In the name of Jesus, our Wisconsin, United States bonds; to the Committee on Ways and Means; to the Committee on the Judiciary and denials of elementary democratic rights for the Negro people; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 9, 1933

The House met at 11 o'clock a.m. The Chaplain, Rev. James Shera Montgomery, D.D., offered the following prayer:

Thou whose name is 'Wonderful Counselor', crown us with emancipated minds and aspiring hearts. With firm, abiding faith in Thee, give us the temper, the virtue, and the understanding to do the right. Order all our ways; and may we hope in Thee, whatever may betide. O satisfy us early with inward peace and inward light, and may we wait for the Lord more than we wait for the morning. Forgive our offenses and guide our every step, and may we walk more noble through discipline and through Thy redeeming grace. Heavenly Father, increase our sense of the divine until Thy excellence, purity, and love appear in everything. In the name of Jesus, our Savior, we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

JURISDICTION OF REVENUE BILLS

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. TREADWAY. Mr. Speaker, on April 3 I introduced a resolution asking that a bill that had been passed by the Senate be returned to that body. The resolution which I introduced was explained at the time, and at the request of the majority leader it was referred, by unanimous consent, the next day, to the Committee on the Judiciary for inquiry. During the discussion of its reference to the Committee on the Judiciary the importance of the resolution was made very apparent, and I quote from memory the majority floor leader when he said that, irrespective of the introduction of the Lewis bill, the question of the constitutional provision that I brought up should be decided by the Committee on the Judiciary before that legislation was considered. The Lewis bill was introduced as is now known as the 'Wagner-Lewis bill', and I suppose it is to be enacted today. In the meantime the resolution which I introduced has lain dormant in the Committee on the Judiciary or in the files of that committee. It is well known that a subcommittee was appointed to inquire into the merits of the case, and I understand that subcommittee agrees that the resolution should be adopted. I have inquired of different members of the Committee on the Judiciary why the delay of over a month in reporting to the House on such an important matter as that, and I can get no satisfaction. It seems to be a question of pigeonholing absolutely, because the member from California has appeared available to the majority floor leader when he said that, irrespective of the introduction of the Lewis bill, the question of the constitutional provision that I brought up should be decided by the Committee on the Judiciary before that legislation was considered.

The House has passed the House bill, which, of course, is a way whereby he can get consideration of the constitutional question, so as to secure the attitude of the House with respect to these matters, but I do not think it should be brought up in this way, and that the House should be required to spend its time, or that a committee, which is engaged upon very important matters of pressing moment, should be asked to delay those matters while they consider legislation that has passed beyond the House and beyond the Congress.

I do not see the Chairman of the Committee on the Judiciary on the floor at the moment. The gentleman from Oklahoma (Mr. McKowen), a member of that committee, is here, but I think the gentleman from Massachusetts should have notified the chairman of the Committee on the Judiciary that he was going to bring this matter up today; but in justice to that gentleman I wish to say that that committee was at the time busily engaged in considering matters growing out of the impeachment of a Judge in California. It had other important matters before it. A subcommittee was appointed upon this resolution. The full committee never got to its consideration until the House had taken formal action upon the House bill, which, of course, was clearly in order.

We have three rules for consideration today. We have 8 hours of general debate on an appropriation bill, and I am fearful we will not be able to pass that before Thursday, even if we proceed with the utmost dispatch. Now, to meet at 11 o'clock and have this time taken up by a moot question is asking too much of the House, and I move to lay the resolution on the table.

Mr. TREADWAY. The gentleman has done that before. Will the gentleman yield for a moment?

Mr. BYRNS. I will yield for a moment.

Mr. TREADWAY. This is a very important question; it is too serious to be disposed of by laying it on the table. The decision of the House on a constitutional provision certainly is a proper question and it is not a moot question. Let me ask the gentleman one question. Mr. BYRNS. I will change my statement. It is a moot resolution.
Mr. TREADWAY. No; it is not a moot resolution. I do not admit any part of the gentleman’s statement. I may say that it seemed to me the gentleman in all fairness suggested that it be referred to the Committee on the Judiciary for prompt action at the time it was so referred. What I am trying to give is some explanation why it has not been reported upon. And, further, this:

Mr. BYRNS. Now, if the gentleman will permit——

Mr. TREADWAY. I did not interrupt the gentleman while he was making his statement. I did not yield the floor. I do not know how the gentleman took me off my feet.

Mr. BYRNS. I was speaking under my reservation of a point of order, so I am not impinging on the gentleman’s time.

Mr. TREADWAY. Very good. Let us act hastily, if the gentleman wants to. Will the gentleman not say that in the course of the 5 days this resolution provides for that a decision on as important a question as this can be rendered by the Committee on the Judiciary?

Mr. BYRNS. I cannot say that because I do not know what other pressing matters are pending before the committee.

Mr. TREADWAY. Members of the Committee on the Judiciary are here. The gentleman from Michigan [Mr. Hooper] is present. He is a member of the subcommittee to which the resolution was reported. He knows how busy the committee is. I would like for the gentleman from Michigan to tell us whether that committee can consider it.

Mr. McKEOWN. Mr. Speaker, will the gentleman yield?

Mr. BYRNS. I yield.

Mr. McKEOWN. We have the corporate reorganization bill pending before us at the present time. This is a bill in which there is widespread interest and which is being asked for all over the country at this time. The gentleman well knows that the question is one upon which the House will never agree, nor will the lawyers on this committee ever agree upon it.

Mr. TREADWAY. On what question?

Mr. McKEOWN. The question the gentleman has proposed.

Mr. TREADWAY. Why, they will agree on it, the gentleman from Oklahoma and everybody else; but at least you should carry out the wishes of the House and report it to the House. That can be taken promptly.

Mr. McKEOWN. They will not agree on it.

Mr. BYRNS. I can understand how it is important in the eyes of the gentleman from Massachusetts, for he comes from a State where it is the practice of the court to render advisory opinions without any issues before it. We have another issue here.

Mr. TREADWAY. We have before us an issue of very great seriousness.

Mr. BYRNS. It seems to me to be a useless waste of time under all the circumstances.

Mr. TREADWAY. Will the gentleman from Tennessee yield so the gentleman from Michigan [Mr. Hooper] may make a statement on the situation as he knows it?

Mr. BYRNS. I am not going to yield for anyone to make a long statement, because we must get along.

Mr. BLANTON. Mr. Speaker, I make the point of order that the resolution offered by the gentleman from Massachusetts [Mr. TREADWAY] is not privileged and that it is out of order.

Mr. TREADWAY. The gentleman from Texas is mistaken.

Mr. BLANTON. Mr. Speaker, I make the point of order that when by vote of the House the resolution was referred to the Committee on the Judiciary the only way to take it away from that committee is by a discharge rule.

Mr. TREADWAY. Mr. Speaker, I desire to be heard on the point of order.

Mr. BYRNS. Let me say to the gentleman from Texas that the quickest way to dispose of this matter is for him to withdraw his point of order and allow the House to vote on the motion to lay the resolution on the table.

Mr. BLANTON. Under the circumstances, Mr. Speaker, if such is the wish of the majority leader, I withdraw the point of order so that we may vote to lay the resolution on the table.

Mr. TREADWAY. Does the gentleman withdraw the point of order?

Mr. BLANTON. Yes.

Mr. BYRNS. The gentleman withdrew the point of order. Mr. Speaker, I move to lay the resolution on the table.

The question was taken; and on a division (demanded by Mr. TREADWAY) there were—ayes 173, noes 47.

The resolution was laid on the table.

Mr. TREADWAY. Mr. Speaker, I shall not raise the point of no quorum. I can, but I will not out of courtesy to the majority party; but I do ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. TREADWAY. Under unanimous consent to extend my remarks I add the following:

Possibly the purpose of my resolution, directing the Committee on the Judiciary to report on Resolution 91, the constitutional question raised by House Resolution 91 with its report to this House within 5 legislative days from the date of the adoption of my resolution, has been accomplished even though the majority leader saw fit to again use his authority to table the proposition. His discussion of the merits of the resolution and his reference to it as containing unnecessary remarks were undoubtedly made hastily, because I am sure the able gentleman would not hold that a decision on an important resolution as one having to do with the constitutional rights of the House falls within the definition of the word “moot.” I also am certain that with the majority leader’s thorough knowledge of parliamentary procedure and the effect of precedents on future action, either of the presiding officer or of the House itself, he would not want it to appear that any effort was being made to prevent action on the constitutional question involved.

There need be no mystery regarding the failure of the Judiciary Committee to report on Resolution 91. It is very apparent that the favorable findings of the subcommittee are not agreeable to some members of the full committee, and that in some unknown manner the report of the committee is being delayed.

When this question was referred to the Judiciary Committee of the House of Representatives, both sides were acting in good faith. In view of the importance of the question, it was proper that the legal opinion of the House as determined by the Judiciary Committee should be obtained.

I trust as the Senate will continue to send to the House bills containing revenue items, time will be saved by prompt action on the part of the Judiciary Committee in making its report. The gentleman from Tennessee argued about the amount of business before the House today. The adoption of the resolution of instruction to the Judiciary Committee would have taken a great deal less time than was consumed in the debate. I feel very confident that in the near future the original resolution will be reported back by the Judiciary Committee. While I will gladly await the committee’s action, its failure to act will not be countenanced. Therefore I expect very soon a vote on the merits of the question rather than yielding to the attempt of the majority leader to prevent the matter coming up by moving to lay resolutions on the table.

I am as anxious to expedite the business of the House as any member of the majority, but I stand upon my constitutional rights as a Member, and as this is the third occasion on which I have brought up this subject it may be understood that dilatory tactics will not be permitted indefinitely.

Let me further refer to remarks of the majority leader, quoting from page 1208 of the CONGRESSIONAL RECORD of April 4:

Mr. BYRNS. • • • It seemed to me that it would be infinitely better, as I have said, for the Judiciary Committee, since it involves a question of constitutional law, to make an investigation

[Continued]
and report tomorrow or as soon as may be their conclusions as to whether or not the action of the Senate violated the spirit of the Constitution.

The gentleman from Texas [Mr. BLANTON] endeavored to raise a point of order which, if it had not been withdrawn, I would have been glad to discuss.

In order that the matter may be before the House when the resolution is called up, I desire to invite attention to a ruling by former Speaker John G. Carlisle, whose ability as a parliamentarian has always been recognized. I quote from Hinds Precedents, volume 3, section 2558, page 1037. Speaker Carlisle said:

The Chair thinks whenever it is asserted on the floor of the House that the rights or privileges of the House have been invaded, violated by any other body or by an individual, a question of privilege is presented, at least to the extent that the Chair is obliged to submit it to the House for its decision. Of course the Chair itself will decide all questions of order arising during legislative proceedings of the House, but when the allegation is made that the rights or privileges of the House collectively have been involved in a question which does not come within the province of the Chair to decide. The House is the custodian and guardian of its own rights and privileges as a body, and must always possess the power and have the opportunity to determine what those rights and privileges are and whether or not they have been intrusively invaded.

In this decision Speaker Carlisle took the position that "the House must always possess the power and have the opportunity to determine what its rights and privileges are." This could not be so, however, if a committee of the House, one of its creatures, should, after a reasonable length of time, see fit to withhold its conclusions on a question of constitutional privilege and ignore the implied if not definite insinuation of House Resolution 91, in the light of the discussion at that time, and especially the remarks of the majority leader which I have quoted, in duty bound and under moral obligation to the House to report on the subject matter. Failure to act promptly by the House in the matter then presented by the Executive, would have a revenue amendment which, in effect, is written into the law by the Senate of the United States with no real consideration of the matter by the House of Representatives.

If the "power over the purse" was of such importance as to be the chief item of contention in the Constitutional Convention of 1787, certainly it is worthy of being upheld by the House of Representatives at this time. This power has frequently been challenged by the Senate, but in clear cases that body has always acquiesced in the rights of the House when its attention has been directed to bills or amendments which have not properly originated there. Where it has not been clear whether the rights of the House have been invaded, the Senate has from time to time passed in controversy with the House; but in the last analysis this body is the final arbiter. The House can always refuse to consider a Senate bill or amendment which, in its opinion should not have originated in that body.

This House should jealously preserve its high privilege of initiating money bills and allow legislation to be enacted which does not have the proper origin. I have already pointed out an instance where the House disregarded its rights in order to secure the more speedy enactment of certain legislation.

The most dangerous invasion of the rights of the House comes when revenue matters are added by amendment to House bills which are not in the nature of revenue measures. For example, consider the inflation amendment to the farm relief bill. This matter is one of the most important ever to come before the Congress, and its consequences are so far-reaching as to attract every man, and could in the United States. Yet, under the parliamentary procedure, no committee of the House held hearings on this provision, no committee of the House considered the advisability of changes in the measure, and the House had no opportunity to challenge it. Only if it is voted on by the committee will have any hand in the final shaping of the amendment before it is enacted into law, and these conferences are not members of the committee having jurisdiction of the subject matter covered by the amendment. Thus we have a revenue amendment which, in effect, is written into law by the Senate of the United States with no real consideration of the matter by the House of Representatives.

The difficulty, of course, comes in determining what is a revenue bill. This is a matter which has never been clearly defined. The Committee on the Judiciary, being the law committee of the House, is the proper body to lay down some rule which may serve to guide us in determining whether our rights are being transgressed upon. The House is entitled to know, with some degree of certainty, how far the House itself will be more secure the more favorable results for the United States, and it is our duty, as much as it is our right, to insist that revenue bills should originate in the House of Representatives.

The difficulty, of course, comes in determining what is a revenue bill. The House has been invaded, the Senate has from time to time passed in controversy with the House; but in the last analysis this body is the final arbiter. The House can always refuse to consider a Senate bill or amendment which, in its opinion should not have originated in that body.

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Before concluding, I should like to bring out a point in connection with this matter which is seldom considered, but which is of great importance. I refer to the fact that the constitutional provision requiring revenue bills to originate in the House of Representatives is mandatory. Hence, any person may challenge the legality of any revenue measure which did not have its origin in this body. Numerous cases have been before the courts on this point.

In the past, it has generally been the practice of the leaders of the majority party to raise the question of origin when a bill has come from the Senate, and only in the absence of any move on the part of the leaders of the present majority to challenge the two measures which I have sought to return to the Senate during the present session, I have felt it my duty, as a Member of this body, to do so. My purpose has not been to delay or hinder legislation, but only to protect the rights of this House and to uphold the mandate of the Constitution.
PERMISSION TO ADDRESS THE HOUSE

Mr. SNELL. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from New York [Mr. Faisal] may have 10 minutes in which to address the House relative to the soldiers' convention that is to take place here within the next day or so.

Mr. BYRNS. Mr. Speaker, reserving the right to object—and I am not disposed to object to any reasonable request that comes from the distinguished gentleman from New York, but the gentleman knows the calendar is pretty heavy today. We are anxious to get rid of these three rules which will come up for action and then to get into the general debate upon the appropriation bill. Six hours of general debate have been provided for.

Mr. SNELL. I appreciate the situation, and I may say to the gentleman that when I notified him I was going to make this request, I did not know the other matter was coming up; but 10 minutes will not mean very much delay, and we will try to make it up for him during the day.

Mr. BYRNS. I cannot object, with the understanding that the gentleman from Washington, who was cut off from addressing the House yesterday by the point of no quorum, may be allowed to address the House for 5 minutes, and with the further understanding that no additional requests for time for discussion will be submitted; for if any are submitted, I shall be compelled to object to them, and I shall also be compelled to object to any extension of time.

Mr. SNELL. That is satisfactory.

Mr. BYRNS. So, with the understanding that the gentleman from Washington may have 5 minutes in which to address the House, I shall not object to the request of the gentleman from New York.

Mr. BLANTON. Mr. Speaker, reserving the right to object, I am with the gentleman from New York [Mr. Faisal] in all his fights against communism, but it would be out of place at this time for him even to intimate that the patriotic soldiers of this country would be communistic if they came to Washington. So, Mr. Speaker, I object.

Mr. SNELL. I think the gentleman can let the gentleman from New York take his own position in regard to that.

Mr. BLANTON. These soldiers, if they are real soldiers, have the right to come to their Nation's capital whenever they want to do so, and I object.

