmental purposes, and to pay the purchase price therefor on or prior to June 30, 1937.

This bill was objected to two or three days ago by the Senator from Pennsylvania when it was reached on the calendar. He wishes to offer an amendment to the bill; and since it has to be amended and go back to the House for action, and in view of the shortness of the time, it should be considered now.

The PRESIDING OFFICER. Is there objection?

Mr. McNARY. What is the nature of the request—that the unfinished business be temporarily laid aside?

Mr. COPELAND. Yes; so that Calendar 909 may be considered.

Mr. McNARY. So that if it leads to unusual debate the unfinished business may be resumed?

Mr. COPELAND. Of course.

Mr. McNARY. I have no objection, if it takes that form.

The PRESIDING OFFICER. Is there objection?

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

Mr. REED. Mr. President, it was I who objected to this bill when it was reached on the calendar last Monday. It seemed to me that, compared with the rental now being paid, the upset figure here, the limiting figure, was excessive, and that we would be buying the land on about a 2 per cent basis.

I have since consulted the Treasury, and have also been approached by representatives of the present owners of the property, and they have cleared up my misunderstanding. I find that it is proposed to acquire a considerable amount of property, more than is covered by the present lease.

The building now on the land is worth somewhere around two and a half million dollars apparently. The restorations and repairs and remodeling that would be required would cost somewhere between half a million and a million dollars, the Treasury's estimate being higher than those of the owners. That accounts for perhaps $3,000,000.

Sixty thousand square feet of land are involved, and I am told that three of the most reputable appraisers of New York have estimated the value of that land as being about $200 a square foot. I have no method of knowing whether that is moderate or inadequate or excessive. I am sure the Senator from New York himself does not wish to pose as a real-estate expert.

Mr. COPELAND. Certainly not.

Mr. REED. If that is a reasonable estimate, then this is not an unreasonable limiting figure; but that will have to depend on negotiations and investigations to be carried on by the Treasury Department.

Mr. COPELAND. As provided in the bill?

Mr. REED. As provided in the bill. I do feel, however, that even on the figures submitted by the owner, the limiting figure is about a million dollars too high, and therefore I move to amend the bill on page 2, line 22, by striking out "$15,500,000" and inserting in lieu thereof "$14,500,000."

I am advised that those who have been urging the bill will not contest that amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury is hereby authorized to enter into a contract to purchase on behalf of the United States the parcel of land with the building thereon located in the city, county, and State of New York, bounded by the westerly line of Lexington Avenue, the southerly line of Forty-fifth Street, a line parallel with and distant 275 feet, more or less, westerly of the westerly line of Lexington Avenue and a line parallel with and distant 220 feet 9½ inches, more or less, southerly of the southerly line of Forty-fifth Street, for a post-office building and/or for other governmental purposes, subject to the exception and reservation to the New York Central Railroad Co., its successors and assigns, of the perpetual rights of exclusive use for railroad station, terminal, and other purposes of the railroad company, its successors and assigns, of the subsurface of said parcel to be specifically defined in the instrument of conveyance with the necessary ventilating shafts; and subject also to exceptions and reservations for purposes of light, air, and support in favor of said subsurface and the southerly and westerly adjoining premises, all as may be agreed upon in advance by the respective parties to the conveyance of title to the United States: *Provided, however*, That the total limit of cost to the United States of such parcel of land and building, including the cost of any necessary remodeling of said building, shall not exceed the sum of $14,-

500,000 and interest: *Provided further*, That the contract of purchase, if made, shall provide for the conveyance to the United States of title to said property on or prior to January 1, 1933, and for the payment of the agreed purchase price of said property on June 30, 1937, except that the Treasury Department, at its election, may pay any part of the agreed purchase price prior to said date, and except that commencing on the date of the conveyance of title to said property to the United States and continuing until January 1, 1934, there shall be paid each month to be applied on account of the agreed purchase price a sum not in excess of the aggregate monthly rental now paid by the Post Office Department for the spaces occupied by the Post Office Department in said building and in the adjacent buildings to the north and south, and except that commencing on January 1, 1934, and continuing to the date of the full payment of the agreed purchase price there shall be paid each month, to be applied on account of the agreed purchase price as aforesaid, a sum not less than one-twelfth of the product arrived at by multiplying the aggregate square-foot area of the spaces now occupied by the Post Office Department in said building and in the adjacent buildings to the north and south, by a rate per square foot to be agreed upon by the owner and the Secretary of the Treasury, not in excess of $2.50 per square foot and not less than the average rental per square foot now payable by the Post Office Department under the present leases of the spaces occupied by the Post Office Department in the said building and in the adjacent buildings to the north and south: *Provided further*, That any appropriations made or hereafter made to the Post Office Department for the payment of rent under the leases now in effect and hereinbefore mentioned shall, upon the conveyance of title to the United States, be available to the Secretary of the Treasury for the aforesaid monthly payments on account of the purchase price: *Provided further*, That the Treasury Department at the date of its payment of the full purchase price shall pay interest upon the unpaid balances of said purchase price to be computed from the date of the conveyance of title to said property to the date of the payment of the full purchase price at a rate not in excess of 4 per cent per annum to be agreed upon by the owner and the Secretary of the Treasury: *And provided further*, That all other terms and conditions in connection with the purchase of said property shall be in the discretion of the Secretary of the Treasury.

PURCHASING POWER OF THE DOLLAR

Mr. BORAH. Mr. President, day before yesterday, when the calendar was being called, Order of Business 809, House bill 11499, for restoring and maintaining the purchasing power of the dollar, was reached, and the Senator from Pennsylvania [Mr. REED] objected to its consideration. I wonder whether the Senator from Pennsylvania would be willing to permit this bill to be passed and go to conference. It is a substitute for what is known as the Goldsborough bill. It provides for a very limited expansion of the currency. The Committee on Banking and Currency reported to strike out all after the enacting clause and to insert this language:

That notwithstanding any provisions of law prohibiting bonds of the United States from bearing the circulation privilege, for a period of five years from the date of enactment of this act all outstanding bonds of the United States heretofore issued or issued during such period shall be receivable by the Treasurer of the United States as security for the issuance of circulating notes to national banking associations, and upon the deposit with the Treasurer of the Untied States by a national banking association of any such bonds, such association shall be entitled to receive circulating notes in the same manner and to the same extent and subject to the same conditions and limitations now provided by law in the case of 2 per cent gold bonds of the United States bearing the circulation privilege; except that the limitation contained in section 9 of the act of July 12, 1882, as amended, with respect to the amount of lawful money which may be deposited with the Treasurer of the United States by national banking associations for the purpose of withdrawing bonds held as security for their circulating notes, shall not apply to the bonds of the United States to which the circulation privilege is extended by this act and which are held as security for such notes. Nothing contained in this section shall be construed to modify, amend, or repeal any law relating to bonds of the United States which now bear the circulation privilege.

SEC. 2. As used in this act, the word "bonds" shall not include notes, certificates, or bills issued by the United States.