Mr. O'CONNOR. Mr. Speaker, I demand the regular order.

Mr. BLANTON. Mr. Speaker, I object.

FARM RELIEF

Mr. GREENWOOD. Mr. Speaker, I call up House Resolution 136.

The Clerk read as follows:

House Resolution 136

Resolved, That notwithstanding the previous action of the House relative to the conference report on the disagreeing votes of the two Houses on the bill H.R. 3835, immediately upon the adoption of this resolution the House shall consider said conference report without the intervention of points of order against the same.

Mr. GREENWOOD. Does the other side desire time on this resolution?

Mr. RANSLEY. There is no desire for time on this side of the House.

Mr. GREENWOOD. Mr. Speaker, this is a rule to make in order amendment 14 of the conference report on the farm relief bill, in which there is a slight variation from both the Senate and the House bills.

Section 8 of the House bill contains the general powers, and the bill reads:

To provide for reduction in the acreage or reduction in the production for market, or both, of any basic agricultural commodity, through agreements with producers or by other voluntary methods, and to provide for rental or benefit payments in connection therewith.

The Senate had a similar provision which provided that the Secretary of Agriculture could make advance payments on grain stored on the farm to carry out rental or benefit agreements, and the conferees adopted an amendment which varies the language but slightly, as follows:

Under regulations of the Secretary of Agriculture requiring adequate facilities for the storage of any nonperishable agricultural commodity on the farm—

And so forth.

There was some question raised as to the words "nonperishable" being of broader scope than the words "basic commodities", and therefore went beyond their authority under the language of either the House or the Senate bill, and this resolution from the Committee on Rules simply waives all points of order on this amendment with respect to two very similar provisions in the two bills.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

The SPEAKER. The Clerk will report the conference report.

Mr. JONES. Mr. Speaker, the report was read on yesterday, and I therefore ask unanimous consent that the further reading of the conference report be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. JONES. Mr. Speaker, this report covers some 84 amendments. The conference reports an amendment on 83 of the 84 amendments.

Amendment no. 83 which covers the so-called "Simson-Norris features", sometimes referred to as "the cost-of-production amendment", is a distinct amendment on which the conferees have not been able to agree. After action on the conference report, if the report is adopted, the question of disposition of this amendment will be taken up in the House as a separate matter. I make this statement so that those who are interested in the amendment may understand that it will be taken up after the adoption of the conference report, should the report be adopted.

A number of these amendments are clerical. One of the amendments was discussed yesterday, and I shall not take time to go into it. I shall simply undertake to discuss the main features of the conference report embodying changes in the bill as it passed the House.

Amendment no. 4 has what is called a "warehouse-agreement provision"; and if you will turn to page 2 of the report, I think you will get a thorough understanding from just a reading of this amendment, which I shall not undertake to read now.

The other features of the so-called "farm bill" are largely the same, with some minor changes as to administration. There are some minor changes in the method of collecting the processing fee.

There were some changes in the trade-agreement section. The Senate put in the word "basic" in the trade-agreement section, and this term is stricken out wherever it occurred.

In the following section, which is the licensing section, the terms were changed so as to broaden its scope and make it harmonize with the trade-agreement section.

However, there was one place where the word "basic" occurred in which the word "basic" was included in both the Senate and the House bills, and the word could not be excluded because it was not within the range of the activities of the conference. A special resolution has been prepared for presentation—House Concurrent Resolution No. 18—which we hope to take up a little later, providing for striking out the word "basic" in this section. If we had known a point of order was going to be made and that we were going to be put to the necessity of getting a rule, we might have included that change also in the conference report. However, in order to conform to the wishes of those who will have to administer the act, this word will be excluded if the concurrent resolution is passed.

In the mortgage feature of the bill, the conferees, in view of the discussion, inserted the word "normal" before the word "value", so that they may have discretion in adjust-
ing these loans or in making new loans, and so there may be no question of the fact that they are not limited strictly to present-day values. I understand this has been their custom anyway, but this provision removes any doubt about their ability to do this.

On the question of winding up the joint-stock land banks, the Senate bill provided for $125,000,000, and the conference has reduced this to $100,000,000.

If they are able to furnish adequate security, they will be permitted to borrow not to exceed $100,000,000 from the Reconstruction Finance Corporation for the purpose of orderly liquidation. There is a provision in both sections that the agreements shall be supervised and approved by the Farm Loan Commissioner, so that they may be fair to the borrower, the bondholder, and to the stockholders.

Mr. SNELL. Will the gentleman yield?
Mr. JONES. I will yield.

Mr. SNELL. Do I understand that it is the intention of the Department or Congress that the joint-stock land banks be liquidated?
Mr. JONES. Yes. Provision is made for their liquidation. They are forbidden to make any more new loans, except to refinance, and forbidden to issue any more bonds of the type herefore issued.

Mr. McFADDEN. In case of losses, who is to stand the loss?
Mr. JONES. The losses incurred in the course of liquidation?
Mr. McFADDEN. Yes.
Mr. JONES. There would be no choice except for the bondholders and the stockholders to stand the loss.

Mr. McFADDEN. Is there any provision or understanding that the Government shall assume the losses?
Mr. JONES. No; there is no provision and no such understanding.

Mr. COCHRAN of Missouri. Will the gentleman yield?
Mr. JONES. I yield.

Mr. COCHRAN of Missouri. Does the act provide for relief for the joint-stock land banks already in the hands of a receiver?
Mr. JONES. Yes.

Again, the Senate bill had a provision requiring that all borrowers should join the Farm Loan Association—making it mandatory. The conferees changed that provision so that while the direct loan calls for one-half-percent interest higher rate, the question of joining the association will be permissive. I feel that that provision of law will do away with all possible objection to the words of the Senate bill.

Mr. TARVER. Then the Cooperative Association could make a contract for less than 90 percent of the then market price?
Mr. JONES. That is my impression.

Mr. TARVER. One other question. I am informed that at the time of the original delivery to the American Cooperative Cotton Association a contract was entered into by which the cotton was to be held for a period of 3 years. Is the gentleman familiar with that contract?

Mr. JONES. I understand there is some sort of an agreement. I do not know exactly the terms of the agreement, but I understand there was some such an agreement that they would agree to hold it for as long as 3 years, and that period will expire July 31. I am not quite sure as to the exact date. I think there was some such agreement. However, the record of that contract and the organization would have the advantage of having these loans canceled, if this agreement is entered into. I take it that there was some such agreement as the gentleman refers to. I would rather not undertake to state specifically what it was, but the gentleman can secure a copy of that and interpret the terms.

Mr. TARVER. It is not the gentleman's impression that the American Cooperative Cotton Association could sell the cotton of those farmers to the Secretary of Agriculture, even at the price stated in the bill, without their consent?
Mr. JONES. I should not want to pass on that legal question. That is a legal question that would require the interpretation of three or four different types of documents. I do not think that is my province. I think if the gentleman will call up the Farm Credit Administration he can secure that information. They have good attorneys and they will be glad to give the gentleman their interpretation.

Mr. TARVER. But that will be after the adoption of this report. I am trying to get information which will aid me as a Member of this House in voting on this report.
Mr. JONES. I am sorry, but I do not want to pass on that. I have not before me the agreements nor the constitution and bylaws of the State and National organizations nor the agreements between the individuals and the State cotton cooperatives, nor the agreement between the State cotton cooperatives and the A.C.C.A. Not being familiar with the terms of those contracts and agreements, it would not be proper for me to state what their legal rights are. The gentleman is a lawyer, and he knows it would depend upon the wording of those contracts.

Mr. TARVER. But I think we should have the information before we vote on this conference report.

Mr. JONES. Insofar as the bill is concerned, they are given the option to make this sort of a settlement with the Secretary of Agriculture, and he, in turn, is authorized to make settlements. Of course, if they have contracts dating behind that, which would forbid certain types of settlements, they could not make them. If they did not have, they could make them.

Mr. TARVER. Let me state to the gentleman there is now pending in my State an injunction suit instituted by the cooperatives, seeking to restrain the American Coopera-
The first great provision of this bill is the emergency farm-relief program, which includes the Smith plan and the so-called "domestic-allotment plan."

The second great provision of the bill is the farm-refinancing program, or the farm-mortgage provision. This includes, may I say to the gentlemen from Colorado, Washington, and Oregon, who just asked the Chairman a question with reference to the deleting of Senate amendment on page 55 with reference to irrigation and drainage districts, the agricultural-refinancing program of the levee, drainage, irrigation, and similar devices from the provision of this bill. Then we have in this bill the inflation program which your conferees were not concerned with, because this House has heretofore voted and expressed its approval of that measure.

Mr. MARTIN of Colorado. Mr. Speaker, may I ask the gentleman if he will permit some questions with reference to certain features of the bill?

Mr. DOXLEY. I may say to the distinguished gentleman from Colorado that I feel it is my duty, as well as my privilege, to yield to any Member just as many times as I can within the limited time allowed me.

Mr. MARTIN of Colorado. Will it interrupt the gentleman if I ask him a question?

Mr. DOXLEY. It will not interrupt me, because I am here to answer any question I am able to. I may say to my distinguished friend that I mean to do what I say. We will discuss this bill. We will not discuss at this time amendment 83, the price-fixing amendment, but this amendment will be considered after we take a vote on the combined amendments en bloc, the 82 amendments as to which the House conferees and the Senate conferees have reached an agreement. After we vote upon them we will take the price-fixing amendment, have an hour's discussion, as I understand, and then vote upon it. So let us start with the inflation feature.

Mr. MARTIN of Colorado. May I say to the gentleman at this point that to my interruption with reference to the changes made by the conference committee in section 36 to the Senate amendments is in entire good faith, and it is almost imperative on me to make the interruption, for the reason that we western Members of the House, few in number from the different States, feel somewhat restive owing to the fact that we have to look to our Senators for anything concerning our States, for our representation in the Senate is much more powerful.

Then, when our Senators succeed in getting anything done for our States, as was done in section 36 by the amendment authorizing loans to private irrigation corporations, and so forth, we find the House conferees insist on cutting those things out, and we have to swallow the conference report as a whole and vote against practically everything we have got in this bill through the intervention of our Senators. As I understand, the conference has taken out of the Senate amendment all the private irrigation projects.

I may say to the gentleman that part 4 of the Jones bill, H.R. 4795, relating to refinancing of agricultural improvement district indebtedness, was of the utmost interest to the Western irrigation States. The Jones bill, as it passed the House, did not contain the provision for loans to private irrigation and drainage companies. At numerous meetings held by Members from those States it was agreed that it was highly desirable to amend the bill as it was amended in the Senate and which could not be done in the House under the procedure, and the amendment was inserted at the instance of a western Senator, Mr. Coors, of Colorado.

I may add that I have in mind private irrigation companies, which are engaged in irrigation only and which were started and completed many years ago by farmers and public-spirited business men, and which under the adverse conditions in their localities are sorely in need of the aid afforded under section 36 of the bill. They look to us for this relief and will no doubt feel that, our Senators having succeeded in putting it in the bill, we in the House should have been able to keep it in. That is what we are up against.
Mr. DOXEY. I can appreciate the gentleman’s position and am going to change my plan of procedure and the method I had hoped to employ in the discussion of these amendments and the conferees’ agreements in view of what he has said. I am going to tell the House a little something about section 36 and what was in the minds of the conferees.

I say without fear of successful contradiction that what the gentleman says with reference to his distinguished Senator is, in some measure, true; but it is in no sense a reflection on the Members of the House from the Western States.

This amendment was placed in section 36 in the last hours of the debate in the Senate. I will not state what is and was in the minds of the Senate conferees as they expressed themselves in conference, but I want to reason with you, if I may, why this amendment should be deleted and not included in this bill.

I may say to my good friend that title IV, section 36, to which he refers, was not in the original farm refinancing program. It was put in there on a Sunday and it was cut out by the Senate Banking and Currency Committee.

Section 36, relating to irrigation, irrigation districts and similar districts, was in this bill and was kept in it by the House Committee on Agriculture. [Applause.] The bill came up on the floor with this provision in it. It passed the House and we kept the original House provision in it, and when it went to conference there was not one other amendment to the Senate’s added provision among the House conferees for the proposition that loans to private enterprises and projects, including reservoirs, dams, and electric-power projects, and other private enterprises of this kind, should have been included and be permitted to participate in obtaining aid from the Reconstruction Finance Corporation in the $50,000,000, which amount we could not raise in conference.

Why? I believe the gentleman will agree with me and appreciate the fact that there are friends of these projects in this House on this conference committee, but we only had $50,000,000. How far would $50,000,000 go throughout the United States if you are going to include every private corporation or every little district where any kind of ditch or irrigation project is concerned, especially when you consider the great projects which are public in their nature and are entirely different from the projects that the gentleman has in mind, both as to levee, drainage, irrigation, and other similar districts, which would not be benefited to any great extent because the base of the amount in this provision available for loans by the Reconstruction Finance Corporation is limited to $50,000,000.

I want to ask the gentleman to consider a minute the language of part 4 of section 36, on page 86, and so with me to line 17, the language of the amendment the gentleman is complaining about, which says:

Including private corporations organized for levee and drainage and irrigation purposes—

And so forth. I shall not take the time to read all of it, but it takes in all kinds of irrigation districts, dams, reservoirs, and electric projects developed by and incident to all such districts, which would not be included in this bill.

The gentleman has in his own State, as well as do other gentlemen from the western section, projects of this kind; and I may say to the gentleman that the House has tried to help them in every way possible, and will continue to do it, but if this language goes in here I say that in my humble judgment there will be very little benefit to any kind of district, because the spread will not permit it and $50,000,000 will be but a drop in the bucket.

I think this will answer any argument made back home by your constituents. Why? Because your constituents and you can have an additional $50,000,000 in this bill. In section 36, carried under the Newlands Act, where, if the fund is a reclamation fund, they are permitted to borrow from the Reconstruction Finance Corporation an additional $5,000,000. Outside of participating in the $50,000,000, just as any other public, legal entity can, where it is in financial distress, where it is shown that it is economically sound and is organized under the laws of some State; but, my friends from the West, do not say by your vote that they can participate just because they are private individuals organizing companies of their own, selling stock to the public, and therefore should be able to come in under the provisions of this amendment. [Applause.]

[Here the gavel fell.]

Mr. SAMUEL B. HILL. Will the gentleman from Texas yield the gentleman from Mississippi 1 more minute so that I may ask a question?

Mr. JONES. I yield the gentleman 1 more minute.

Mr. DOXEY. I want to say to my distinguished chairman that he is very kind, but I do not want to impose on him. I know he has more demands for time than he has time at his disposal, but I shall be glad to yield to the gentleman from Washington.

Mr. SAMUEL B. HILL. I just want to understand a little more clearly what the gentleman from Mississippi has said with respect to the rights of these corporations, districts, and so forth, to avail themselves of the credit of the Reconstruction Finance Corporation without this particular provision.

Mr. DOXEY. They cannot avail themselves of it if they are purely and simply a private corporation organized for private gain. The gentleman knows that in Colorado and in his own State they have organized corporations out there that sell the water to the landowner, and when the landowner does not get the water; and do you expect to help those people pay dividends on their bonds and stock to the exclusion of others? No one denying there is a vast difference between public and quasipublic districts and private districts and that the public districts should be taken care of first.

Mr. SAMUEL B. HILL. I am just trying to find out what the gentleman from Mississippi said.

Mr. DOXEY. I shall be glad to talk to the gentleman in private, but I do not think I have much time to talk to him right now on the floor of this House, for I certainly do not want to take up any other Member’s time.

Mr. SAMUEL B. HILL. How about the reclamation districts; can they borrow money?

Mr. DOXEY. If they come within the Newlands Act as to their reclamation funds, they have $5,000,000 extra or in addition to the $50,000,000.

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I yield 5 minutes to the gentleman from Nevada [Mr. SCRUGHAM].

Mr. SCRUGHAM. Mr. Speaker, I rise in opposition to the adoption of this conference report.

In the State of Nevada there is the Newlands irrigation project operating under the laws of the State of Nevada and under contract with the Federal Government. It is an irrigation district that has been in existence for 25 years.