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

Of course, I do not want to take the time from the bill now pending, if there is going to be any debate; but unless the bill goes to conference shortly, we can not hope to do anything this session. I think it an exceedingly important matter.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. REED. Mr. President, reserving the right to object, this is what this bill would mean: There were outstanding at the close of the last fiscal year, that is, one year ago today, $8,201,000,000 worth of Liberty bonds, unmatured, and there were outstanding $4,552,000,000 worth of Treasury bonds, a total of $12,753,000,000 worth of Liberty and Treasury bonds.

It is true that only about one billion of them are held by the banks which would be given the circulation privilege, but every one of that $12,700,000,000 worth of bonds would be available for issues of new circulation, if they were acquired, as many of them would be, by the banks.

The bill proposes an inflation of the currency based on nothing but Government promises, which is beyond anything contemplated in either the Goldsborough bill, the Patman bill, or any other of the inflationary bills that have been introduced. I feel so sure that its effects would be hopelessly devastating upon the currency situation of the United States that I am reluctantly compelled to say no to the Senator's request.

Mr. BORAH. Mr. President, upon to-morrow I will undertake to move that this be taken up. I will not stop to argue it now. I can not do so at length, since I can not ask for further time.

Mr. REED. At this point I would like to put into the RECORD a letter from the Secretary of the Treasury with regard to a proposed issue of 2 per cent new bonds to bear the circulation privilege. While that does not relate to this much larger proposal carried in the bill referred to by the Senator from Idaho, it does discuss the effect of any issue of new bonds having the circulation privilege, and I ask that it be printed in the RECORD at this point.

Mr. ROBINSON of Arkansas. What is the amount of the issue to which the Senator is now referring?

Mr. REED. The Secretary does not state in his letter. He speaks of a proposal offered on the floor of the Senate to authorize the issuance of 2 per cent bonds bearing the circulation privilege. That was an amendment, as I recall it, which was offered by the Senator from Oklahoma [Mr. THOMAS], although I am not absolutely certain as to that.

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

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

TREASURY DEPARTMENT,
*Washington, June 24, 1932.*

MY DEAR SENATOR: I understand that a proposal has been offered on the floor of the Senate to authorize the issuance of 2 per cent bonds bearing the circulation privilege, for the purpose of financing the additional operations of the Reconstruction Finance Corporation.

Apparently it is intended by this proposal to make possible a large volume of Treasury borrowing at a lower rate of interest than could be employed in the sale of long-term Government securities on a purely investment basis. Presumably it is expected that the sale of bonds bearing the circulation privilege would result in an increase in the amount of currency in circulation with a beneficial effect on prevailing economic conditions. The suggested provision for the issuance of additional currency is in my opinion unnecessary and would unsettle our existing currency system.

Under the operation of the Federal reserve system the volume of currency in circulation is determined by the currency needs of the country, which in ordinary times depend largely upon such factors as the volume of retail trade, pay rolls, etc. The currency facilities of the Federal reserve system are entirely adequate to the country's needs. Currency has been made available in volume sufficient not only to meet the demands of business but to meet the unusual currency demand which has been experienced during the past year and a half as a result of hoarding. At the present time there is about $5,505,000,000 of currency in circulation. This total is about $770,000,000 larger than a year ago and about $1,080,000,000 larger than at the end of June, 1929. The Federal reserve banks are in a position to meet still further demands for additional currency, if necessary. Our interest at this time is not in the addition of more currency to amounts already in circulation but rather in the return flow of idle funds from hoarding back into active employment in the banking system.

Since the organization of the Federal reserve system the issue of United States Government obligations bearing the circulation privilege has been opposed by the Treasury for the reason that the Federal reserve act set up the mechanism by which the total

volume of currency in circulation is currently adjusted to changing needs. Under that legislation responsibility for providing for the currency requirements of the Nation has been centered in the Federal reserve system, and the country's currency has been made available chiefly through the currency operations of the Federal reserve banks.

The Treasury is opposed to the issuance of additional securities bearing the circulation privilege, on the ground that further provision for the issuance of currency is unnecessary; it believes that resort to this device in order to reduce the rate on the proposed security issue would be unjustified and harmful.

Very truly yours,

A. A. BALLANTINE,
*Under Secretary of the Treasury.*

Hon. DAVID A. REED,
*United States Senate.*

PHILIPPINE INDEPENDENCE

The Senate resumed the consideration of the bill (H. R. 7233) to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands, to provide for the independence of the same, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. VANDENBERG].

Mr. HAWES. Mr. President, I do not believe this amendment is necessary. I think the committee covered that situation with very great care. But I shall not object to the amendment as the Senator has revised it.

The amendment was agreed to.

Mr. VANDENBERG. Mr. President, I thank the Senator from Missouri for his consideration. I am particularly happy about it because one of my unkind critics a few hours ago on the floor of the Senate said that none of my amendments was offered with the slightest expectation that it would ever get into the bill. I have now offered three, and two of them are in the bill, so I am doing better than Schmeling did to Sharkey, anyway.

Mr. HAWES. Mr. President, no amendment which the Senator has offered, which tries to inject his own peculiar philosophy into this bill, has been put into the bill.

Mr. VANDENBERG. Mr. President, I now want to turn to page 27, section 5, of the bill, which relates to the transfer of property and rights to the Philippine Commonwealth. I had an amendment printed last night dealing with this subject, but I want to take the liberty of changing its wording somewhat, because I think the wording as originally proposed could be improved. But I think the Senate will have no difficulty in following me as I read it.

Mr. BINGHAM. To what copy of the bill is the Senator referring?

Mr. VANDENBERG. To House bill 7233, before the reprint.

On page 27, line 7, before the verb "designated," I move to insert the words "or may be hereafter."

Mr. PITTMAN. What section is that?

Mr. VANDENBERG. Section 5, page 27, dealing with the transfer of property and rights to the Philippine Commonwealth. I am moving on line 7, preceding the word "designated," to insert the words "or may be hereafter," and in the same connection, and to be considered en bloc, because they are related, in line 12, preceding the word "government," to insert the word "independent," and to strike out the words "the Commonwealth of," so that the section would read as follows:

SEC. 5. All the property and rights which may have been acquired in the Philippine Islands by the United States under the treaties mentioned in the first section of this act, except such land or other property as has heretofore been, or may be hereafter, designated by the President of the United States for military and other reservations of the Government of the United States, and except such land or other property or rights or interests therein as may have been sold or otherwise disposed of in accordance with law, are hereby granted to the independent government of the Philippine Islands when constituted.

This raises two points, and I can submit them very briefly.

Mr. REED. Mr. President, before the Senator gets to that, the last point raised by the Senator was with regard to our obligation on these Philippine bonds, and it has taken some time to find it, but we have finally located the opinion of the Department of Justice to which the Senator referred. Perhaps it might be wise to put it in the CONGRESSIONAL RECORD in connection with the discussion of the amendment which was last adopted.

Mr. VANDENBERG. I most certainly think it would be; and I wish the Senator would indicate now, for the information of the Senate, who rendered the decision and when.