The Senate provided in its amendment for the right for them to borrow money from the Reconstruction Finance Corporation for operation and maintenance expenses. The conference committee, without any consideration, apparently, of the facts involved, has stricken this needed provision from the bill.

The conference agreement eliminates the provisions of the bill relating to authorization of Reconstruction Finance Corporation loans to private corporations and to irrigation districts operating under contracts with the United States to aid in payment of their operating and maintenance charges and the installation of necessary works.

The conference agreement also eliminates the provision authorizing the Reconstruction Finance Corporation to accept from such districts the pledge of their outstanding evidences of indebtedness as security for loans.

In the practice of agriculture in the arid lands, there is the additional burden to be carried of a charge for operation and maintenance of irrigation works, which is not imposed upon the man who wrests his livelihood from the soil in regions favored with ample rainfall. In the intermountain regions of the far West there are thousands in the

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same dire distress as are the farmers of the Middle West, the South, and the East.

The principle of extending relief to those operating in irrigation districts was sanctioned by the White House, after a favorable report from the Reconstruction Finance Corporation.

This conference report unfairly and unjustly eliminates the only provisions in the bill which are of material benefit to the majority of those struggling to maintain their existence on the irrigation projects in the intermountain area.

In the conference report their relief was placed in the amended bill by vote of the United States Senate after a careful investigation into the obvious merits of the proposal.

To the best of my knowledge and belief the House conference committee eliminated the authorization without hearing from a single representative from the area affected. Their action constitutes a gross discrimination against the farmers of every arid-land State. Under the rules adopted by the House to govern the consideration of this bill, we are not permitted to vote on the merits of the individual amendments or eliminations. We, therefore, have no other recourse except to ask all interested in fair play for the arid-land States of the West to vote against adoption of the conference report.

Mr. JONES. Mr. Speaker, I yield 3 minutes to the gentleman from Idaho [Mr. Wurta].

Mr. WHITE. Mr. Speaker, under the provisions of the conference report on this bill the agreement eliminates the provisions relating to loans to public water or irrigation districts operating under contracts with the United States to aid in the payment of their operating and maintenance charges and the installation of necessary works. The provisions relating to the inclusion of dams, reservoirs, and electric-power projects in the case of irrigation systems are also eliminated and the provisions of the section which are eligible for loans are limited to those projects which have been completed prior to the date of enactment of the act.

Mr. Speaker, I should like to point out the injustice of this discrimination in excluding from the provisions of this bill the opportunity of borrowing from the Reconstruction Finance Corporation this class of citizens who have pioneered in the West and by their own initiative have reclaimed vast tracts of arid lands. These citizens who have pioneered in these irrigation districts, developed them with their own capital, and by their own initiative, have organized private contracts, have assumed the classification excluded from the provisions of this bill. They now need refinancing and they are prohibited under the operation of this report from securing money from the Reconstruction Finance Corporation.

Mr. Speaker, let me say that no finer and more substantial farming communities can be found anywhere than those in the districts which come under the classification excluded from the provisions of this bill. What must these people who are about to lose their farms think, when they see the Reconstruction Finance Corporation money used to pull weeds along the road and bury rocks along the western highways, as I have seen, using hand work?

Mr. Speaker, why in Spokane, in the State of Washington, they are using the Reconstruction Finance Corporation money to construct golf links. We are here denying to these farmers the opportunity of borrowing from the Reconstruction Finance Corporation.

Mr. Speaker, we should reembrace the original provision of this bill which would extend it and bring in other loans?

Mr. JONES. And would defeat the purpose of the original provision?

Mr. HOPE. Yes.

Mr. WHITTINGTON. Is it not true the conference report removes the provisions in the House bill for refinancing the drainage-district indebtedness, that is not true that the Senate amendment would extend it and bring in other loans?

Mr. HOPE. That is true.

Mr. WHITTINGTON. And would defeat the purpose of the original provision?

Mr. HOPE. Yes.

Mr. HOPE. I think it would at least very materially affect the matter and probably defeat the original purpose of the act. I yield back the remainder of my time.

Mr. JONES. Mr. Speaker, I yield 1 minute to the gentleman from Connecticut [Mr. Kopplemann].

Mr. KOPPLEMANN. Mr. Speaker, I requested the chairman of the committee to yield for a moment to a statement and a question. I come from a district which raises cigar leaf tobacco. We have been gradually but surely losing our entire industry, primarily due to the fact that in this country we do not protect the cigar leaf tobacco growers from the invasion of some 6,000,000 pounds per year of tobacco from Java and Sumatra that are raised by conscript labor at from 12 cents to 15 cents a day. Under this measure before us we have no relief from that kind of competition. Besides, the tobacco raised in Sumatra and Java will wrap three times as many cigars as that raised in my district and in other districts throughout the country. I should like to know from the chairman what this bill offers to my people and to others who grow this kind of tobacco.

Mr. JONES. Mr. Speaker, I appreciate the circumstances which the gentleman details, but as a matter of fact to do so suggests would require our invading the province of another committee, the Committee on Ways and Means. The effort in this bill is simply to levy sufficient tax on the districts organized under the law of the State as every other State has for drainage, and so forth.

Mr. WHITE. A good many districts are organized under the Cary Act and would not come under the provisions of this bill.

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. Horn].

Mr. HOPE. Mr. Speaker, in view of the statements made by the preceding speaker and others as to the changes made in section 36, I think it might be well to point out that this is not primarily a bill to enlarge the lending powers of the Reconstruction Finance Corporation. This is a bill for the relief of farm-mortgage indebtedness. The only reason for including any provision for refinancing the indebtedness of drainage and irrigation districts is to enable landowners in those districts to take advantage of the provisions relating to the refinancing of farm mortgages.

These landowners in many cases are not in a position to refinance their farm-mortgage indebtedness because of the fact that the drainage-district indebtedness and assessments made thereunder are prior liens on the land. Consequently, under certain relief may be afforded by refinancing the drainage- and irrigation-district indebtedness, there is no opportunity for farmers owning land to get the benefit of the mortgage provisions of the act.

Now, that is the only reason, as I understand it, and the only justification for putting these provisions in the measure, which is designated primarily to relieve farm-mortgage indebtedness.

The amount is limited to $50,000,000. I am told by those acquainted with the facts that this will not be sufficient to entirely take care of the situation which it is sought to remedy. In view of this fact, it would seem to me improper and unfair to extend the provisions of the section to include private irrigation corporations and to provide for the financing of irrigation enterprises not yet completed.

If these are meritorious cases, let us in some other proper legislation enlarge the loaning power of the Reconstruction Finance Corporation to take care of them. But I do not believe they properly come within the provisions of an act of this kind.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. HOPE. Yes.

Mr. WHITTINGTON. Is it not true the conference report removes the provisions in the House bill for refinancing the drainage-district indebtedness, and is it not true that the Senate amendment would extend it and bring in other loans?

Mr. HOPE. That is true.

Mr. WHITTINGTON. And would defeat the purpose of the original provision?

Mr. HOPE. Yes.

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Mr. HOPE. Yes.
competing product to leave the basic products on the same comparative and competitive level that they are today. In other words, we endeavor to avoid placing the foreign product in a favored position. To do more than this is a question within the jurisdiction of the Ways and Means Committee. The conferences felt that would open up a wide tariff field.

Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. GILCHRIST].

Mr. GILCHRIST. Mr. Speaker, as we all know, title II of the present conference bill covers the same ground as the House bill 4795, which was passed by the House substantially as introduced by the Chairman of the Agriculture Committee on April 10.

I think it is fair to say that the Agriculture Committee considered this legislation with some degree of honesty and intelligence. Among other things, when it passed the House, the bill provided, and it now provides, that loans shall be made by the Reconstruction Finance Corporation to drainage and irrigation and similar districts for the purpose of enabling them to refinance outstanding indebtedness. Capitalists had invested in these districts and many thought that such districts should be enabled to refinance the outstanding bonds and defray the payment of interest to the investors. So the Reconstruction Finance Corporation is to make loans to these drainage and irrigation districts and refunding bonds are to be issued by them. Now, the payment of these refunding bonds is by this bill made a lien on all property within the jurisdiction of the Ways and Means Committee, the additional money that was to be borrowed is by this bill made a lien on all property within the jurisdiction of the Ways and Means Committee, the additional money that was to be borrowed is by this bill made a lien on all property within the jurisdiction of the Ways and Means Committee.

I pointed out in the committee that this provision might work great injustice in certain cases. For example, a farmer may have paid his assessment in full, but his neighbor may not have paid it. I did not think it was equitable to impose the obligation of paying these refunding bonds as a lien upon the land of the farmer who has actually paid his assessment. That might make the investment safer to the bondholder, but it would do wrong to the farmer.

Again, Farmer A might have a piece of land which had a small assessment against it, while the land of Farmer B might have a large assessment against it because B's land was benefited by the improvement in a much greater degree. It seems unfair to impose a lien upon A's land for the payment of the refunding obligation in the same degree and to the same extent as B's land.

I pointed out that the land of Farmer A should be protected by proper language, so that a lien would not be imposed against it in the same degree and to the same extent as Farmer B's land had. Therefore, when the bill left the House it contained provisions that this act should not be construed so as to make any land subject to a lien for the payment of a greater proportion of the indebtedness of the district than such land is subject to under existing law. These provisions were enacted by the House. Assessments and liens upon any particular lands for refinancing the bonds of these districts should always be in the same proportion as they are under the present law.

This matter was put into the bill in the House committee by specific and certain amendments, and the idea should have been preserved in conference. Under the changes now sent over here by the Senate and agreed to by the conference committee, the additional money that is to be borrowed in order to pay the old bondholders is a lien upon the whole district, notwithstanding that an individual farmer may have paid his assessment in full. It seems to me that anyone who believes in the virtue of the commandment "Thou shalt not steal" ought not to consent, except under compulsion, to a condition which will make such a farmer pay new and increased and additional sums of money, and sums wholly out of proportion to his benefits. If he has already paid his assessment, he ought to go free. Or, in the case of one whose assessments are small in proportion to the assessments of other landholders, it is again true that the owner of the land having the small assessments should not be burdened with a lien for the payment of the big assessments imposed on other land in the district. This change should not have been made by the Senate, and it should never have been consented to by the conferees.

Mr. DOXEY. The gentleman must realize that on the doctrine of the "last faithful acre," in the case now before the Supreme Court, this language means nothing, and that we are not not possible to pass a law that would affect contracts heretofore entered into.

Mr. GILCHRIST. There is not a thing in the House bill that would do away with the doctrine of the "last faithful acre," provided the Supreme Court upholds it, which it may perceive if it upholds it, then it is the present law, and the amendment put in by the Senate committee simply said that these assessments should be in proportion to those existing under the present law. We did not try, as the gentlemen well know, to affect existing contracts in the least particular. Our amendment carefully preserved every obligation contained in any existing contract.

Mr. JONES. Mr. Speaker, on that subject the Senate took the position that this would be accomplished anyway, and that the amendment was surplusage, as is shown by their discussion, and that no act could require a greater burden than that provided by the State law.

Mr. GILCHRIST. As a matter of fact, the language of the House bill is necessary. The present conference bill provides that the payment of the new refunding bonds shall constitute a lien and a charge upon the lands in the whole district without regard to the equities existing in favor of particular lands and those existing as between and among particular farmers. In the drainage or irrigation district have any power whatsoever to act under our law, then they will be bound by the provisions of our law. If the statute of the State enables them to proceed, or clothes them with authority to proceed, under this new Federal law, in order to do the benefits contained in it, then they will be bound by the provisions and terms of that same new Federal law however unjust they may be.

If the Senate's position is that the language is not necessary, then what harm can be done by incorporating this language in the bill just as the House Agricultural Committee did? What harm can be done by making it clear? Every statute should be clear and perspicuous. What reason can anyone offer against making this language certain and definite? Has anybody any reason against clearing up an ambiguity, granting that it is ambiguity only, except the reason that the authors or framers might have flowing out of it? Every claim should be clear and perspicuous. What reason can anyone offer against making this language certain and definite?

Mr. JONES. I do not know that any great harm could be done except that it would require this to go back to conference, and it would take several days. If this is important, a correction can be made later. I am sure that from what various people have told me that the framers and framers have no fear on the subject. I do not think it is of sufficient importance to go back to conference and throw this whole bill into a further conference.

Mr. GILCHRIST. I certainly do have fear on the subject, especially as applied to the Iowa situation, with which I am somewhat familiar. I still hold the opinion that those who believe in the doctrine of "Thou shalt not steal" ought not to force that kind of liens and assessments on lands in Iowa, even though they do own bonds that they desire to collect. Here again we are not allowed to amend or divide the question. It is another instance of "pulling either clothes" or "no" upon this whole report. I want to see the bill enacted. I am for the bill, but I am against all gag rules and against regulations which prevent us from offering amendments and thereby preventing injustice.

Mr. JONES. If any injustice is done in the gentleman's State, as far as it is within the possibility for me to do so, I shall assist him in an effort to have it corrected.

I yield 2 minutes to the gentleman from Texas [Mr. THOMASON].

Mr. THOMASON of Texas. Mr. Speaker, I have just been able in the last few minutes to see a copy of the conference report, but if I understand it correctly, private corporations
organized for drainage, levee, and irrigation purposes are going to find that they are discriminated against, or perhaps given no relief at all.

Mr. MARTIN of Colorado. We are cut out altogether. We are not discriminated against.

Mr. DOXZY. What is the gentleman's idea about a private district? There are districts here that are classed as private. Anything of a public nature, organized under the law, is public. Anything organized by a stock company is a private corporation.

Mr. THOMASON of Texas. All I know is that this section of the bill refers only to private corporations and is not broad enough. If a private irrigation project can furnish adequate security, I take the position it is as much entitled to its proportionate share of that $50,000,000 as any of the $5,000,000 if it is meant to relieve conditions in certain districts of the country. I think, as the gentleman from Colorado (Mr. Martin) said, that is not only a discrimination but it is practically ruination to private projects. We ought to concur in the Senate amendment and take care of deserving private irrigation districts.

Mr. JONES. Mr. Speaker, I want to say with reference to this irrigation section, there was some question in the committee of both the House and Senate, as to whether any such project should come in at all, and the only theory on which it is included at all is that it enables some of the actual farmers who reside in those districts to take advantage of the other features of the bill.

If you went further and permitted, as the Senate amendment does, the work of using the funds to complete the projects, to install machinery, and so forth, you would have the peculiar condition of a bill with one feature of it trying to solve the surplus problem and another feature of it aggravating that surplus problem. The only theory on which the $55,000,000 was included was so that the actual farmers who live within the confines of those districts might be able, by refinancing that feature of it, to secure direct loans or direct refinancing of their loans.

Mr. SAMUEL B. HILL. Is the $50,000,000 still in the bill?

Mr. JONES. Oh, yes.

Mr. SAMUEL B. HILL. And the $5,000,000 additional?

Mr. JONES. Yes. I think the gentleman from Washington and his colleagues have done a great deal and accomplished much in being able to secure the inclusion of such an item in a mortgage bill. That money is not for the purpose of directly refinancing mortgages, and I congratulate them on their accomplishments.

Mr. EDMONDS. Will the gentleman yield?

Mr. JONES. I yield.

Mr. EDMONDS. Is the $5,000,000 to be loaned to the reclamation fund intact as it left our committee?

Mr. JONES. Yes.

Mr. LOZIER. Will the gentleman yield?

Mr. JONES. I yield.

Mr. LOZIER. Is it not true that if the number of beneficiaries under this provision is increased, as proposed in the Senate amendment, the fund would be spread out to such an extent as to render ineffective the aid intended for hundreds of drainage districts where investments have already been made and where many millions of dollars have been expended? The House measure and the conference report protects the contractors heretofore established.

Mr. JONES. I understand that is a correct statement, and I thank the gentleman for his contribution.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will read the first amendment in disagreement.

The Clerk read as follows:

Amendment 83: Page 33 of the bill, insert:

"PART 3—COST OF PRODUCTION"

"SEC. 20. (a) The Secretary of Agriculture, in addition to the provisions granted by parts 1 and 2 of this title is hereby authorized, with respect to any basic agricultural commodity, to estimate, as nearly as practicable and proclaim from time to time—

(1) The percentage of the domestic production of the commodity, including carry-over stocks, for market during the next marketing period for the commodity, that will be needed for domestic consumption; and

(2) The average domestic cost of production, including therein a reasonable profit, for the commodity, for any association of producers at a price, for the domestic consumption percentage thereof, that is less than the proclaimed cost of production for the commodity. The remainder may be purchased at such price as is agreed to by the parties; and shall be segregated for export, or for processing for export, in accordance with regulations of the Secretary of Agriculture: Provided, That the Secretary in his proclamation may make such limitations and exceptions as to sales of the basic product as he may deem advisable in order to properly carry out the provisions of this section."

"(c) Any person violating the provisions of subsection (b) shall be subject to a penalty of not more than $1,000 for each violation, and may be collected in an appropriate action in a court of competent jurisdiction brought in the name of the Secretary of Agriculture."

The provisions of section 15 (d) and (e) shall apply with respect to commodities or products thereof competing with, and imports articles processed with respect to commodities or products thereof competing with, or imported articles processed or manufactured wholly or in chief value from, any basic agricultural commodity for which the cost of production has been proclaimed under this section, to the same extent as such provisions apply with respect to commodities or products thereof competing with, or imported articles processed or manufactured wholly or in chief value from, any commodity for which a processing tax has been imposed."

"(e) In order to carry out the provisions of this section the Secretary of Agriculture is authorized to license persons engaged in the business of purchasing from producers or associations of producers any basic agricultural commodity with respect to which the Secretary has proclaimed the cost of production. Such licenses shall be subject to such terms and conditions as may be necessary effectively to execute the provisions of this section. Any person so engaged without a license as required by the Secretary under this section shall be subject to a fine of not more than $1,000 for each day the violation continues. The Secretary may suspend or revoke any such license upon the finding of any violation of this section or of the terms or conditions of the license."
Mr. JONES. And unless I yield for the other motion, it cannot.

The SPEAKER. The motion to recede and concur takes precedence over the other.

Mr. JONES. I think there should only be one motion, and I wish the gentlemen would agree on which motion they will present.

Mr. DOWELL. Mr. Speaker, the preferential motion should have the floor in any event without preference.

Mr. JONES. No; it would not have the floor. A preferential motion can be made and be pending, but, as I understand, the maker of the original motion has the floor.

The SPEAKER. The gentleman from Texas is correct.

Mr. DOWELL. But a preferential motion has been made, and it has preference.

Mr. McKOWN. Mr. Speaker, I ask unanimous consent to withdraw the motion which I made.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. McKown]?

There was no objection.

Mr. JONES. Mr. Speaker, I yield 30 minutes to the gentleman from New York [Mr. Clarke], with the privilege to him of reserving to other Members on that side.

Mr. CLARKE of New York. That is agreeable, Mr. Speaker.

Mr. JONES. Mr. Speaker, the administration is opposed to this amendment. They regard it as impractical and unworkable. I wish to read a statement by the Department of Agriculture, the Department which will have charge of the administration of this act. The statement reads as follows:

The Department of Agriculture is vigorously opposed to the amendment. They contend that the amendment is economically unsound and would, if placed in effect, depress rather than increase farm prices. In the absence of any legislative standard for determining cost of production it would be impossible to arrive at such cost on any definite basis.

The cost of production figures of the Department are new less than the parity prices or fair exchange value provided in the bill.

If any attempt were made to fix prices by enforcing a cost-of-production price that did not have due regard for the purchasing power of the consumer and other economic considerations, the commodity would back up on the farm, extensive bootlegging would result, and innumerable fines be imposed if any real attempt at enforcement were made.

It is believed that the operation of the amendment would seriously endanger the farm-relief program. The presence of the amendment in the bill would raise expectation for higher farm prices. In the absence of any legislative standard for determining cost of production, it would be impossible to arrive at such cost on any definite basis.

The measure, which will be administered by the Department of Agriculture, is important and far-reaching. It will involve the entire business of the United States. The ones who will administer it will have a very great task to work it out properly. We all hope that they may work it out with good effect. I do not think they should be hampered in any way, and they regard this amendment as having that effect.

Inasmuch as they are so vigorously opposed to it, I believe it would be better if we permitted them to have the legislation for the present at least in the form in which they desire it.

Mr. CLARKE of New York. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. Boileau].

Mr. BOILEAU. Mr. Speaker—

Mr. BLANCHARD. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. BLANCHARD. Can the gentleman state whether it is purely optional with the Department to put this into effect?

Mr. BOILEAU. It is.

Mr. Speaker, I want to urge favorable consideration of this so-called "cost-of-production amendment," because, in my opinion, it is the most satisfactory method that could possibly be conceived for the purpose of raising farm-commodity prices to a decent level.

This so-called "domestic-allotment plan" imposes a tax upon the processing of the commodity, and then, with a great many administrative technicalities, this processing tax is paid back to the farmer. So in this way he gets a fair price for his commodity.

The so-called "Simonson-Norris plan" of cost and production is very simple in its operation. It merely provides that the Secretary of Agriculture shall determine what is the average cost of production of the various commodities, including reasonable profit; that after this declaration has been made it shall be unlawful for anybody to pay the producer of farm commodities a price lower than the established average cost of production. It does away with all the technical administrative provisions. It gets right down to the bottom of the problem and says that the farmer shall be paid by the buyer of the commodity a price that is equivalent to the average of production plus a reasonable profit. I do not believe there is a man or woman in this House who believes the farmer is not entitled to the cost of production and a reasonable profit for his produce.

Part 2 of title I of this bill, which is the commodity-benefits provision, provides for the domestic-allotment plan including the processing tax, and has as its purpose the raising of prices of farm commodities. The distinguished chairman of the Agricultural Committee read a letter from the Department of Agriculture, in which the Department of Agriculture stated that it did not know the cost of production, yet they assert in the same letter that the cost of production is lower than the parity price that is provided for in the bill. I submit that it is just as easy to establish the average cost of production as it is to determine the parity price of farm commodities today with what they were in the pre-war period. (Applause.)

Let us get down to brass tacks. Let us not try to fool the farmers and ourselves. If we are going to give them a cost of production plus a reasonable profit, let us vote to recede in our position and concur in the Senate amendment which will give them cost of production and a fair profit. The farmers are entitled to that much and no less.

Mr. ARNOLD. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Illinois.

Mr. ARNOLD. Is not the cost of production a variable quantity which varies according to the section of the country, the quality of the soil and the efficiency of cultivation methods used by farmers?

Mr. BOILEAU. Yes, it will vary; and I may say to you that the parity price is going to vary, because in figuring the parity price you will have to figure the present value of commodities and the value of commodities in 1909 to 1914, and we must also consider the value of the farmer's dollar at that time and the value of his dollar now which will also vary; and just as soon as we start expanding the currency, the parity price is going to vary and the cost of production is going to vary.

It is just as easy to determine what is the cost of production as it is to determine the parity price. The farmers want this provision, so let us for, once give them something they want and something they can benefit from.

Mr. ARNOLD. Will not the cost of production vary in the same neighborhood and on adjoining farms?

Mr. BOILEAU. Just the same as the parity price. The average cost of production is going to be determined on a commodity over a certain wide locality which can be established very easily, and I submit that it is the fair way of determining at what figure we should fix the prices of farm commodities.

Mr. KVALE. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Minnesota.

Mr. KVALE. Will the gentleman state whether the cost-of-production amendment is optional or mandatory?

Mr. BOILEAU. It is optional, the same as the other provisions of the bill. The Secretary of Agriculture does not have to use it unless he wants to; but I want to predict now that if we vote to retain this provision, it will not be more than 60 or 90 days before the Secretary of Agriculture will be mighty glad that he has a chance to use the cost-of-production plan, and that he will use it.
Mr. McFARLANE. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Texas.

Mr. McFARLANE. Did we not use this same plan in this

same bill we considered our inflation provision, which pro-

vided for 3 or 4 different alternatives?

Mr. BOILEAU. Yes.

Mr. McFARLANE. Then why not use the same plan for

the benefit of the farmers?

Mr. BOILEAU. As far as I can see the gentleman’s statement is exactly cor-

rect, and I thank him for his contribution.

Mr. DOWELL. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Iowa.

Mr. DOWELL. Is there any question but what this

amendment, if put in operation, will raise the price of farm

commodities?

Mr. BOILEAU. It certainly will; and the Secretary of

Agriculture will have to ascertain what is the average cost

of production, including a reasonable profit, and from that

time on it will be unlawful for any purchaser to pay less

than the established cost of production on that part of the

produce that is used in the domestic market. [Applause.]

The SPEAKER pro tempore (Mr. Doocy). The time

of the gentleman from Wisconsin has expired.

Mr. JONES. Mr. Speaker, I yield 4 minutes to the gen-

tleman from Mississippi [Mr. Doxy].

Mr. DOXY. Mr. Speaker, in answer to my good friend

Mr. Roosevelt of Wisconsin, who has just preceded me and

who advocates this price-fixing proposal, I want to say

to you that in this brief time let us consider in a cool,
calm, deliberate way the provisions of this price-fixing

feature. When I was selected as one of the five conferees
to represent this branch of the greatest law making body in

the world in the consideration with the six Senate con-

ferrees of a combined piece of legislation as far-reaching

and important as any ever considered by any Congress in the

history of our great country, I was deeply grateful for the

honor and felt most keenly the grave responsibility resting

upon me.

We were appointed Wednesday afternoon and went to

work in conference Thursday morning, and today there is

before this House the results of our labors evidenced by

this conference report accompanying H.R. 3835, upon which

you are to vote within the hour.

You will fully realize that it will be impossible to even

mention, let alone discuss, within the limited time

the 82 amendments upon which we have agreed.

It goes without saying that all of you are interested, and

many are more concerned with our conclusions respecting

some of these amendments than with others. Some are of

more local importance than others, but to say the least of it

your conferees did the best they could, and in

the many instances where we receded and agreed it was

with amendments adopted by the conference that substan-
tially strengthened the bill in our judgment. You know

in order to complete this stupendous task it was a propo-
sition of give and take. Permit me to say that all the gen-
tlemen composing the conference freely and fully gave of

their time and talents to the questions involved and cer-
tainly had their hearts as well as heads in the work. The
results accomplished are before you for your approval or

disapproval.

As one of the managers on the part of the House at this

conference on the disagreeing votes of the two Houses on

the amendments of the Senate—nos. 1 to 84—to the bill

H.R. 3835, to relieve the existing national economic emer-
gency by increasing agricultural purchasing power, I, in

each and every instance, tried to represent you and the will

of this House as best I could under the existing circum-
stances. You are now to pass judgment for our acts as
evidenced by this submitted conference report.

This report shows the committee of conference agreed

upon 82 amendments but were unable to agree on the

amendment designated as no. 83, known in the bill as part
3, cost-of-production, generally referred to as the Norris

proposal.

Your conferees were and are against this amendment.
The Senate conferees are for it. We were unable to reach

any compromise, so the conference report shows the com-

promise conference has agreed with this amendment no.
83, which is the “price-fixing amendment.”

In the limited time that we have for discussion of this
report, it is my purpose not to discuss any other amend-
ment here, as I discussed on the floor of this House a short
time ago some of the agreements and conclusions reached in

conference, but to briefly convey with you this particular
amendment, no. 83, and give you at least some of my rea-
sons for being against it in its present form.

In the first place this House has never had an opportu-

nity to express itself concerning it. I know personally some

of you are for it and some are against it. I assure you here

and now that regardless of my personal views, as one of your

conferees, if it is the will of this House expressed by a

majority vote that this amendment be agreed to, as your

representative I will vote to permit it to be retained in the

bill. This cost-of-production section, 20, was not a part of

the measure as it passed this body. It was added to the

bill in the Senate, so when the measure as passed by the

Senate was referred to conference, your conferees, as far as

any vote of this House is concerned, had no instructions.

In taking the position I have on this “price-fixing” pro-
posal as passed by the Senate, I have expressed my personal

views not only by voting for it, but in expressing the wishes

of the majority of this House on this proposition.

Permit me to give you some of the provisions of this

amendment and discuss with you some of its consequences,
as I view it, if it is enacted into law as a part of this measure

as it is now written.

This amendment simply means that the Secretary of Agri-
culture is authorized with respect to the basic agricultural

commodities to estimate and proclaim from time to time

(1) the percentage of the production of the commodity that

will be needed for domestic consumption; (2) the average
domestic cost of production, including therein a reasonable
profit, for the commodity.

After the cost-of-production feature it is further provided

in the price-fixing proposal that it shall be unlawful for any

person engaged in the business of buying and selling any

commodity or commodities as a dealer to purchase or sell

from the producer at a price for the domestic-consumption

percentage thereof that is less than the cost-of-production
price for the commodity estimated and proclaimed by the

Secretary of Agriculture.

That portion of the commodity not used for domestic con-

sumption is not regulated by this price-fixing amendment.

The remaining sections of the amendment referred to pro-

vide penalties first for the people violating the provisions

of this amendment who are engaged in the business of buying

and selling the commodities as dealers who purchase the

commodities from the producers. There is also a penalty

for anyone purchasing commodities, regardless from whom

they are purchased, at a price less than the cost-of-produc-
duction price plus a reasonable profit on the investment as
determined and proclaimed by the Secretary of Agriculture.

The other provisions of the amendment are of no great
consequence with the exception that they do apply with

reference to commodities or products thereof competing with

any of the basic agricultural commodities for which a cost-
of-production has been proclaimed under this section, with

limitations as therein set out.

This cost-of-production proposal, known as amendment

no. 83, just simply means that the Secretary of Agriculture,

on all domestic-consumption basic agricultural products, is

to have the right to fix the cost-of-production price for each

and add a reasonable profit, all of which will necessarily have to

be an estimate, because, on account of the very nature of

things, we all know that you cannot get a result that is

mathematically correct in perhaps any individual case; the

cost of production in one commodity is different from the cost

of production in another and very greatly depends on many

...
intervening circumstances and conditions. Yet the consum­
ing public will have to pay the price so arbitrarily fixed or
violate the law and subject themselves to be punished under
the terms thereof.

The Members of this House, every one of you, have given
to some extent more or less thought and consideration to
this subject. Many of you are personally and vitally inter­
ested and have firm and fixed convictions after due deliber­
cation and careful consideration of the questions involved
in this amendment.

Those of you, who from actual knowledge and practical
experience and are able to visualize the workings of this
amendment, should it be put into operation, I feel will agree
with me that it would bring about complications and com­
plexities that would be so far-reaching that none of us
would dare prophesy at this time the extent thereof. It
would create administrative difficulties that would be almost
impossible to meet; it would necessarily require the fixing
of prices for different grades, types, and character of the
same commodity. We all agree that this is so with reference
to cotton, tobacco, wheat, and, in fact, every commodity that
is listed as a basic agricultural commodity.

When we are endeavoring to do by the omnibus farm bill
is to help the producer and endeavor to raise farm values
and commodity prices in an effort to put agriculture on a
basis that will enable the farmer to buy the manufacturer’s
goods and pay off his financial obligations, as you know this
omnibus farm bill includes what is known as “the Smith
plan”, the so-called “maximum-allowance plan” both of
which are designed to help distressed agriculture in this
emergency.

We know that the Secretary of Agriculture has expressed
himself as being ready, able, anxious, and willing to set the
administrative machinery in motion with respect to these
plans just as soon as this measure is enacted into law. The
success or failure of this measure is going to largely depend
upon how this law is administered.

In addition to the farm-mortgage refinancing plan and
the inflation amendment as carried in this bill, if the House
recedes and conurs in this price-fixing Senate amendment,
you will place in the hands of the Secretary of Agriculture
not only powers, the ultimate results of which stagger you
to contemplate, but the administration of which will require
machinery entirely different and apart from that necessary
to operate the other emergency features of this bill.