Mr. REED. The decision was rendered by Henry M. Hoyt, Solicitor General, and approved by P. C. Knox, Secretary of War, and is dated "Department of Justice, December 26, 1903." I ask unanimous consent that the entire opinion may be placed in the RECORD in connection with the discussion of the last amendment which was adopted, and for the information of the Senate at this moment I would like to read two sentences:

The pledge of the faith and credit of the Philippine Government, covering the due application of the proceeds of the loan and the maintenance of the sinking fund, rests, then, upon authority explicitly conferred by the national power; and while in the strict and legal sense the faith of the United States is not pledged as a guaranty for the payment of the loan, or for the due use of the proceeds or the observance of the sinking-fund requirements, the entire transaction is to be negotiated under the auspices of the United States, and by its recognition and aid. The assumption is, therefore, conclusive and necessary that the terms of the statute as to the application of the moneys realized from the sale of the bonds, and as to all moneys realized from disposition of the lands, and as to the sinking fund so created, will be strictly followed.

The PRESIDING OFFICER. Without objection the request of the Senator from Pennsylvania is granted.

The opinion is as follows:

PHILIPPINE LAND-PURCHASE BONDS

The issue and form of bonds proposed by the Secretary of War for carrying out the provisions of sections 63, 64, and 65 of the Philippine civil government act of July 1, 1902 (32 Stat. 706, 707), are in strict conformity with the statute and are legal in all respects.

DEPARTMENT OF JUSTICE,
*December 26, 1903.*

SIR: In your letter of December 24 you cite sections 63, 64, and 65 of the Philippine civil government act of July 1, 1902, and state that under that legislation the Philippine Government has agreed to purchase certain large parcels of land owned by religious orders or other associations, and, for the purpose of providing funds to acquire such lands, is about to borrow money and to issue $7,200,000 of registered 4 per cent bonds redeemable at the pleasure of said government after 10 years from the date of issue and payable 30 years from said date. You inclose a draft of the proposed bond, and request an opinion upon the legality of the issue and of the form of bond.

The law in question (32 Stat., 706, 707) provides:

"SEC. 63. That the government of the Philippine Islands is hereby authorized, subject to the limitations and conditions prescribed in this act, to acquire, receive, hold, maintain, and convey title to real and personal property, and may acquire real estate for public uses by the exercise of the right of eminent domain.

"SEC. 64. That the powers hereinbefore conferred in section 63 may also be exercised in respect of any lands, easements, appurtenances, and hereditaments which, on the 13th of August, 1898, were owned or held by associations, corporations, communities, religious orders, or private individuals in such large tracts or parcels and in such manner as in the opinion of the commission injuriously to affect the peace and welfare of the people of the Philippine Islands. And for the purpose of providing funds to acquire the lands mentioned in this section said government of the Philippine Islands is hereby empowered to incur indebtedness, to borrow money, and to issue, and to sell at not less than par value, in gold coin of the United States of the present standard value or the equivalent in value in money of said islands, upon such terms and conditions as it may deem best, registered or coupon bonds of said government for such amount as may be necessary, said bonds to be in denominations of $50 or any multiple thereof, bearing interest at a rate not exceeding 4½ per cent per annum, payable quarterly, and to be payable at the pleasure of said government after dates named in said bonds not less than 5 nor more than 30 years from the date of their issue, together with interest thereon, in gold coin of the United States of the present standard value or the equivalent in value in money of said islands; and said bonds shall be exempt from the payment of all taxes or duties of said government, or any local authority therein, or of the Government of the United States, as well as from taxation in any form by or under State, municipal, or local authority in the United States or the Philippine Islands. The moneys which may be realized or received from the issue and sale of said bonds shall be applied by the government of the Philippine Islands to the acquisition of the property authorized by this section, and to no other purposes.

"SEC. 65. That all lands acquired by virtue of the preceding section shall constitute a part and portion of the public property of the government of the Philippine Islands, and may be held, sold, and conveyed, or leased temporarily for a period not exceeding three years after their acquisition by said government on such terms and conditions as it may prescribe, subject to the limitations and conditions provided for in this act: *Provided*, That all deferred payments and the interest thereon shall be payable in the money prescribed for the payment of principal and interest of the bonds authorized to be issued in payment of said lands by the preceding section and said deferred payments shall bear interest at the rate borne by the bonds. All moneys realized or received from sales or other disposition of said lands, or by reason thereof, shall constitute a trust fund for the payment of principal and interest of said bonds, and also constitute a sinking fund for the payment of said bonds at their maturity. Actual settlers and occupants at the time said lands are acquired by the government shall have the preference over all others to lease, purchase, or acquire their holdings within such reasonable time as may be determined by said government."

The proposed form of bond is as follows:

"The government of the Philippine Islands is indebted unto ——— or assigns, in the sum of $1,000.

"This bond is issued in accordance with the provisions of section 64 of an act of Congress entitled 'An act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes,' approved July 1, 1902, and an act of the Philippine Commission, No. ———, enacted ————, and is redeemable at the pleasure of the Philippine government after February 1, 1914, and payable February 1, 1934, with interest from the date hereof at the rate of 4 per cent per annum, payable quarterly on the first days of May, August, November, and February of each year. Both principal and interest are payable at the office of the Treasury or of the subtreasuries of the United States, in gold coin of the United States of the present standard value, and are exempt from the payment of all taxes or duties of the government of the Philippine Islands or any local authority therein or of the Government of the United States, as well as from taxation in any form by or under State, municipal, or local authority in the United States or the Philippine Islands."

It is evident at the outset, on the face of the proposed bonds, that they will be issued in general "in accordance with the provisions of section 64." This is an assurance by the responsible authorities that the conditions of the law have been and will be fully observed. The express terms of the bond show strict compliance with all the statutory conditions which the obligation itself must or naturally would incorporate and enumerate. And your letter states that the contract for the purchase of the lands relates to large tracts or parcels held under the defined ownership "in such manner, as in the opinion of the commission [the Philippine Commission] to seriously affect the peace and welfare of the people of the Philippine Islands."

It is to be observed that the bonds must be sold at not less than par value, in gold coin of the United States of the present standard value, or the equivalent in value of the money of the Philippine Islands. Conformity to this further condition is manifestly and necessarily contemplated by yourself and the authorities of the Philippine government.

It is further to be observed that the law explicitly restricts the application of the proceeds of the loan to the purpose of the acquisition of the property authorized and creates a trust and sinking fund for the payment of the principal and interest of the bonds. As with Government and municipal loans in general, similarly authorized and conditioned, the reliance of purchasers of the bonds for protection and security is upon the statutory grant of authority and upon the credit and responsibility of the governmental obligor supported by its property and assets. In this case the lands to be acquired will constitute by express enactment a portion of the public property of the Philippine government, and all moneys realized from disposition of the lands will form a sinking fund for the bonds. The pledge of the faith and credit of the Philippine government, covering the due application of the proceeds of the loan and the maintenance of the sinking fund, rests, then, upon authority explicitly conferred by the national power; and while in the strict and legal sense the faith of the United States is not pledged as a guaranty for the payment of the loan or for the due use of the proceeds or the observance of the sinking-fund requirements, the entire transaction is to be negotiated under the auspices of the United States, and by its recognition and aid. The assumption is, therefore, conclusive and necessary that the terms of the statute as to the application of the moneys realized from the sale of the bonds, and as to all moneys realized from disposition of the lands, and as to the sinking fund so created, will be strictly followed.