The Secretary of Agriculture has a thorough and comprehen­sive grasp of the questions involved and the theo­ries advanced, as well as a thorough working knowledge of the
practical effects that will result not only to the pro­ducer
but also to the consumer, is opposed to this price-fixing
amendment. He realizes that the amendment is eco­nomically unsound and would, if placed in effect, depend
rather than increase farm prices. In the absence of any
legislative standard for determining cost-of-production, it
would be impossible to arrive at such costs on any definite
basis. The cost-of-production figures of the Department are
now less than the parity price or fair-exchange value pro­
vided in the bill. If any attempt were made to fix prices by
enforcing a cost-of-production price that did not have due
regard for purchasing power of the consumer and other
economic considerations, the commodity would back up on
the farm. Extensive bootlegging would result and innumer­able fines be imposed if any real enforcement were made. I believe that he feels the operation of the
amendment would seriously impair the farm-relief pro­
gram. The presence of the amendment in the bill
is listed as a basic agricultural commodity.

If you are a cotton dealer or buyer operating without a
license you are subject to a fine of not more than $1,000
for each day the violation continues.

Pursue the illustration further: Suppose you as a buyer
paid me, the producer, the price for my cotton fixed by this
law, and that then you got into serious financial difficulties
which necessitate having to sell some of the cotton at a
sacrifice price so as to raise some ready cash to meet a
pressing emergency, and you find another cotton buyer or
mill that will buy your cotton but at 1 cent per pound less
than the fixed price, and you cannot find another purchaser
for a better price. You can decide under the circumstances to
sell even a part of the cotton you have on hand which will
bring a sum even at the reduced price that will tide you
over the emergency; you cannot sell and he cannot buy the
cotton at the agreed reduced price without you both being
subject to be penalized.

Will not this create a situation that will work untold
hardships and encourage law violations? Will this not
operate against the producer of the commodity as well as
others, and disastrously affect the normal values of the
commodity and restrain trade between parties? Will not
the farmer's crop that he raises remain unsold and back on
the hands of the consumer, who has a right to buy? What incentive or incitement is proposed by this amendment for the purchase of the
farmer’s crops he produces? Will not this operate as a
hindrance rather than a help where the one wants to sell,
the other wants to buy, but they cannot trade except at the
fixed price unless they suffer the penalty imposed by this
law?

To ask these questions are but to answer them. In my
judgment, the difficulties and disasters incident to the pas­sage of this law in its present form are manifold and far
outweigh its advantages, especially as we have other emer­
gency-relief measures already agreed upon in this bill by
both the House and the Senate conference and approved by
this administration designed to bring immediate relief to
distressed agriculture.

So, my friends, do not delay the passage of this bill any
longer and kill its good effects and provisions by insisting on
this one amendment which is laden and fraught with so
many, many disastrous possibilities and destructive features.

During this limited debate here I have not referred to my
views relating to the constitutionality of this price-fixing
amendment, for I knew it would be impossible to discuss it
here on the floor of the House. I have waited the limited
time allotted me, fully and logically. Suffice it to say that in
the event this amendment was enacted into a law and a test
case was made of it, I have grave doubts as to its constitu­tional­ity as it is here written.

So the question here presented to this House is, Will you
or will you not include this price-fixing provision in this
omnibus farm bill?
I believe and hope the majority will vote against it and approve the position taken by your conference as you have heretofore done in regard to their acts concerning the balance of the conference report already submitted and approved.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. CLARKE of New York. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. LAMBERTSON.]

Mr. LAMBERTSON. Mr. Speaker, I am for concurring in the amendment and keeping this cost-of-production provision in the bill. This is not opposition to Secretary Wallace. I am strong for him, and I think he is doing everything in his power to bring about better conditions.

I have a great deal of confidence in Mr. Peck. Seven years ago, on my first trip to Washington, I came as a member of the Committee of Twenty-two, sponsoring the McNary-Haugen bill, and he was chairman of the committee. The gentleman from Ohio [Mr. Taft] was also another member. I have confidence in Mr. Wilson, the probable administrator for wheat.

I am a member of the National Farmers' Union board, and if there is anything our organization ever stood for through these years it has been the cost of production. It was John Simpson who sold the idea to the Senate, where it was adopted.

When a group of us met with Secretary Wallace on the 10th of December, I advocated this plan and represented the farmers' union, but it was not agreed to.

It was later put in by the Senate. It was sold to the Senate on its merits. Nobody ordered the members of the Senate committee to vote for this thing. It was sold to them, and every farm-minded member of that body voted for this cost-of-production amendment when presented on the floor of the Senate.

If it had not been put in in the Senate bill, it might receive different consideration.

It is only optional. What is the harm of leaving it in? The people have been sold on this thing. They were sold on the Frazier bill, but the Frazier bill is out. This is the only thing left. Let us leave it in. Let us leave something additional in that could be used if needed. We have granted wide powers to the President in many lines. If the other things do not work, they will need it, and if they do work, then they will have no use for it. I am appealing to you on both sides, you farm-minded Members, to leave this in the bill.

Mr. CARPENTER of Kansas. Will the gentleman yield?

Mr. LAMBERTSON. Yes.

Mr. CARPENTER of Kansas. Was not this what the farmers had in mind when they voted at the last election?

Mr. LAMBERTSON. It was guaranteed in the Democratic platform.

Mr. MARTIN of Colorado. Will the gentleman yield?

Mr. LAMBERTSON. Yes.

Mr. MARTIN of Colorado. Would not all of the difficulties suggested by the Secretary of Agriculture about arriving at the cost of production have equally as much force in ascertaining the processor's tax? What would the difference be?

Mr. LAMBERTSON. I do not know.

Mr. MARTIN of Colorado. To my mind it would be the same thing. He would use all the arguments against the cost of processing that he used against the cost of production.

Mr. CLARKE of New York. Will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. CLARKE of New York. The gentleman says that this bill was practically declared for in the Democratic platform.

Mr. LAMBERTSON. Yes.

Mr. CLARKE of New York. If the Democrats repudiate this amendment, then they repudiate their platform.

Mr. LAMBERTSON. Absolutely. Now, you have a chance to stand by your platform. Do not desert it. I appeal to my new friends, Members on the Democratic side, to let this stay in the bill and stand by your platform. [Applause.]

[Here the gavel fell.]
expected, will discover that there is a bureau within his Department that can figure out the average cost of production of the principal farm commodities. That has been done for years.

It has been stated here that the Democratic platform contained a plank guaranteeing to the farmers the cost of production. It makes very little difference to me whether some Democrats go down on your platform, or whether some of the Republicans do—that is all the same to me. We are not here legislating as Republicans, Democrats, or any other partisans; but we are here legislating for the good of the people of the United States, and I am talking to you as a nonpartisan—I am not concerned with either Democrats, Republicans, or any other partisans.

I am sure we all want to do something for the good of the people of this Nation—especially for the good of agriculture. The farmers of this Nation want this amendment. Why not give it to them? It is their amendment, put in by the Senate through the persuasive powers of John A. Simpson, the greatest farm leader of them all—a leader to whom over 85 percent of the farmers of this Nation are looking for guidance in this, their hour of distress. A leader with vision, courage, and determination, who is unafraid and never yet lost a battle. You may beat him in this particular cause of the party lash, but I am afraid you will regret the day, because he is right and you are wrong—you know that the farmer is entitled to the cost of production for the things that you and I and others eat and wear.

When we pass laws for the railroads we listen to the railroad men. When we pass laws concerning industry, we listen to the industrialists. When we pass laws for banks we listen to bankers, but when we pass laws for agriculture we are asked to listen to a newspaperman and to follow his advice. Why not listen to the farmers? This legislation is intended to benefit them. They were promised farm relief, and this here promised that they would have something to say about it. Surely common decency, after all these years of waiting, would impel us to give to them this simple amendment, which makes it possible for them to get the cost of production for that part of their commodities consumed within the United States. Why should the Secretary of Agriculture object to this amendment, whether he be a Democrat, or not? Congress is charged with the responsibility of making laws, not he.

The law of self-preservation—the law of last resort—-is in operation. The Farmers Holiday Association has ordered a strike for the 13th of May. They have invited the unemployed to join them. If we will give to the farmers this amendment, we may avoid that strike. Let us not underestimate that strike. People who are losing their homes whose families are in want, who feel that they have for years been shortchanged and fooled at the hands of the politicians in Congress, may do desperate things—they are in no mood to be trifled with. They expected much, and still expect much, from this new administration. Let us not disappoint them now, because if we do, we may find that this strike, called for the 13th of May, may shock this Nation from end to end.

Let us heed the danger signals. Let us avoid this strike if possible. The temper of the farmers has been shown, not only in the State of Iowa but in such other States as Minnesota, Montana, North Dakota, Wisconsin, and Nebraska. The truth is, that in some of these States serious trouble was avoided only because the Governors of those States had the courage and foresight to declare a moratorium on mortgage foreclosures. If the Governor of Iowa had used the same intelligence, courage, and determination, the judge in his State would not have been mobbed and taken out for a holiday ride. Only patience and wisdom on our part can stop the repetition of similar instances. Let us, at least in a small way, fulfill our campaign pledges to those people in desperation and want.

I campaigned for the national Democratic ticket in several States. I did it without consulting the Democratic Party leaders. I know that most of the Democratic speak-
I have seen nothing to indicate that the President of the United States is opposed to this amendment. I know the Secretary of Agriculture is opposed to it, but he is a Republican. [Laughter.] I am opposed to a Republican telling a Democratic House how it shall legislate. [Laughter and applause.]

The three great national farm organizations in January 1932 endorsed the provisions of this amendment. The National Grange, the National Farmers' Union, and the American Farm Bureau Federation all endorsed it. They said, with other recommendations, "nothing less is a remedy for the agricultural-marketing problem." These representatives should know the farm problem as well as any Secretary of Agriculture.

Every time a farm bill is before this House somebody raises the question that either it is unconstitutional or unworkable; but nobody who has argued against this amendment has stated why it would not work. It will require no more money. The Department of Agriculture every year makes an estimate of the cost of production of the leading farm crops and also the amount of the surplus. They already have that information. Regardless of whether the Secretary of Agriculture says they do it by statute or not, they do it. He says the cost of production is now less than shown in the bill, but it was not less in 1931. If this provision had been in the bill last year, the farmer instead of getting 8 cents a bushel for his wheat, would have gotten $1.09; he would have gotten 16 cents a pound for his cotton, 89 cents a bushel for his corn, and 54 cents a bushel for his oats.

I hope the amendment will be agreed to. [Applause.]

Mr. CLARKE of New York. I yield 5 minutes to the gentleman from Kansas [Mr. Hope].

Mr. HOPE. Mr. Speaker, I am in entire sympathy with what has been said by the proponents of this amendment as to their desire to increase prices and give the farmer his cost of production. There cannot be any difference of opinion among any of us on that. The farmer is entitled to a price above his cost of production, but I do not see anything in this amendment which will insure any farmer in this country that he will get his cost of production.

In the first place, the amendment is entirely optional. The Secretary of Agriculture is vigorously opposed to it. He believes that it is economically unsound, and that if placed in effect it will depress rather than increase prices. Therefore we know that the Secretary will not use it if this power is granted to him. Now, no matter how strongly the proponents of this amendment may feel that it will give the farmer his cost of production if put into effect, they must agree nothing can be accomplished if the power is not used.

In the second place, I do not believe there is any lawyer on the floor of this House or elsewhere who would contend for a moment that this provision is constitutional. I do not have time to discuss the constitutional phases of the matter, but as far as I have been able to learn, it has never been contended by any of the proponents of this amendment that there is any power in the Constitution, either express or implied, which would give Congress authority to pass legislation of this kind. Why waste our time presenting an argument which admittedly would be declared invalid the first time it is questioned in the courts. Are we helping the farmer any in doing so?

In the third place, if we were to assume that the amendment is constitutional and that it would be put into effect by the Secretary of Agriculture, there is nothing in it to give the individual farmer his cost of production. This amendment makes the price shall be fixed upon the average cost of production. Now, assuming there are as many farmers whose cost is above the average as there are farmers whose cost is below the average, you could not possibly give more than half the farmers their cost of production, and of course, merely trying to fool the farmer when you say to him you have passed legislation which will give him his cost of production. We all know the great variance in production costs even in the same locality and in the same crop season. We know the wide difference in the cost of producing wheat in Kansas and, say, in Michigan, and the difference in production costs on cotton between various States and even in different sections of the same State. This all makes it very obvious that there is no way under this amendment or anything similar that all farmers can be assured their cost of production.

In the fourth place, I do not forget that the figures of the Department, and these are the figures that would have to be used if this amendment were adopted and put into effect, show that the present cost of production of the principal agricultural commodities is less than the parity price.

For instance, the figures of the Department of Agriculture show that the average cost of production for cotton in 1931 was 8 cents a pound, yet today cotton is selling at 8 cents a pound. The Department's figures show that the average cost of production for wheat is 60 cents a bushel, and today out in Kansas at country elevators wheat is being bought at 60 cents per bushel.

If so this amendment were adopted and the Secretary should use it, these two crops will derive no benefit. While I do not have definite figures, I understand the same is true as to at least some other crops, and in practically every case the parity price which the Secretary wishes to put into effect is considerably higher than the Department's figures as to average cost of production.

Let me call attention to another thing, and this is of especial interest to those interested in cotton. We have on hand in the country today 13,000,000 bales of cotton, more than a year's supply. Is the spinner, the warehouseman, or the broker who owns this cotton going to buy the farmer's new crop of cotton at some price to be fixed by the Secretary of Agriculture when they have all this cotton on hand in the warehouses? Why, certainly not. So this year, at least, the cotton farmer will not have any market if you put into effect a proposition of this kind.

The same situation is true with respect to wheat, because there are now in the mills and elevators, in storage, and out of the farmers' hands in this country 190,000,000 bushels of wheat. There is estimated to be 178,000,000 bushels of wheat still in the farmers' hands. The domestic consumption of wheat for food purposes in this country is about 500,000,000 bushels annually. Therefore this means that this year we will have a market for only a little over 300,000,000 bushels of wheat if this amendment is adopted and put into effect. The farmer already has 178,000,000 bushels on hand, so of his new crop he could sell less than 150,000,000 bushels at the fixed price. What he will do with the rest I leave for the proponents of this legislation to figure out.

I have not yet seen a person who could tell me how this amendment would apply to the hog-producer. How are you going to fix a price for hogs based on cost of production when there are a dozen different classes of hogs, so far as marketing is concerned? What is the difference in the production cost of a packer sow as compared with fancy butcher stock?

[Here the gavel fell.]

Mr. CLARKE of New York. Mr. Speaker, I yield 1 additional minute to the gentleman from Kansas.

Mr. HOPE. Mr. Speaker, to conclude, I think all of us are in agreement that we want this farm bill to work; we want the Secretary of Agriculture to succeed under its provisions in bringing about higher prices for agricultural products; and we know he has a hard job ahead of him. If he succeeds, he is going to need the cooperation and support of all the farmers in the country. If we include too many different plans in the measure or any extent of opinion among the farmers as to which method should be used. It is true that under the original bill the Secretary has the option of using different methods, but they are all part of one general plan and theory. All can succeed or fail together harmoniously. This plan is entirely foreign to the other proposals contained in the bill. If it is included in the measure, its proponents will naturally insist on its being tried. This difference of opinion will cer-
In this bill we are making provision for refinancing the farmer. Why? Because he has been unable to sell his products at the cost of production. Why are we devoting time to preparing and passing this legislation? It is because we want to give the farmer an opportunity to sell his products on the market for what is reasonable and fair, and this includes a reasonable profit. There is no business in the world that will succeed unless it is able to sell its products for the cost of production with a reasonable profit, and this applies to the farmer just the same as it applies to any other business or industry.

This is the first time, I believe, there has been before this House an opportunity for a straight vote on the question of furnishing the farmer what he is entitled to receive—the actual cost of the things he produces on the farm. [Applause.]

If you are trying to help the farmer, here is the one vote you can cast that will give him an opportunity to get what he is entitled to receive—the cost of production with a reasonable profit—and everyone who has spoken acknowledges he is entitled to this. [Applause.]

Mr. SPEAKER. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma (Mr. ROSS.)

Mr. ROSS of Oklahoma. Mr. Speaker, I judge by now you know that Oklahoma is for this amendment to guarantee the farmer the cost of production. I have not time to discuss this proposition in 1 minute, but I just want to say that if we are looking at the constitutionality of questions, we have waited a long time to begin.

The second objection is that it will not work. There is only one reason why this measure will not work and it is that you will not try it. Of course, it will not work if you do not give it the opportunity. If I read history correctly, practically every great invention and also every new proposal has always met the same criticism—it will not work—but when it was tried, it did work.

There are three things that you must consider with respect to any law. First, what is in the law; second, how will it be administered; and third, what cooperation will it receive? As we examine this law I see nothing in it that is not workable. It can be administered, if not by the present Secretary of Agriculture, then we can get a new Secretary that will make it work. And it will receive the right kind of cooperation because the farmers are for it. [Applause.]

Mr. JONES. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. TERRELL.)

Mr. TERRELL. Mr. Speaker, I opposed the farm relief bill on its passage in the House. I was opposed to the McNary-Haugen bill, the Farm Marketing Act, and the Farm Board, because I am opposed to the Government's controlling farming operations or business operations except to prevent fraud and monopolies.

The Government has never ventured into the field of private industry without losing money and making matters worse. The Farm Board, with its stabilization corporations and gambling on the future market, lost millions of the public. The excisables paid by the Farm Board and cotton cooperatives are an example of the abuses of unlimited power and should warn us never to grant such power again. It seems that they thought that the higher the salaries they paid, the higher prices they would receive for the products. We ought to learn some sense with such flagrant failures before us.

This bill contains two distinct provisions for the purpose of fixing prices of farm products. They are the processing fee to be collected from dealers and processors to constitute a fund to cover the cost of operation and to pay the difference between the present prices of farm products and the average prices between the years of 1909 and 1914, to be fixed by the Secretary of Agriculture. No one can deny that this is price fixing, and no one can say how much money it will take to administer the law and to pay farmers the difference between the present prices and the average price between 1909 and 1914.

The processing fees may be so high as to bankrupt all dealers and processors of agricultural products, and yet this law does not place any limit on the amount of the fees to be charged but turns all the farmers, dealers, and processors over to the tender mercies of one man whose word is law, with penalties imposing heavy fines and imprisonment. The past experiences of the Federal Government in the enforcement of this law have been so bad that they can hardly be given credit to the results of this law.

The other provision for price fixing provides that the Secretary of Agriculture shall estimate the average cost of producing the products named in the bill and fix the price for that portion of the production used in domestic consumption that will cover the cost of production and will allow a reasonable profit to the producers. The Secretary of Agriculture can estimate this cost from the figures in his office and from crop reports filed from time to time, and the Government has estimated the average cost of producing farm products many times, and such average cost is fairly accurate. While commissioner of agriculture of my State, I estimated the cost of producing cotton from the actual cost reports from thousands of farmers. This cost varied greatly with individuals, some running very high and some running very low, but I found the average cost to be applicable to 75 percent of the farmers, and this is close enough for practical purposes.

Why should not the farmer have the cost of production and a profit? It is the universal principle upon which all businesses are conducted or should be conducted. The steel producers, the copper producers, the automobile producers, and every other organized group of producers do business upon the cost-profit plan, and they are frequently assisted by the strong arm of the Government in levying a prohibitive tariff against imports by which they can raise their prices to the extent of the tariff rate and make the American consumers pay increased prices for the sole benefit of certain industries.

While I am opposed to the Government fixing prices or attempting to fix prices, it is already doing these things for certain industries and is attempting to aid the farmers to get better prices through the operation of this law. I shall support the one provision in this bill that seems to me to benefit the farmer, and that is the Senate amendment, supported by the real farmers of the country, which proposes to give them cost of production and a reasonable profit.

This is the principle upon which all successful industries are operated, and we certainly should make an honest effort to place agriculture on a sound business basis, while we are appropriating hundreds of millions of dollars to bolster up industry, which will be lost and the industries will fail, unless agriculture, upon which industry finally rests, is made profitable. We must not forget that agriculture is languishing and that the farmers are desperate, as shown by recent events in Iowa; and we must relieve this situation at all hazards or face a revolution.

I realize that the Secretary of Agriculture will experience difficulties in applying either of these alternatives to raise prices, but I submit that the cost of production and a reasonable profit on farm products is the soundest in principle and the most practicable of any such plan, and second, stop the exchange gamblers from robbing the farmers by manipulation of prices of farm products through which the natural laws of supply and demand are nullified, and take the burdensome taxes off the farmers and take the taxeaters off their back, the farmers will
take care of themselves without any Government interference. I could quote figures and statistics in unlimited numbers to support my contention and to show the tremendous losses on farms, but they are dry and uninteresting, so I am merely stating facts known to everyone who exercises ordinary common sense.

There has been no effort made to stop the outrageous manipulations in prices of farm products through operation of the various systems, or the last vestiges of the control on the produce exchanges interfere with the natural law of supply and demand, and that the farmers have been robbed and plundered through these gambling agencies and through an unjust and unfair tariff, so that all their earnings have been taken from them and they are no longer able to pay taxes and purchase the products of industry.

Industry cannot employ labor or sell its products, and the whole economic structure has broken down and many people refuse to acknowledge the cause. The whole cause in a nutshell is an inadequate, unfair, and unwise financial system and an overcapitalized, maladjusted, industrial system combined with an overorganized, inefficient, extravagant government—municipal, State, and National.

Whether you believe it or not, there can be no economic recovery without agricultural recovery. No nation has ever remained prosperous when agriculture languished. It is the pillow of prosperity in this country, and unless that pillow is sustained other industries must fall.

If we were going to experiment in price fixing, I would take only two products, cotton and wheat. Agriculture is so fundamental and so vital to the welfare of the country that this Government would be justified in setting a fair price on cotton and wheat—the two great export products—and taking them over at that price, if such price could not be obtained in the open market, and making a direct appropriation to pay the difference between the market price and the price fixed by the Government. I know this statement will be combated, but I say it can safely be done and the Government can pay for the product and purchase the product of industry, when profitable prices are guaranteed, but not otherwise; and with controlled production the guaranteed prices would be sustained in the markets and the Government would not lose a penny.

It would be no greater violation of sound principles, or of the rights of the people, to tax all the people to make agriculture prosperous than it is to tax all the people through tariff taxes to make industry prosperous, which practice has been in operation many years. It is safer and better for all the people to help sustain agriculture than it is to lend the banks the credit of the Government and permit them to control and handle in the same way it is now.

Agriculture and the Secretary of Agriculture in his proclamation for that part of the product brought to him that would be for home consumption will rise, purchasing power will be restored to the farmers and they will need products of the forest and factories to supply their needs. Orders will pour into the various industries for goods, and the industries will have to employ labor to fill the orders, and the wheels of progress will begin to turn, and the depression will be ended.

[Applause.]
the elevator, they would be required to pay him cost of production for 750 bushels, and the balance they would settle among themselves. The price would probably be fixed by the world market price, just as it is now. The whole plan is optional with the Secretary. The mechanics are not very clear, but I think I understand them. The Senate adopted this amendment by a vote of 46 to 41. Let us give the farmer a chance. Leave this optional provision in the bill, so that if the other plans fail the Secretary may try this plan.

Mr. JOHNSTON of New York. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. Johnson].

Mr. JOHNSON of Minnesota. Mr. Speaker, I do not think that I can say very much in the few minutes allotted me, but what I have to say will bear home because it reflects the true situation of the farmer today. I believe that there is no one in this body that knows the condition of the farmer as well as I do; and when I make the statement that what they need today above everything is assistance, and that they have focused their eyes upon Congress to give them that necessary aid, I have only briefed what the farmer wants.

We need help; we have begged assistance from Congress; we have submitted plan after plan for relief and aid; but what has been the result? I need not tell you the picture of repeated failure of true proponents of agriculture on this floor. Today this body has before it an amendment to provide the cost of production for the farmer; and should I ask, what does it mean? My friends, cost of production, it spells salvation and rescue for the farmer, it spells prosperity for agriculture and the Nation, and I serve warning that the failure of Congress to pass this amendment will bring loud voice of disapproval from the great majority of people of this country.

Failure of this cost-of-production proposal will be just another stumbling block in the Nation-wide efforts of the people to recover from this web of panic and depression that has engulfed the Nation during these past few years. I tell you it is a far cry from the right wing of reaction, that has done nothing but give us promises, and the determined and stubborn farmers of the Middle West who are watching keenly every move that Congress makes; and I tell you that reaction and standpatters will take notice that men of the caliber of John Simpson, that great leader of one of the largest organizations of farmers, will call the roll of those who have failed to fulfill their promises to farmers, to the farmer. I tell you we need more men of the type of Simpson. His patriotic loyalty to the farmer and his indefatigable efforts to aid agriculture and again restore a measure of prosperity to the farmer has been one of the rays of sunshine for the farmer.

This cost-of-production amendment is not an idle and worthless theory of farm practice. It is workable, feasible, and practical. It embodies a price fixing by the Department of Agriculture; and, if I may digress for a moment, may I say that I supported the Democratic Party nationally during the last 5 years and aided Mr. Smith and the present President, Mr. Roosevelt, and I have confidence that our Chief Executive intends the right thing. I had hoped that my appointment of Mr. Wallace as Secretary of Agriculture would spell a part of that "new deal" that was promised American agriculture, but I am sorry to say that my confidence in him and the secretaries under him has faded and dimmed during the past few weeks. His opposition to this proposed measure now before us has disappointed me keenly, and I can only say that I am indeed sorry that Mr. Wallace and those who work with him lack the fullness of the situation of the present plight of our farmer, of which I am a part.

I only wish to say to you Democrats that it would have been better for you by far if you did not come here with this great majority. It has worked a great handicap upon the people of this Nation. By the use of the floor whip you have been rough shod in your tactics. You have applied the pressure of the conqueror, and why, when in a time of an emergency surely there is no one on this floor that would oppose any measure that will aid the Nation in restoration of its industries and its farmers. But yet, regardless of this fact, you have in a determined machinikelly process applied the "gag rule" and in so doing you have invited the same qualities upon your shoulders for which you burned on the stump the party that was in power before you and who was a Farmer-Laborite. What your party does here can only serve to strengthen the only progressive party in Minnesota, and that party is the one of which I am a member.

I opposed the economy measure because of its many unfullfilled and drastic clauses. It was opposing this cost-of-production amendment today because of the fairness and justice that it will provide for the hundreds of thousands of farmers who are pleading with you for support. They come to you not in humble fashion but with the great pride and reserve that is so true of the American, and they say to you, "Do not fail us." I hope that the majority of the Members of Congress vote "aye" for the cost of production for the greatest and most important member of society, the American farmer. Mr. JONES. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. TRUAX].

Mr. TRUAX. Mr. Speaker, and Members of the House, I am for the Simpson amendment 100 percent. [Applause.] The amendment contains the feature of the only farmer's bill that ever really worked in this country.

We fixed the price of wheat during the war, and we robbed the farmers of $1,900,000,000. Correct that mistake now by voting for this amendment. If it fails, I guarantee you it will be a part of that whole plan that was in power before you. Mr. TRUAX. If this plan will not work, none of the plans proposed in the bill will work. If the bill as written does not guarantee cost of production to the farmer, then it is not worth the paper it is written on. The Simpson amendment is the first bill ever written and sponsored by farmers themselves. We do not expect the theorists and farm quacks to be able to determine cost of production. Farmers themselves know what it costs to produce the various crops. I know what it costs and can tell how much the fiddling and straddling and betrayal by those parasites who farm the farmers has cost during the past 12 years. I am not so much interested in saving the Secretary of Agriculture as I am interested in saving the farmers and the country. It is unsound or unconstitutional to fix the price of money, taxes, farm machinery, gas, oil, electricity, and all the other commodities and services the farmer buys. You say that legislation for this plan is too radical. We do not talk about kings, superindustrialists, and Wall Street bankers in sound and constitutional. When it comes to giving the farmer a square deal you hide behind that sacred old white ox—the so-called "law of supply and demand." By your vote on this amendment you designate whether you are a real friend of the farmer or only a lukewarm one.

No Democrat need fear evil effects from any measure sponsored and supported by John Simpson, president of the Farmers' National Union. This sterling Jacksonian Democrat was a delegate to the Chicago Democratic National Convention and helped to draft the farm plank in the platform which pledged "excess of cost of production to farmers." Our Republican friends on the minority need not fear him since the major portion of members in his organization live in normally strong Republican States. Farmers everywhere acclaim him as the most aggressive and fighting leader of all.

The farm plan has been going down in value and at the same moment the mortgage indebtedness in that plant has been increasing. The farm asset has been growing less valuable and the debt on it larger, increasing from four and a half billion dollars in 1915 to $12,000,000,000 in 1933.

In analyzing this problem, first let me point out a few respects in which agriculture is at a profound and fundamental disadvantage compared to the rest of our industries, respects as to which the farmer can do nothing practically for himself. The manufacturer can determine in advance upon his production program and carry it out to the ton or the piece, or the Ford car, or the suit of clothes, pair of shoes, or what not. The farmer cannot do that. He may plant
100,000,000 acres of corn and get a 2½-billion-bushel crop, or he may plant 101,000,000 acres of corn and get a 3,000,000,000-bushel crop, and he cannot do anything about it except suffer after he has done it. The manufacturer can determine his costs in advance within a few cents per unit of production. The farmer cannot determine his in advance because the soil determines his yield and the yield determines his cost. The manufacturer can determine his selling price in advance, and if he sells a good service and a good line of goods, he can maintain that selling price.

The farmer can decide on all the selling prices he pleases, and sooner or later finally make a price at which he sells. The manufacturer can speed up his production program any time he pleases to meet additional market demand or increases in price or any other condition in the market. The farmer can do nothing of the kind. Once his seed is in the ground, he waits another year before he can plant another crop, and it takes a dairy cow several years to be profitable, from 2 to 3 years to produce a fat steer, and an apple tree from 7 to 10 years to come into good production, depending on the variety.

The manufacturer can slow down his production just as well as he can speed it up. Any time the price does not suit him in the factory, he merely puts his hands, and pays the rent with a bill for overhead. The farmer cannot slow down his production. It will be what it will be, despite his efforts, once the seed is in the ground. People in thinking about or, for reasons best known to himself, he is deliberately trying to deceive the public. It would be possible by universal agreement to so regulate output as to advance prices to the point where they are profitable, but everybody knows that is not feasible. And again, the American farmers do not want to take the responsibility of great curtailment of production, because a crop failure might ensue, which would be followed by extremely high prices and disaster to the cities, and possibly even bread riots such as were witnessed in the European countries during the war.

It is possible theoretically to bring about higher prices by control of production, but industry does not wish to pursue such a method. Industry uses the tariff to charge higher prices, for the domestic consumption, and dumps the surplus abroad without a profit or a loss. This is precisely the plan which the American farmers want the Government to sanction, and we can give assurances that the American farmers are not going to be greedy in getting their share. They will be less greedy than capital or finance or industry.

After all, all that the American farmers ask is a fair exchange of products—justice for all.

The American farmers do not wish to tear down the protection for other favored classes and groups. They simply ask to be taken into the circle; that, as Abraham Lincoln, said—

"Will be continued when this poor tongue of my own shall be silent."

We have summed it up in our slogan—"Cost of production for all or cost of production for none."

First. Part 3 of H.R. 3835, to be put into operation, would require the following steps:

(a) The Secretary of Agriculture would ascertain and promulgate the cost of production and the percentage of domestic consumption mentioned in (a) and (b) above the Secretary is left free, according to the terms of part 3, H.R. 3835, in regard to rules and regulations governing these matters. He might use the cost of production in the year before, or of the 5-year period prior, or the 10-year period, or any other designation of the period which occurred to him as the proper one to use. He could ascertain and promulgate a national cost of production—which would be the most likely procedure—or he could ascertain and promulgate costs of production regionally. He could, in ascertaining and promulgating the cost of production, take data from any year or group of years prior to the period upon which he desired to operate under the cost-of-production plan.

Second. After ascertaining and promulgating the cost of production of any crop for any marketing period, the Secretary further has the power, in part 3 of H.R. 3835, to license all dealers, whether cooperative or otherwise, which handled the particular commodity. In this the rules and regulations are not specified in the bill but are left free to be used by the Secretary. It is reasonable to expect that the Secretary, among the others, would have two iron-clad rules with all licensees: First, he would limit the cost of production on the particular commodity as a minimum price and play above it rather than below it; second, to pay all farmers who deliver the commodity at least the cost-of-production price on the portion to be consumed domestically, letting the balance take whatever price the world market would justify.