I have the honor thus to suggest, outside your precise query, that I see no reason for any legal doubt of the adequacy or extent of the protection and security given to the purchasers of the bonds; and on the whole case, and in response to your particular inquiry, I have the honor to say that I am clear in the opinion that the issue of bonds, and the form of bond proposed, are in strict conformity with the statute, and are legal in all respects.

Very respectfully,

HENRY M. HOYT, *Solicitor General.*

Approved:

P. C. KNOX,
*The Secretary of War.*

Mr. VANDENBERG. I thank the Senator for his contribution.

Mr. PITTMAN. Mr. President, may I comment on the decision just referred to by the Senator from Pennsylvania?

The PRESIDING OFFICER. Does the Senator from Michigan yield for that purpose?

Mr. VANDENBERG. I yield.

Mr. PITTMAN. I thoroughly concur in the opinion and have held that view throughout in the preparation of the pending bill. No matter what bill we pass, whether it is the substitute of the Senator from Michigan or the substitute reported by the committee, we can not shake off the moral obligation by a declaration that we have not any. We have a moral obligation in the Philippine Islands until they become independent. We have more of a moral obligation over their finances when we insist now, always have insisted, and will in this bill insist upon supervising their fiscal affairs. Therefore I never would have voted and I did not vote for the Senator's amendment for two reasons. No one contends that we have any legal obligation, so it is not necessary to put it in the bill, and the declaration that we have not any moral obligation is untrue.

Mr. VANDENBERG. Mr. President, returning to section 5 on page 27 of my pending amendment, which I shall very briefly discuss, the section as drawn and as now pending in the Hawes-Cutting bill—and I particularly would like to have the attention of the chairman of the committee to this phase of the discussion, if I may—absolutely confines any subsequent property rights of the United States to land or property which has heretofore been designated by the President of the United States for military and other reservations of the Government, and so forth. The point I submit——

Mr. HAWES. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Missouri?

Mr. VANDENBERG. No; not now. I will yield in a few moments.

The point I want to submit particularly to the judgment of the Senator from Connecticut, because of his great familiarity with this phase of the problem, is whether in a contemplated ultimate separation, which is 17 years remote, we should foreclose ourselves as a matter of right to any subsequent choice or designation or selection of other or alternative military or other reservations for the Government of the United States in the years to come. Would we not be wholly within our rights and infinitely more within our wisdom if we retain for ourselves a right of subsequent designation instead of limiting ourselves completely and totally to designations heretofore made? Before the Senator answers, perhaps, if he will permit me to amplify very briefly what I have said, he will be in accurate possession of my thought.

This section also undertakes to make this property transfer when the Commonwealth of the Philippine Islands is instituted, which is to say at the beginning of the 17-year period. In other words, we are transferring property rights from the United States to the tentative Commonwealth of the Philippine Islands before we know whether the Commonwealth ultimately will graduate into permanence and before we know whether in the absence of that ultimate permanence the property may not revert to us. In the climax, however, of the relationship between the Commonwealth of the Philippine Islands and the Government of the United States, assuming that the entire program has been a success and that the adventure is developing satisfactorily, and assuming that the ultimate plebescite is favorable and 17 years from to-day the flag of the United States may be taken down and the flag of the Philippine Republic may be raised, is it not possible that at that distant day, 17 years hence, instead of a naval or military reservation, let us say, at Cavite, instead of, let us say, a military reservation upon Corregidor, which is related almost exclusively to the defense of the city of Manila, suppose we should prefer a

different and a concentrated base elsewhere in the Philippine Islands? Should we not have at least an unforeclosed opportunity to make a subsequent expansion or trade in the property which is to be transferred and therefore should not the transfer await the successful establishment of the Philippine Republic so that the problem can be dealt with conclusively at the conclusion of the entire situation? I shall be very happy to have the observations of the Senator from Connecticut, who I know is intimately familiar with this phase of the problem.

Mr. BINGHAM. Mr. President, there is a great deal of reason and logic in what the Senator from Michigan has said. At the same time, I think the Members of the Senate should remember that we are offering to the Philippine people a new form of government with certain provisos in it. We are asking them to call a constitutional convention to adopt the constitution which we propose, which will undoubtedly be debated. If I were a member of that convention and the amendment offered by the Senator from Michigan should prevail, I would certainly fight as hard as I could against the adoption of any such constitution containing such a provision which might give the President of the United States at any future time, before we had finally secured independence, the right to make reservations of hundreds of thousands of additional acres of land which at the present moment belong to the United States Government.

I think that before the act goes into effect it would be wise for the President to make all reservations which he thinks, looking as far ahead as one can, are or may be needed for the protection of our interests in the Philippines and the Far East. It is my information that such has already been done. But whether it has been done or not, it may be done before the act becomes a law, and it will not become a law until the act has been accepted by concurrent resolution of the Philippine Legislature.

I think the amendment offered by the Senator from Michigan opens the door to abuse and would serve very justly to frighten the Filipino people. I hope it will not be adopted, either as to the "or may be hereafter" or as to the independent government. I think when the independent government is set up, if there should be anything needed in the Philippines for a military or naval station for the United States, that the Philippine government would be only too glad by treaty to make an arrangement whereby it could become the property of the United States.

Personally I should dislike very much to see any additional land acquired. I think at the present time, with the harbor of Cavite, with the great fortress at Corregidor and its adjacent fortresses, with the marine base and some of the military camps, we have sufficient to protect our interests in the Far East. That is one reason why I have been willing to support the bill. But I do not believe it would be fair to the Filipino people to ask them to vote for a constitution that left the door wide open for the President virtually to set aside a large part of the island of Mindanao, for instance, which at the present time belongs to the Government of the United States, as a reservation for the use of the United States.

Mr. HAWES. We now have approximately 800,000 acres which belong to the Government, which it seems to me would be ample for any purpose.

Mr. VANDENBERG. Mr. President, may I ask the Senator from Connecticut a question?

Mr. BINGHAM. Certainly.

Mr. VANDENBERG. Can he indicate to me where the title to Malacanan and the Government property occupied by the Governor General in Baguio resides? Where is that title?

Mr. HAWES. The title is in the Philippine government.

Mr. BINGHAM. I thought the title to Malacanan and the governor's palace at Baguio was in the Government of the United States, and that it was land reserved for the use of the Governor General and for the United States in the future. Is my understanding incorrect?

Mr. HAWES. It was purchased and the building completed by the Philippine government and paid for by it.

Mr. BINGHAM. Therefore it does not belong to the United States?

Mr. HAWES. That is my understanding.

Mr. BINGHAM. It was my understanding in the committee that it was the proposal of the Senator from Missouri and others who are interested in the matter that the high commissioner should reside at Malacanan.

Mr. HAWES. That is correct.

Mr. BINGHAM. That is still the case, is it not?

Mr. HAWES. Yes.

Mr. BINGHAM. The matter is merely that at the end of the period of United States occupation Malacanan should then go back to the Philippine government?