Third. Precedents for this enlargement of the Federal licensing power is had in the war and early post-war period, where the Government pursued almost identically this plan of licensing all dealers and requiring them to observe a price which then was guaranteed by the Government, but which did not cost them the Government any money so to guarantee, because the dealers had to pay a price which was equal to or above the guaranteed price or else their license would have been forfeited and no amount of the commodity whatever could then have been handled by them. So it would seem to be in this case if a dealer, cooperative or otherwise, should not obey the requirement of his license to pay the cost-of-production price or to exceed it and to pay such price only on the portion to be consumed domestically, then the penalty for such disobedience would be forfeiture of his license privileges.

Fourth. In operation, in the case of wheat, the cost-of-production plan would work something like this: Farmer A drives up to a dealer with 100 bushels. The Secretary, hypothetically, has promulgated that 80 percent of the crop will be consumed domestically, so Farmer A will get the cost-of-production price or any amount in excess of it which is being paid on 80 bushels. The remaining 20 bushels will be sold to the same dealer at the same time at whatever price is agreed upon by the two interested parties, which price will be approximately that which is prevailing in world markets. This plan does not prevent the farmer selling all of his crop at any time he selects, nor does it contain a direct mandate on him from the Government that he shall or shall not raise more than a certain amount or plant in excess of a certain acreage. It seeks to employ the indirect but effective method of controlling production by visibly demonstrating to the farmer that if he raises the 20 bushels extra beyond what the Nation can consume he will get a much lower price for it than for the major portion of his crop. It is reasonable to expect that, with this visible demonstration, the farmer, in his own self-interest and quite automatically and without any Government interference, will control his own production.

Fifth. In H.R. 1331, Seventy-second Congress, second session, the three national farm organizations—the Grange, Farmers Union, and the Farm Bureau—supported a so-called "three-way bill", which included, first, the equalization fee; second, the debenture; and third, the allotment plan. This allotment plan as named in title III of the
Norton bill, H.R. 13319, was misnamed as it really should have been named "the cost of production plan," there having been no feature of allotment in it. A reading of title III of this measure alongside of part 3 of H.R. 3835, now pending before the House, shows that the measure then supported by the three national farm groups contained a cost-of-production plan almost identical to this in the pending bill before the House of Representatives. In the Norton bill the enforcement was sought to be lodged in the Federal Farm Board rather than, as in the pending measure, with the Secretary of Agriculture. That is practically the only difference in the two measures.

The same three national farm organizations had chosen one spokesman to appear and explain the measure in behalf of the three national farm organizations. This spokesman said, among other things:

"In speaking for the National Grange, the National Farmers Union, and the American Farm Bureau Federation in relation to a bill which the three organizations have agreed upon to amend the Agricultural Marketing Act . . ."

The allotment plan, as I understand it, is based on the licensing power of the Federal Government in relation to farm commodities. We have the Warehousing Act; we have the Farm Board Act, under which the farm cooperatives work; and we have the Cooperative Marketing Act. Those acts give to Federal authorities over powers and duties and warehouse activities.

The allotment plan the power of the Federal Government in warehousing would be extended so that all dealers in wheat, for instance, for handling that commodity would be licensed by the Federal Government.

Then the next step in the allotment plan is that the Federal Government, under the terms of this bill, the amendment which we have determined upon in our program, would get the cost of production of that portion of the crop which is sold in the domestic market. The Federal Government would license the dealers to handle the crop, and they could not handle it at less than the cost of production.

The third step in the allotment plan is that the American farmer who produces that crop can produce what he cares to, just as much as he can sell in the equation and in the other plans; and he can sell in the domestic market a certain portion of it, that portion bearing the same relation to his total crop as the total amount bears to his total production. The third step is what the Federal Farm Board. The other portion of his crop he sells through warehouses or through the cooperatives or through brokers, providing the producers will do so. He is to get the cost of production. This second portion is to move at what the world price gives. Both portions are to be sold by the Federal Government.

Under this plan the man may produce as much as he can under the equalization or the debenture plans, and that part which is shipped to the foreign markets will move freely into world trade regardless of the cost of production.

Mr. JONES. Mr. Speaker, I yield 1 minute to the gentleman from Washington [Mr. Smirnoff].

Mr. SMIRNOFF. Mr. Speaker, I favor the Simpson-Norris amendment because it is in accordance with the letter and spirit of the Democratic platform. Let me read the exact language of the Democratic platform:

"We favor the enactment of every constitutional measure that will aid the farmer to receive for his basic farm commodities prices equal to the cost of production."

This cost-of-production plan is, therefore, no new or novel idea. It has been favored and demanded by the great farming and agricultural interests and their organizations for years, and has been the subject of thorough study and consideration by committees in both the House and the Senate. It was discussed extensively in the campaign last year; and our party, by the declaration of the platform and frequent reiteration from one end of the country to the other, is committed to the experiment.

Mr. JONES. Mr. Speaker, I yield 3 minutes to the gentleman from South Carolina (Mr. Fulmer).

Mr. FULMER. Mr. Speaker, I do not believe that there is a man on the floor of the House who has given more serious thought and special study to the agricultural situation for the past 12 years than I have. I have heard much about voting for this Simpson amendment, and about cost of production, but no one has heard a single word about what is contained in the Simpson amendment.

Mr. Speaker, if we are unable to get anything beyond the cost of production out of this farm-relief bill which was introduced by me, I do not believe we will have anything which is worth much of the allotment plan and the rental plan as carried in the bill we propose to give to the farmers the pre-war price for basic commodities. Under the cost-of-production plan you would give him a price considerably below the pre-war price. How do you propose to get the cost of production under the Simpson amendment? There is not a word in the amendment setting up a yardstick, so to speak, that would govern the Secretary in finding and determining the cost of production.

In Texas you may be able to produce cotton at 8 cents per pound, while in South Carolina, Georgia, and other Southern States it may be 1 cent per pound. If you take the average cost, as provided in the amendment, it would be 9 cents in this instance. That would mean the farmers in Texas would receive a 1-cent profit per pound, while the farmers in the South would be losing 1 cent per pound. The same thing applies to every other farm product.

I want to call your attention to what is actually contained in this amendment, and I wish I had the time to go over the allotment plan and the rental-basis plan to show you the difference between these and the Simpson amendment.

Under section 20 of the Simpson amendment the Secretary of Agriculture is authorized to find and proclaim the pre-war price of the domestic production of commodities—cotton, for instance—for market during the next marketing period for the commodity that will be needed for domestic consumption. This will be easy, for the reason that he has all the statistics covering production in the past available in the Department of Agriculture. In the next place, the Secretary is authorized to ascertain the average domestic costs of production for the commodity. The Secretary also has these figures in the Department of Agriculture; however, as stated, you will find that these figures would produce a price for all major farm products below the pre-war price.

Listen to this—subsection (b) of the amendment:

"After such date as the Secretary may proclaim, it shall be unlawful for any person engaged in the business of buying and selling a commodity or commodities as a dealer therein to fix, sell, or purchase at any amount the production of any commodity or any association of producers at a price, for the domestic consumption percentage thereof, that is less than the proclaimed cost of production for the commodity.

This is the most ridiculous thing in the bill. This means that every man that buys a bushel of wheat or a bale of cotton would have to take into consideration in doing business the buying for domestic consumption and for export. This would be impossible. Yet you will notice in subsection (c) the following:

(c) Any person violating the provisions of subsection (b) shall be subject to a penalty not exceeding $1,000, or imprisonment, which may be collected by appropriate action in a court of competent jurisdiction brought in the name of the Secretary of Agriculture."
Those of you who are voting for this amendment which has not been explained to you, I want you to listen to me as I read subsection (e), which is found on page 34 of the bill:

(e) In order to carry out the provisions of this section, the Secretary of Agriculture is authorized to license persons engaged in the business of purchasing from producers or associations of producers any basic agricultural commodity with respect to which the Secretary has proclaimed the cost of production. Such licenses may be necessary effectively to execute the provisions of this section.

This means, my friends, as stated, every merchant, commission merchant, or anyone else buying and selling farm products at every crossroad, every town, and city would have to be licensed.

I am wondering if those of you who are supporting this amendment and you who expect to vote for same realize just what it will cost to carry out this scheme of licensing and the army of policemen and detectives that it would take to enforce the same. Suppose the Secretary finds in the case of cotton that we consume in the United States 50 percent of the production and export the other 50 percent. How in the world will the buyers of cotton be able to keep track of just how many bales of cotton any one farmer may sell so as to be able to differentiate between that portion which is to be consumed in the United States and exported?

In other words, when a farmer comes to town with 10 bales of cotton, under the operation of the amendment the local cotton buyers, who in many instances are local merchants or cotton ginning, would have to under the regulations of the Secretary pay the cost of production, whatever that might be, for 5 bales of the cotton, and he would be permitted to buy the other 5 bales of cotton at any price that might be agreed upon between him and the farmer. There is nothing in the amendment that would bring about the planning of production or the restriction of production so as to be able to bring about a production in line with the demand for farm products, which would mean a better world basis price.

The domestic-allotment plan it is proposed to bring about a planned production; in the meantime we do not interfere in the least with the regular and well-established rules of doing business; that is, in buying and selling farm products. In other words, the farmer will continue to sell to whom he chooses, and the farmer will be able to sell to the merchant or anyone else buying and selling farm products at every crossroad.
in addition to other objections that under the terms of this amendment you will have to issue a license to every man who seeks to buy a bushel of wheat, a bushel of corn, or a pound of cotton or tobacco.

Gentlemen, it will take more employees than you ever dreamed of to enforce this amendment. I say to you gentlemen on the Republican side, to whom we give full credit, you who have made a record, and also to you gentlemen on the Democratic side, to whom it can be well considered, and some of the objections which the gentleman from South Carolina and the gentleman from Mississippi (Mr. Dockey) have pointed out may be eliminated.

I hope the House will vote down the motion to recede and reconsider, and send this back to conference, because I believe, and the administration hopes and believes, that we will finally work out a bill which will bring to the farmer the cost of production plus a reasonable profit, to which he is entitled and which we all favor. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Tennessee (Mr. Byrns) has expired.

All time has expired.

Mr. JONES. Mr. Speaker, I move the previous question on the motion to recede and reconsider.

The previous question was ordered.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin (Mr. Boileau) has expired.

Mr. BOILEAU. On that I ask for the yeas and nays, Mr. Speaker.

The yeas and nays were ordered.

The question was taken; and there were--yeas 283, not voting 40.

[Roll No. 36]

TEAS—109

YEA—283


Beeler, N.Y. Bland, Ohio. Blanton, Miss.


"no." Also the following Members are unavoidably absent; and if present, would vote "no": Messrs. Godwin, Traeger, Rackliffe, and Chairmen of the committees of the House in each case.
The result of the vote was announced as above recorded.

On motion by Mr. Jones, a motion to reconsider the vote by which the motion to recede and concur was rejected was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Horne, its enrolling clerk, announced that the Senate had passed, with an amendment, the conference report of the House in each case in which the concurrence of the House is required:

S. 555. An act to authorize the acquisition by the United States of the land upon which the Seneca Indian School, Wyandotte, Okla., is located; S. 727. An act for the relief of Francis N. Dominick; S. 1286. An act granting the consent of Congress to compacts or agreements between the States of Kansas and Missouri for the acquisition, maintenance, and operation of a toll bridge across the Missouri River near Kansas City, Kansas, for the construction and maintenance of connections with established highways, for the incorporation of such bridge in the highway systems of said States, and for other purposes; and

S. 1425. An act to amend the act entitled "An act to provide relief in the existing national emergency in banking, and for other purposes", approved March 9, 1933.

EXTENSION OF REMARKS—CONFERENCE REPORT, H.R. 3835

Mr. JONES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks on this conference report.

SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. CLARK of North Carolina. Mr. Speaker, since the people of the district I have the honor to represent are so vitally interested in the provisions of the Farm Relief Act of 1933, which has just been signed by the President, and finding it impossible to respond in detail by correspondence to the numerous requests I am receiving for information in regard thereto, I am taking advantage of this opportunity to extend my remarks on my bill, the Smith cotton plan.

It cannot be foretold what construction will be placed upon the act by those whose duty it becomes to administer it, and it is attempted here to give only a general analysis according to my own interpretation of what has been characterized as the most important legislation in 6,000 years.

Let me add that this, and much of the other legislation of the extra session of Congress, is not just as I would have it, but knowing that we are facing a new era and are dealing with conditions which threaten to overwhelm us. Realizing that under such circumstances legislators and executives cannot always come to complete agreement as to remedies, I have waived objections that might have been insisted upon and have supported and voted for every proposal submitted to Congress by our great President, with the exception only of the beer bill and the so-called "economy act", my reasons for voting against each of which have already been stated.

In submitting its farm-relief legislation to Congress the President stated that the two most important proposals for which money was voted and urged that the situation is such as to demand action of some kind; and that if these proposals should not produce results he would be the first to admit that fact and try something else. The legislation consists of what is known as the Smith cotton plan, the domestic allotment plan, the rental benefit plan, the farm mortgage relief plan, and inflation of the currency, which subjects will be mentioned here in order stated. Let it be said at once that all the plans here mentioned are purely voluntary. No farmer can be forced to enter any of them. He can try them or he can leave them alone as he sees fit. It may as well be stated here also that both the Smith cotton plan and the domestic allotment plan were passed by the last Congress, but Mr. Hoover refused to sign either of them. They were both passed again by the House early in the extra session, but final passage of the bill has been greatly delayed because it became desirable to add the farm mortgage relief plan and inflation of the currency, the consideration of which two most important subjects consumed much time.

But all limitations in the act as to the times within which things must be done have been pushed forward, and the law, while not fully applicable to the crop of 1933, will be to the crop of 1934. The further general statement should be made here that the Smith cotton plan, the domestic allotment plan, and the rental benefit plan are all based upon the principle that the prices of farm commodities can and will be raised if a substantial reduction in production can be accomplished, and this principle should be kept clearly in mind in considering the value of the legislation.

SMITH COTTON PLAN

Under this plan the Secretary of Agriculture purchases at the market price all of the cotton owned by the Federal Farm Board or any other Government agency heretofore acquired in an effort to stabilize prices, as collateral to crop-production loans, or otherwise. This amounts to about 300,000 bales, or 3 per cent of the crop of 1933. This is not enough, and, has the same or worse effect in depressing the market than if it were owned in small quantities by various parties. If production continues upon the present basis, or increases, the price will likely remain low, or go lower, with loss both to the Government and the farmer. If production can be greatly decreased, prices will rise to the benefit of both the Government and the farmer. Why, then, produce more cotton when the Government owns so much already? The Smith cotton plan seeks to use this Government-owned cotton as a means by which to reduce production, and in this way:

The act provides that any farmer who will (1) reduce his production by not less than 30 per cent below the previous year and (2) will not use the land taken out of cotton for the production, for sale, of any nationally produced commodity may have an option on the same number of bales of cotton in the possession of the Secretary of Agriculture purchased at the market price all of the cotton owned by the Federal Government purchases at the market price of 1933, will be to close it out at any time up to the

If cotton goes up, the farmer gets the profit; if it goes down, the Government simply sustains the loss it would have had anyway. The act expressly exempts the farmer from any loss on account of the option. All he has to do is reduce production by not less than 30 per cent below the previous year and refrain from using the land taken out of cotton for the production, for sale, of any nationally produced commodity. The farmer simply produces 70 per cent of the previous year's crop and takes, free of cost and without liability, a perfectly good option on cotton already produced, graded, insured, and stored to the amount of 30 per cent of his crop of the previous year.

The purpose of the domestic allotment plan is simply to restore the prices of agricultural commodities to their proper relative position with respect to the prices of other commod-
ities—to put the buying power of farm commodities more in line with the buying power of other commodities. As matters stand now the price of what the farmer has to sell is cut in half when he goes to buy the things he has to buy. For instance, since the period just prior to the World War the buying power of cotton has decreased 53 percent, tobacco 19 percent, hogs 53 percent, and so forth. But the buying power of practically all the commodities the farmer has to have has declined but little. With the price of cotton down 53 percent, the farmer who wants to buy a mowing machine, the transaction amounts to nothing more than exchanging the cotton for the machine. Under present conditions he has to give too much cotton in order to get the machine, because the buying power of the two commodities is entirely out of line. The same is true as to practically every farm commodity when compared to other commodities. In the pre-war period from 1909 to 1914 the average price of all commodities was comparatively low, but the buying power of farm commodities was nearer in line during that period with the buying power of other commodities. The purpose of this plan is to restore, as far as can, the parity that then existed, not by boosting the price of farm commodities to the injury of other commodities, but by lifting the price of farm commodities to a fair position with respect to the prices of other commodities.