Mr. HAWES. That is all.

PRESIDENT'S STATEMENT ON ECONOMY LEGISLATION

Mr. ROBINSON of Arkansas. Mr. President——

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

Mr. COPELAND. I yield.

Mr. ROBINSON of Arkansas. Mr. President, the President has signed the economy bill. When he did so, he issued a statement expressing two grounds of regret in connection with the measure.

The President said:

> First, it falls far short of the economies proposed by the Cabinet and other executive officers of the Government; many items of their proposals, which were in turn recommended by committees on economy of the two Houses, failed of passage—

And so forth.

In view of the recent history of this measure the President's statement is astonishing. It will be recalled that a press announcement quoted the President as having said additional economies to those carried in the bill were necessary in an approximate amount of from $150,000,000 to $200,000,000, although during the debate on the economy bill members of the Economy Committee complained that they were being hampered in their action by the activities of members of the Cabinet, some of whom were sending out messages inviting propaganda against provisions in the bill. It was also affirmed here that if the members of the President's Cabinet would just keep their hands off and let the committee work out the problem without interference and without the exercise of undue influence from the Cabinet, better results than were in prospect could be secured.

Two weeks ago and more, when the statement already referred to was attributed by the press to the President, the Senator from Pennsylvania, assuming to speak with the authority of the Chief Executive, said that the President had not declared the Budget out of balance, had not asserted that an additional amount of $150,000,000 or $200,000,000 must be provided, either by way of taxes or by economies. Whereupon I presented to the Senate a resolution, as follows:

> Whereas the President, with the assistance of the members of his Cabinet and the heads of the independent offices and commissions, is in better position within the short time before Congress adjourns to ascertain in what departments, bureaus, commissions, and independent offices a further reduction of governmental costs can be brought about and how it may be done: Now, therefore, be it
>
> *Resolved*, That the President is requested to confer with the members of his Cabinet and the heads of all bureaus, commissions, and independent offices, upon the best way to bring about said reduction in appropriations, and to submit to Congress for its consideration specific suggestions covering each item that the President recommends as a suitable way and place to accomplish such reduction in the appropriations for the fiscal year beginning July 1, 1932.

The resolution was adopted in the form in which it has just been read. It may be recalled that one expression in the preamble was eliminated because of the declaration by the Senator from Pennsylvania that it attributed to the President a statement which the Senator from Pennsylvania declared the President had not made. Nevertheless, upon the assumption that the President was not entirely satisfied with the economies proposed, this resolution was adopted. The President was invited to take such advice as he saw fit from his Cabinet members, the heads of bureaus, boards, and commissions, and to send specific or definite recommen-

dations to the Senate to enable this body to make additional and necessary economies.

The resolution was adopted without a dissenting vote. It was agreed to on the calendar day June 14, 1932, while the economy bill was yet under consideration. Ample opportunity has been afforded the Chief Executive to supply the information and to make the suggestions for which the resolution calls. The President has totally failed to give any recognition to that resolution; he has exercised his prerogative and right to decline to reply to it.

It is not impressive, Mr. President, in view of the record I have recited, when the President declares that the economy bill "falls far short of the economies proposed by the Cabinet and other executive officers of the Government."

This is peculiarly important, in view of the fact that, as has already been stated, the Cabinet members interfered with the Economy Committee in the performance of their duties by bringing pressure to induce the committee to eliminate items of economy.

Reduction of the cost of government is an important subject. I think we all feel a measure of disappointment that greater results have not so far been attained, but I want the country to know that the Executive has not only had full opportunity to make definite suggestions for further reductions in Federal expenditures but that he has been invited to do so by the Senate of the United States in a resolution unanimously adopted. He has made no definite suggestions and contents himself with the declaration that he is disappointed.

There is another statement in the press report which is attributed to the President to the effect that the bill contains some provisions which will impose "unnecessary hardships on Government employees in minor matters." I agree with that. There is particularly one such provision now in mind, and it ought to be corrected just as soon as is practicable. The Senator from Connecticut has offered a resolution intended to accomplish that purpose. The important point is that the President himself and his Cabinet members and other executive offices under his control are largely responsible for the results which admittedly are in a measure disappointing.

Mr. COPELAND. Mr. President——

Mr. BINGHAM. Mr. President, will the Senator from New York yield to me for a moment, in order that I may make a brief statement on the subject to which the Senator from Arkansas has referred?

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

Mr. COPELAND. I yield.

Mr. BINGHAM. Mr. President, I am very glad to learn from the President's statement that he agrees with the Senator from Arkansas and myself that there are some features of the so-called economy bill which will cause hardships, and I hope that we may, in the near future, provide some means of alleviating that condition. There is on the table at the present time a joint resolution which would repeal a portion of the bill and would alleviate the unnecessary suffering which will be caused, in the name of economy but for some other reason, on married persons in the Government service.

May I say a word further, Mr. President, out of sympathy for the President of the United States, because there was one matter that he personally did bring before the Economy Committee which was appointed largely at the instance of the Senator from Arkansas, consisting of three Senators from each side of the aisle? At the first meeting which we had with the President at the White House he suggested, if given the power, there was one thing he could do and could do promptly, and that was to consolidate various bureaus in many different departments connected with public works. He suggested that there should be a director of public works as the head of an independent executive department and that various agencies of the Government dealing with matters which in many countries come under a ministry, known as the minister of public works or the secretary of public works, be consolidated. That was a definite proposal which he made.

It was approved, my recollection is, by the House. It was approved also by the Economy Committee and reported to the full Senate Committee on Appropriations. There was no measure which we reported from the subcommittee to the full committee which caused more immediate explosion on the part of various members. It illustrates, in a way, the fact that the President is at great disadvantage when he does submit a definite proposal for consolidation. I regret most heartily, and sympathize with the position taken by the Senator from Arkansas, that the President has not seen fit to recommend other consolidations, but here is one that he did recommend specifically.

What happened in the full Committee on Appropriations I think will cause even the Senator from Arkansas to smile. In the first place, two Senators stated that they were so much interested in the question of the improvement of rivers and harbors and in flood control that they could not for the moment think of taking jurisdiction of flood control on the Mississippi River and river and harbor improvements from under the very able control of the Chief of Engineers of the United States Army; that the officer who occupied that position and those under him were, in their view, so intimately acquainted with the problems concerned with that part of the public works program that it would never do to put them under a separate executive department of public works.

Scarcely had they concluded their protests when two other Senators joined in a protest that the great reclamation projects, which were under a very able official in the Interior Department, could not possibly be taken from under his direction and placed under a new director of public works, who probably had never seen a reclamation project and would not know what to do with one if he did see it, and who would be certain to ruin it if he had the chance. Therefore they must insist that the reclamation projects be not included in this new executive department. Whereupon another Senator said that the forest trails and matters connected with surveying the public lands could not be taken from under the very able hands of the particular department where they now rested and be placed under any new director of public works. Another Senator's voice was raised to say that in so far as public buildings were concerned he was quite sure that the supervising architect of the Treasury was much the best person to have charge of the erection of public buildings.

So when the Senators got through their various protests all there was left of that considerable section of the bill was a director of public works at a salary of $10,000 a year, and I took upon myself the responsibility of moving that the item providing for him be stricken out of the bill because there would be $10,000 for a man with nothing to do.

What I have stated, Mr. President, indicates some of the objections raised to the proposal; and although, as I said, I regret extremely that the President has not seen fit to indicate other consolidations that could be made, there is an instance of a consolidation which he did suggest and as to which he wished authority to take immediate action, but which met with so much opposition upon the part of so many different Senators that it could not be put through the Senate Committee on Appropriations.

Mr. ROBINSON of Arkansas. Mr. President——

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

Mr. COPELAND. I do.

Mr. ROBINSON of Arkansas. The subject matter under discussion—namely, economies in Government expenditures—is not limited to any one feature or to any one proposal. It gives opportunity for very broad consideration. It extends to every sphere of Federal activity; and the mere fact that there was no agreement as to a single proposal or suggestion that was thought to make possible some economies is no justification whatever for not proceeding with the matter in the practical, business way contemplated by the suggestion in the resolution.

It also might be added that one large loss in savings resulted from the incorporation in the bill of the furlough plan in preference to the straight salary-reduction proposal which the committee had submitted. After coming to the Senate and delivering an impressive message urging support of the economy committees in their very conscientious action as comprehended in their report, the President sent his secretary to the Senate to exert influence against the passage of that feature of the report, resulting in a loss of many million dollars.

I wanted these facts to be made clear.

Mr. COPELAND. Mr. President, may I ask the Senator from Connecticut what is the present status of his resolution regarding the married women?

Mr. BINGHAM. I introduced it day before yesterday, and it is lying upon the table, and may be taken from the table, of course, at any time.

Mr. ROBINSON of Arkansas. Of course, it would not apply, now that the bill has been signed.

Mr. BINGHAM. Yes, Mr. President; I changed it. As originally introduced, it was a concurrent resolution directing the Clerk of the House to make changes in the bill. As soon as the bill had gone out of the possession of the Congress I introduced a joint resolution repealing that section of the bill relating to married persons.

Mr. ROBINSON of Arkansas. That, of course, is the proper course. I had not been advised that the Senator had introduced his joint resolution, which, of course, is the effective and proper way in which to handle the matter.

Mr. BINGHAM. And that is upon the table. It did not seem necessary to refer it to a committee, because the matter had been so fully discussed.

Mr. ROBINSON of Arkansas. No.

Mr. BINGHAM. It may be taken from the table whenever the Senate is willing to do so; and, in accordance with the interview just given out by the President, it would undoubtedly meet with his approval.

Mr. COPELAND. Why does not the Senator put it on its passage at once?

Mr. BINGHAM. I should be very glad to ask unanimous consent that it might be immediately considered, but I doubt very much whether that consent would be granted. In order, however, to show my entire good faith in the matter, I ask that the pending legislation be temporarily laid aside, and that the Senate joint resolution to which reference has been made may be considered at this time.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Connecticut?

Mr. McNARY. I shall have to object.

The PRESIDING OFFICER. Objection is made.

PHILIPPINE INDEPENDENCE

The Senate resumed the consideration of the bill (H. R. 7233) to enable the people of the Philippine Islands to adopt a constitution and form of government for the Philippine Islands, to provide for the independence of the same, and for other purposes.

Mr. COPELAND. Mr. President, there is pending now an amendment offered by the Senator from Michigan [Mr. VANDENBERG] to section 5 of the pending bill. This section, and its amendments as well, offer only another reason why I can not be enthusiastic over the legislation which we have before us.

When we give the Filipinos their independence I hope we will give the Filipinos their independence. Of course, I am aware that in Cuba we retained certain land as a naval station; did we not, may I ask the Senator from Missouri?

Mr. HAWES. A naval base; yes.

Mr. COPELAND. I presume the purpose involved here is a similar thing; and yet, after all, the very fact that while we are talking about alienating sovereignty and giving them independence we have so many strings tied to our proposed action shows that it certainly is not a generous deed that we contemplate. Under present conditions, with sovereignty intact and limited to the United States, of course, we can do what we like in the Philippines. There is no doubt about that. When, however, we dispose of them—using the word now in the sense used by the Senator from Utah [Mr. SMOOT] a little while ago in reading from the Constitution—I hope we will do it so generously and fully and completely that we will give the sovereign people of the Philippines the same control over their country that we have over ours.

When I was interrupted and left the floor a couple of hours ago, I was attempting to answer the question raised by the Senator from Utah. I had called the attention of the Senator from Utah to the statement made by Mr. Justice Malcolm to the effect that it is probable that the provision of the Constitution giving to Congress the power to dispose of territory applies to land as one kind of property; that it is equivalent to the word "land."

In 14 Peters (39 U. S.) is a case where the court passed is the case of United States against John P. Gratiot and others; and, of course, it goes back a long time—to 1840. It seems that under the authority of the President of the United States a license for smelting lead ore was given to these men for the period of a year, and the syllabus, on page 526, says:

> The words "dispose of" the public lands, used in the Constitution of the United States, can not, under the decisions of the Supreme Court, receive any other construction than that Congress has the power, in its discretion, to authorize the leasing of the lead mines on the public lands in the territories of the United States. There can be no apprehension of any encroachments upon State rights by the creation of a numerous tenantry within the borders of the States from the adoption of such measures.

At page 537 the court, in its opinion, said:

> This act establishes a land office and makes provisions for the disposal of the lands of the United States referred to in the title of the act; and, among other things, the fifth section declares as follows: "That the several lead mines in the Indiana territory, together with as many sections contiguous to each as shall be deemed necessary by the President of the United States, shall be reserved for the future disposal of the United States. And any grant which may hereafter be made for a tract of land containing a lead mine which had been discovered previous to the purchase of such tract from the United States shall be considered fraudulent and null; and the President of the United States shall be, and is hereby, authorized to lease any lead mine which has been or may hereafter be discovered in the Indiana territory for a term not exceeding five years."

That is the end of the quotation. The opinion of the court continues:

> That the mines now in question lie within the territory referred to in the act of Congress and are the property of the United States is not denied. And the Constitution of the United States (Art. IV, sec. 3) provides "That Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States."

Now, here is the answer from the court to the question raised by the Senator from Utah:

> The term "territory," as here used, is merely descriptive of one kind of property, and is equivalent to the word "lands." And Congress has the same power over it as over any other property belonging to the United States. * * * If such are the powers of Congress over the lands belonging to the United States, the words "dispose of" can not receive the construction contended for at the bar; that they vest in Congress the power only to sell and not to lease such lands. The disposal must be left to the discretion of Congress.

Further, in One hundred and eighty-second United States Reports, at page 314, is a quotation I wish to make from Mr. Chief Justice White in the case of Downes against Bidwell. I am sure I need not discuss the nature of the case. It is one of the so-called insular cases, which had to do with the relationship of our country to various possessions formerly Spanish ceded to us by the treaty of peace, and they relate largely to customs matters.

This case of Downes against Bidwell was a very remarkable case. I doubt if there is another like it in the entire history of our courts. It will be recalled that it is one of the insular cases. This particular one involved the question whether merchandise brought into the port of New York from Puerto Rico was exempt from the same duty required to be levied upon like imports of merchandise imported from foreign countries.

All of the Justices took part in the case. The remarkable thing about it, however, is that no one opinion was rendered in which a majority of the court concurred. As I have said, I doubt if there is any other such case.

The court divided into five groups. Mr. Justice Brown announced the conclusion and judgment of the court. In this judgment of affirmance, Mr. Justice White, Mr. Justice Shiras, and Mr. Justice McKenna concurred. Mr. Justice Gray concurred in the judgment of affirmance, and in substance agreed with the opinion of Mr. Justice White, but in addition rendered an opinion of his own. There were two groups of dissenters. Mr. Chief Justice Fuller was among these. With him concurred Mr. Justice Brewer and Mr. Justice Peckham. Mr. Justice Harlan concurred in the dissenting opinion of the Chief Justice and gave additional reasons for his dissent.

Because of the divided court, the opinion of a single group in this case on the collateral questions could not be considered conclusive. As a matter of fact, however, only one of these groups discussed at any length the question involved in what is meant by the "territorial clause" or disposing clause of the Constitution. What Mr. Justice White stated, however, is so illuminating that we may well take the time to rehearse his words and study their meaning. I am sure the Senate will be interested to study anew the opinion of this great Chief Justice. It has an important bearing upon the matter at issue. His words and the authority of his name are so significant that we may well consider what he says. On page 314 of United States Supreme Court Reports, volume 182, I find this language:

All the confusion and dangers above indicated, however, it is argued, are more imaginary than real, since, although it be conceded that the treaty-making power has the right by cession to incorporate without the consent of Congress, that body may correct the evil by availing itself of the provisions of the Constitution giving to Congress the right to dispose of the territory and other property of the United States. This assumes that there has been absolute incorporation by the treaty-making power, on the one hand, and yet asserts that Congress may deal with the territory as if it had not been incorporated into the United States. In other words, the argument adopts conflicting theories of the Constitution and applies them both at the same time. I am not unmindful that there has been some contrariety of decision on the subject of the meaning of the clause empowering Congress to dispose of the territories and other property of the United States, some adjudged cases treating that article as referring to property as such and others deriving from it the general grant of power to govern territories. In view, however, of the relations of the territories to the Government of the United States at the time of the adoption of the Constitution, and the solemn pledge then existing that they should forever "remain a part of the Confederacy of the United States of America," I can not resist the belief that the theory that the disposing clause relates as well to a relinquishment or cession of sovereignty as to a mere transfer of rights of property is altogether erroneous.

Observe again the inconsistency of this argument. It considers, on the one hand, that so vital is the question of incorporation that no alien territory may be acquired by a cession without absolutely endowing the territory with incorporation and the inhabitants with resulting citizenship, because, under our system of government, the assumption that a territory and its inhabitants may be held by any other title than one incorporating is impossible to be thought of. And yet to avoid the evil consequences which must follow from accepting this proposition, the argument is that all citizenship of the United States is precarious and fleeting, subject to be sold at any moment like any other property. That is to say, to protect a newly acquired people in their presumed rights it is essential to degrade the whole body of American citizenship.

The reasoning which has sometimes been indulged in by those who asserted that the Constitution was not at all operative in the territories is that, as they were acquired by purchase, the right to buy included the right to sell. This has been met by the proposition that if the country purchased and its inhabitants became incorporated into the United States, it came under the shelter of the Constitution, and no power existed to sell American citizens. In conformity to the principles which I have admitted it is impossible for me to say at one and the same time that territory is an integral part of the United States protected by the Constitution, and yet the safeguards, privileges, rights, and immunities which arise from this situation are so ephemeral in their character that by a mere act of sale they may be destroyed. And, applying this reasoning to the provisions of the treaty under consideration, to me it seems indubitable that if the treaty with Spain incorporated all the territory ceded into the United States, it resulted that the millions of people to whom that treaty related were, without the consent of the American people as expressed by Congress, and without any hope of relief, indissolubly made a part of our common country.

Mr. McNARY. Mr. President, will the Senator be kind enough to yield for the purpose of allowing me to make a motion for a recess?

Mr. COPELAND. I could hardly resist such a request on the part of the Senator from Oregon. I will be glad to yield to him for that purpose, and will resume my discussion of this very interesting opinion of the Supreme Court when I can get the floor to-morrow.

Mr. ROBINSON of Arkansas. Mr. President, I am wondering whether it is not practicable to enter into an agreement touching this bill. I desire to ask unanimous consent that after the Senator from New York shall conclude his address no Senator shall speak more than once nor longer than 10 minutes on the bill or any amendment.

Mr. McNARY. Mr. President, I am wondering about the propriety of making a proposal of that kind with so few present. It would be better to propose it in the morning, after we have a roll call.

Mr. ROBINSON of Arkansas. We do not require a roll call for this kind of an agreement.

Mr. COPELAND. I should have to object anyway, Mr. President.

The PRESIDING OFFICER. The Senator objects.

### NOTIFICATION OF THE PRESIDENT OF CONFIRMATION OF GARDNER COWLES, SR.

Mr. ROBINSON of Arkansas. Mr. President, the nomination of Mr. Cowles to be a member of the Reconstruction Finance Corporation was delayed at my suggestion for several days. Only one executive session has since been held. I am disposed to ask unanimous consent, as in executive session, that the President be notified of the confirmation of that nomination, in view of all the circumstances.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the President will be notified.

### STATE, JUSTICE, COMMERCE, AND LABOR APPROPRIATIONS—CONFERENCE REPORT

Mr. JONES. Mr. President, as in legislative session, I desire to state that I understand that it would probably be impossible to get a quorum at this time of the day. I have a conference report on the Commerce, Labor, Justice, and State Departments appropriation bill. There is one amendment in disagreement, the Senate conferees being unable to get an agreement from the House. They absolutely refuse to recede. So that I shall make a motion to recede from the Senate amendment to-morrow morning at 10 o'clock, instead of making it to-night. I do not like to take that action, but I feel that the circumstances make it really imperative that we should recede from the amendment of the Senate, if the Senate will so vote.

Mr. ROBINSON of Arkansas. Mr. President, is the Senator prepared to state the nature or substance of the amendment that is in disagreement?

Mr. JONES. I have no hesitancy in doing that. A provision was put into the bill designating $200,000 as the amount to be set aside under the appropriation for air-navigation purposes, for the northern line between the Twin Cities and Puget Sound. The conferees agreed to $50,000, instead of $200,000. The House, however, rejected that by quite a decisive vote on yesterday, and the House conferees have taken that action practically as an instruction. Our conferees have to-day reluctantly decided to recede from our amendment. I want to say, however, that this recession will increase the appropriation as the bill passed the Senate by $200,000, and will restore the amount in the bill as it passed the House and came to the Senate.

### SUSPENSION OF ASSESSMENT WORK ON MINING CLAIMS

Mr. ODDIE. Mr. President, on yesterday I introduced Senate Joint Resolution 188, which was passed by the Senate promptly and sent to the House, which has to-day passed it. It has gone to the White House and the President has just signed it. This removes all doubt as to the question of the validity of the original resolution passed on June 6, 1932. To show the necessity for this resolution I ask that there be placed in the RECORD a letter on the subject from the Secre-

tary of the Interior and the solicitor of the department to the Speaker of the House of Representatives dated to-day, June 30, 1932. I congratulate Congressman ENGLEBRIGHT for the efficiency and speed he has shown in initiating and expediting this resolution:

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SOLICITOR,
*Washington, June 30, 1932.*

Memorandum for the Secretary.

Joint resolution, Public, No. 23, Seventy-second Congress, approved June 6, 1932, suspends the necessity of performing annual labor or improvements from July 1, 1931, to July 1, 1932. Some question has been raised in the Eastern States as to whether this legislation does not leave a hiatus from the end of the fiscal year ending June 30, 1932, to the end of the year for performing annual labor on mining claims, which is 12 o'clock meridian on July 1, 1932, and it is feared that during this brief period suspension will not be in force and claims might be relocated.

In my opinion the purpose of the act clearly indicated that Congress meant to relieve from the necessity of performing this work during the year ending at noon July 1, 1932. However, it should be remembered that this department can not prevent claim jumpers from physically relocating or attempting to relocate claims on the theory that the resolution does not cover the entire year. However, whatever might be the ultimate outcome of attempted relocation the department can not prevent the relocators from bringing suits in the courts, subjecting the present owners of mining claims to long and expensive litigation. To remove any possible doubt and to obviate the trouble and expense which would result from such relocations, I suggest that you advise the House of Representatives to enact Senate Joint Resolution 188 which was passed by the Senate yesterday. This resolution when enacted will remove all possibility of doubt of attempted relocation and ensuing litigation.

E. C. FINNEY, *Solicitor.*

Approved and recommended to the attention of Speaker GARNER of the House of Representatives.

RAY LYMAN WILBUR, *Secretary.*

JUNE 30, 1932.

RECESS

Mr. McNARY. I move that the Senate take a recess until to-morrow at 10 o'clock.

The motion was agreed to; and the Senate (at 5 o'clock p. m.) took a recess until to-morrow, Friday, July 1, 1932, at 10 o'clock a. m.

## HOUSE OF REPRESENTATIVES

### THURSDAY, JUNE 30, 1932

The House met at 12 o'clock noon.

Rev. Benjamin Wiltshire Meeks, superintendent Washington district of the Baltimore conference, Methodist Episcopal Church, Washington, D. C., offered the following prayer:

Almighty God, our Father, in the midst of the day's work we pause for meditation and for worship. We pray that we may hear again the inner voice speaking in our own hearts and may give to that voice a conscious response. We remember that Thou art the source of all light and truth and love, and so we who have so often placed ourselves at the disposal of the world's fingers to play upon would in this hour come before Thee that Thy spirit might touch the strings of our hearts and awaken within us new insights into truth and new sympathies for our fellow men. We pray Thee for our world, O Father, with all of its feverish unrest, its passion for freedom, its eagerness for things, and its eager, though often unexpressed, longing for Thee. We remember that we are a people composite, made from all the nations of the earth, and yet under the guidance of Thy grace and Thy love we have learned to live and serve together; but now doubt and fear and perplexity have bewildered us. Thou knowest how hard it is for us when the night is upon us to believe that the morning shall yet break. Therefore we pray that Thou shalt give to our leaders wisdom and courage and sympathetic understanding and a realization that they are the ministering servants of the Most High God, so that all their deeds and words and acts may be begun, continued, and ended in Thee. We pray that upon them and upon us there may come the true spirit of discernment and understanding, so that we may see duty more clearly, that we may seek to live by truth and to establish our common life on the eternal foundations of righteousness and love. Send us out into the great but disturbed generations where no man need waste his life to find our tasks in the service of self-denial to Thee and of sympathetic understanding with our fellow men and to make our world a better place for Thee to raise Thy children in. To this end may the spirit of Him who came not to be ministered unto but to minister be upon us. We ask in His name and for His sake. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 308. An act to provide for the appointment of an acting secretary of the Territory of Hawaii during the absence or illness of the secretary;

H. R. 650. An act for the relief of Joe Andrews Co.;

H. R. 756. An act for the relief of R. L. Wilson;

H. R. 1279. An act for the relief of Frank Kanelakos;

H. R. 1931. An act for the relief of Ned Bishop;

H. R. 3536. An act for the relief of Viola Wright;

H. R. 3693. An act for the relief of William Knourek;

H. R. 3812. An act for the relief of the estate of Harry W. Ward, deceased;

H. R. 3845. An act for the relief of Charles L. Barber;

H. R. 3961. An act for the relief of Catherine Bell;

H. R. 3992. An act for the relief of Anna A. Hall;

H. R. 4056. An act for the relief of Emma Shelly;

H. R. 4885. An act for the relief of Kenneth G. Gould;

H. R. 5053. An act for the relief of Clyde Sheldon;

H. R. 5561. An act for the relief of Oscar R. Hahnel;

H. R. 5998. An act for the relief of Mary Murnane;

H. R. 7498. An act to amend Act No. 4 of the Isthmian Canal Commission entitled "An act to prohibit gambling in the Canal Zone, Isthmus of Panama, and to provide for the punishment of violations thereof, and for other purposes," enacted August 22, 1904;

H. R. 7500. An act to amend an Executive order promulgated August 4, 1911, prohibiting promotion of fights between bulls, dogs, or cocks;

H. R. 7501. An act to prevent, in the Canal Zone, fire-hunting at night and hunting by means of a spring or trap, and to repeal the Executive orders of September 8, 1909, and January 27, 1914;

H. R. 7502. An act to regulate the carrying and keeping of arms in the Canal Zone;

H. R. 7504. An act to provide for the extradition of fugitives from the justice of the Republic of Panama who seek refuge in the Canal Zone;

H. R. 7505. An act to provide for the protection of birds and their nests in the Canal Zone;

H. R. 7507. An act to regulate radio equipment on ocean-going vessels using the ports of the Canal Zone;

H. R. 7509. An act to authorize certain officials of the Canal Zone to administer oaths and to summon witnesses to testify in matters within the jurisdiction of such officials;

H. R. 7510. An act to punish persons deported from the Canal Zone who return thereto;

H. R. 7511. An act to regulate the operation of street-railway cars at crossings in the Canal Zone;

H. R. 7512. An act to amend section 5 of the Panama Canal act;

H. R. 7513. An act to provide for the appointment of a public defender for the Canal Zone;

H. R. 7516. An act in relation to the keeping and impounding of domestic animals in the Canal Zone;

H. R. 7517. An act to provide for the transportation of liquors under seal through the Canal Zone;

H. R. 8398. An act for the relief of John H. Day;

H. R. 8818. An act to amend the second paragraph of section 5 of the act entitled "An act to amend Title II of an act approved February 28, 1925 (43 Stat. 1066; U. S. C., title 39), regulating postal rates, and for other purposes";