As suggested, the average price of farm commodities from August 1919 to August 1921, while low, was nearer in line with the prices of other commodities. As to cotton, wheat, rice, corn, and hogs the act adopts this 5-year period as a basis. During this period the average price of cotton was about 12 cents. The price of tobacco during this period was abnormally low, and on this account the act adopts and substitutes the period of September 1918 to August 1928. During this period the average price of flue-cured tobacco was 16 to 18 cents.

In order to try to bring the prices of these commodities back to or near the prices therefor during the respective periods just mentioned, the Secretary of Agriculture is authorized to fix a processing fee on any commodity, equal to the difference between the present average price and the average price of the same commodity during the periods mentioned above. The Secretary of Agriculture is authorized to fix the marketing year of any commodity, and from statistics in his department determine the average price of such commodity during the basis period mentioned, and to determine the amount of processing fee necessary to bring the buying power of such commodity back in line with what it was in the basis period. This processing fee is to be paid by the first processor or manufacturer of such commodity, whether produced in or imported into this country, but in the case of importations, it is paid by the manufacturer or producer of the manufactured goods invoiced for sale. The Secretary of Agriculture can raise or lower, for any marketing year, the processing fee in such manner as seems best to promote prices of the commodities involved, and if and when prices rise to such a level as to restore the buying power of any or all of these commodities to the level of the basis period, the processing fee will disappear altogether. The funds arising from these fees will be used by the Secretary of Agriculture in making benefit payments to the farmers who have complied with the regulations of the Secretary, which undoubtably will include a reduction in production. This is really the heart of the plan, and it is contended that a sufficient reduction in production can be obtained to drive prices back up without any processing tax.

The Secretary of Agriculture is also given authority to make payments of certain rental benefits to those who will withdraw land from the production of those commodities now so greatly overproduced.

The Secretary of Agriculture is also authorized by the act to enter into marketing agreements with producers, and associations of producers, for the purpose of assisting in the orderly and best marketing of farm commodities. But more important than this is the fact that he is given authority under the bill to require any person dealing in farm commodities to secure a license from the Secretary of Agriculture; he can make regulations in regard to the manner of handling and dealing in farm commodities; can examine into the books of persons so engaged; is authorized, upon proper notice and hearing, to revoke the license of any person who is handling and dealing in agricultural commodities in a manner detrimental to the producers thereof. The purpose of this part of the act is to enable the Secretary of Agriculture to deal in a drastic and effective manner with those who have been standing between the producer and consumer of farm commodities and exacting a highly unreasonable and unjustifiable profit. Much power and discretion is vested by the law in the Secretary of Agriculture, but he is required to proceed upon the basis of statistics compiled in his office, from actual transactions throughout many years, and all such power conferred upon him expires by limitation of the law itself at the end of 2 years and cannot thereafter be exercised by him unless Congress should renew its grant of power to him.

**FARM MORTGAGE RELIEF PLAN**

This legislation seeks to accomplish relief for farm mortgages generally. It provides that Federal land banks may issue bonds to the amount of $2,000,000,000, payment of which shall be guaranteed by the Government as to interest only. These bonds may be exchanged for, or the proceeds thereof used in purchasing, first mortgages on farm lands, but in either case the amount paid by the bank for such first mortgage shall not exceed the amount of the basis plus 20 percent of the value of the land mortgaged plus 20 percent of the value of permanent insured improvements, whichever is the smaller. If the balance due upon the principal is smaller than 50 percent plus 20 percent of the values just stated, then the bank cannot purchase the mortgage at more than such unpaid principal. But if 50 percent plus 20 percent of value is smaller than the unpaid principal of the mortgage, then the bank cannot pay more than 50 percent plus 20 percent of the values, regardless of the balance due upon the principal of the debt. It is thought that the Federal land banks will be able in this way to acquire first mortgages on farming land at great reductions. Such reductions are to be passed on to the borrower. The amount of his debt is reduced accordingly and he becomes entitled to have his debt, after deducting anything the bank has been able to save for him, refinanced through the Federal land bank upon the regular terms.

**THOSE WHO OWE FEDERAL LAND BANKS**

There are two provisions of the act which benefit these borrowers. A former act provided for an extension of time during 5 years when in the judgment of the directors conditions justified it, and $25,000,000 was appropriated to make the act effective. The present act continues this provision and provides $50,000,000, which is to be used to make the extension. It provides that such extension will not be made where, upon investigation, it is found to be within the capacity of the borrower to meet the payments.

But the most important provision affecting those who have borrowed from Federal land banks is that any person who has borrowed from a Federal land bank through a national farm-loan association will have his rate of interest reduced to 4% percent for a period of 5 years, commencing 60 days after the law takes effect, which means after the President signs it; and during such period of 5 years no mortgage to a Federal land bank can be foreclosed unless the principal payment of the principal coming due during such time, if the borrower shall not be in default with respect to any other condition or covenant of his mortgage, such as interest, insurance, taxes, waste, and so forth. In return for the concession thus required of the banks, and in order to keep faith with those who have invested their funds in the bonds of these banks, the Government guarantees the payment of the interest upon the banks' bonds during the 5-year period mentioned above. The principal relief in this act for borrowers in our district from Federal land banks is that where 4½ percent is the interest rate, he is given a reduction to 4 percent for a period of 5 years, and the moratorium against foreclosure during that time for nonpayment of principal.
JOINT-STOCK LAND BANKS

As to these banks, an appropriation of $100,000,000 is made available to the Farm Loan Commissioner to be loaned to joint-stock land banks in the same proportion as the unpaid principal of the mortgages held by any such bank bears to the total amount of unpaid principal of all of the mortgages held by all such banks; which simply means that if there should not be enough of the $100,000,000 to fully accommodate all these banks they shall each be entitled to a fair proportion thereof. Any loan made by a bank that borrows any part of this fund shall not be granted more than 60 percent of the appraised value of the real estate offered as security, must pay the expenses thereof, must agree to reduce to 5 percent the rate of interest upon all mortgages owed to it, and must agree that for a period of 2 years it will not proceed against the mortgagor out of default of interest or principal, and will not foreclose its mortgage unless the property covered thereby is abandoned, or unless the Loan Commissioner deems the foreclosure necessary. The effect of this is that the borrower from a joint-stock land bank gets his interest rate reduced to 5 percent and has a moratorium against foreclosure for a period of 2 years as to both principal and interest.

It is a well-known fact that for sometime joint-stock land banks have been buying their own bonds at a discount and thus recouping the losses sustained by them upon the foreclosure of farms which have not brought the full amount of the mortgage indebtedness. It is also a fact that large amounts of these joint-stock land bank bonds have gotten into the hands of people who have paid very little for them, and which might now be purchased at a very low figure by the banks themselves. The act provides that any bonds purchased by such banks at a discount must be bought in the same proportion and at the same prices as the bonds of other banks have been bought by them. In cases where the Farm Loan Commissioner is satisfied that the borrower, after exercising ordinary diligence, is not able to meet such payments, another section of the act makes available to the Farm Loan Commissioner $25,000,000 to be loaned to the joint-stock land banks in cases where there has been default in payment of interest and principal and unpaid taxes, to obtain any of which the bank has agreed to postpone foreclosure for 2 years. The act further provides that the borrower shall be notified in advance of intention to charge the borrower not in excess of 4 percent upon the unpaid principal and interest and delinquent taxes. But no loan will be made under this provision of the bill except in cases where the Farm Loan Commissioner is satisfied that the borrower, after exercising ordinary diligence, is not able to meet such payments.

Another section of the act, available only to those bona fide engaged in farming operations, including the personal representative of a deceased farmer, appropriates $200,000 to be loaned by the Farm Loan Commissioner directly to such farmers in amounts not to exceed 75 percent of the value of the property given as security, and in no case to exceed $5,000, and to be used only for the purpose of refinancing an existing indebtedness, providing working capital for farming operations, and enabling farmers to redeem or repurchase farm property lost by them under foreclosure since July 1, 1931.

NATIONAL BOARD OF CONCILIATION

Such a board is established by the act, consisting of the Secretary of the Treasury, the Secretary of Agriculture, a member of the Federal Reserve Board, and such other officer or member of the Government as may be charged with the administration of any law or laws relating to farm or farm mortgage indebtedness. A State board of conciliation is also authorized for each State, and directed to designate a suitable number of local boards within the State. The purpose of this is to lend the good offices of the Government and its influence, both National and State, in the equitable and fair adjustment of the many controversies that already exist and will continue to arise between the mortgagors and mortgagees. These boards do not have the power to say what one shall take or another shall pay, but they should undoubtedly be of great help in bringing about those kinds of adjustments which are so necessary and helpful under present conditions.

INFLATION OF THE CURRENT

The last title of the farm-relief act deals with this momentous subject. Briefly stated, it authorizes an increase in the circulating medium of $6,000,000,000 and authorizes the President to reduce the weight of the gold dollar by 50 percent or less and fix such definite ratio of the silver dollar to the gold dollar as he may find necessary to stabilize domestic prices or to protect foreign commerce from the adverse effect of depreciated foreign currencies, and to provide for the unlimited coinage of such gold and silver at the ratio so fixed, or to fix such ratio and weight of the gold dollar in accordance with any agreement that may be entered into with foreign governments with reference thereto. This section is highly technical and I can do nothing but say it is so drawn as to place this entire matter in the sound discretion of the President and to quote in this connection from his magnificent address delivered on the night of May 7, 1933, as follows:

'The administration bas the definite objective of raising commodity prices to such an extent that those who have borrowed money will, on the average, be able to repay that money in the same kind of dollar which they borrowed. We do not seek to let there be such a cheap dollar that they will be able to pay back a great deal less than they borrowed. In other words, we seek to correct a wrong and not to create another wrong in the opposite direction. That is why powers are being given to the administration to provide, if necessary, for an enlargement of credit. In order to correct the existing wrong. These powers will be used when, as, and if it may be necessary.

Hand in hand with the domestic situation, which, of course, is our first concern, is the world situation, and I want to emphasize to you that the domestic situation is inevitably and deeply tied in with the conditions in all of the other nations of the world. In other words, we can get a return of stability and prosperity return in the United States, but it will not be permanent unless we get a return to prosperity all over the world.'
and well-rounded economic program in which a rise in price of farm commodities holds a prominent place. If this success, all will be well. If it does not, then, as he has suggested, something else will have to be done. In the meantime this legislation will at least afford a breathing spell.

Mr. LUNDEEN. Mr. Speaker, while we are considering the agricultural bill, we should have before us the conclusions of the farm leaders of this country. We should hesitate to reject the recommendations of John Simpson, president of the Farmers' Union and the Farmers' Holiday Association, the two leading farmers' organizations in America.

STATEMENT OF JOHN A. SIMPSON

I have a letter from John A. Simpson stating that both of these organizations have, in national convention, repeatedly and unanimously endorsed the Frazier bill, known as the "Lemke bill" in this session of Congress in the House. Mr. Simpson has come to the conclusion that the farming mortgage refinancing provisions of H.R. 3835 do not even approach a remedy for the situation that faces the farmers with mortgages on their farms. He says the farmers know this, and the Members of Congress will know it soon if they do not know it now. He informs us that many farmers are issued on as favorable terms as H.R. 3835 provides, and they cannot pay the interest.

The farmers' union knows that this Government has loaned millions of dollars to steamship companies with interest rates of less than 1 percent and on as much as 20 years' time, and that this Government has settled with foreign countries, involving millions of dollars, on a basis of canceling the principal, and with interest rates as low as 1 ½ percent to some of the countries, to be paid in 62 years. Then the debt is completely wiped out. The farmers' union knows that the Government has loaned other institutions millions of dollars on as long as 10 years' time, on as low a rate of interest as one eighth of 1 percent per annum.

Mr. LUNDEEN. Mr. Speaker, while we are considering the resolution (H.Con.Res. 18) perfected by the Members of Congress and to the farmers of this country.

I have today received a telegram from John H. Bosch, president of the Minnesota Farmers' Holiday Association, and Walter Groth, secretary of that organization, stating that the Members of the Minnesota Farmers' Holiday Association voted to declare a national farmers' holiday. They demand that the Frazier bill be taken out of the committee and voted upon. They demand that the Simpson-Norris amendment in H.R. 3833 be kept in that bill. They demand that money issued under the refunding provisions of that bill must not be based on interest-bearing tax-exempt bonds but that the funds with which to liquidate and refinance existing farm mortgages be provided by the issuing of farm-loan bonds by the Federal farm-loan system through the Federal Farm Loan Board and Federal land banks—bonds secured by mortgages on farms and chattel mortgages on livestock.

These are the demands of the farmers of this country. These are the demands of the Farmers' Labor Party of Minnesota. It is the duty of this House to heed those demands. Let us all march up to the Speaker's desk and sign the farmers' Frazier-Lemke bill.

Mr. HART. Mr. Speaker, I am voting to retain the cost-of-production plan, better known as "the Simpson plan".

The SPEAKER. The gentleman will state it.

Mr. BLANTON. Mr. Speaker, for the first time within my knowledge in the history of the Congress an important amendment of the President of the United States was printed yesterday in the Record in small, 6-point type. I do not know how it got by, or how it came to be in there in 6-point type. It is an omnibus farm bill, including everything in it except the Ten Commandments, we might as well include the cost-of-production plan.

Inasmuch as there are several plans included in the bill, if I were writing this legislation as an experiment, I would include every nostrum that has ever been offered the farmer, so that when we meet at the next regular session some farmer leader could not be here holding out a "pot of gold at the end of the rainbow." I would include the export debarter and the equalization fee along with the cost of production, and then hope that these agencies that have advised the farmer for the past 10 or 15 years would run out of ideas and let those of us who desire to farm alone.

Mr. LUNDEEN. Mr. Speaker, I ask unanimous consent for this amendment.

I have today received a telegram from John H. Bosch, president of the Minnesota Farmers' Holiday Association, and Walter Groth, secretary of that organization, stating that the Members of the Minnesota Farmers' Holiday Association voted to declare a national farmers' holiday. They demand that the Frazier bill be taken out of the committee and voted upon. They demand that the Simpson-Norris amendment in H.R. 3833 be kept in that bill. They demand that money issued under the refunding provisions of that bill must not be based on interest-bearing tax-exempt bonds but that the funds with which to liquidate and refinance existing farm mortgages be provided by the issuing of farm-loan bonds by the Federal farm-loan system through the Federal Farm Loan Board and Federal land banks—bonds secured by mortgages on farms and chattel mortgages on livestock.

These are the demands of the farmers of this country. These are the demands of the Farmers' Labor Party of Minnesota as it stands ready to meet. These farmers' organizations know what the farmers need. They are not asking for profit; they are asking only for cost of production for their products. They are asking for the refinancing of their mortgages on an interest rate allowed by this Government to foreign countries. They have declared that the Government must have the Simpson amendment, and they have declared that the Frazier bill must be taken out of the committee. I ask the Members of this House to heed those demands. Let us all march up to the Speaker's desk and sign the farmers' Frazier-Lemke bill.

Mr. BLANTON. Mr. Speaker, I desire to propound a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. Mr. Speaker, for the first time within my knowledge in the history of the Congress an important amendment of the President of the United States was printed yesterday in the Record in small, 6-point type. I do not know how it got by, or how it came to be in there in 6-point type.

Mr. RANKIN. Mr. Speaker, I asked unanimous consent on yesterday to insert it in the Record.

Mr. BLANTON. Mr. Speaker, I desire to propound a parliamentary inquiry.

The SPEAKER. The Joint Committee on Printing has entire control of the arrangement and style of the Congressional Record. That is the law.

Mr. BLANTON. But that is the first time in the history of this Congress that an address of the President of the United States is printed in the Record, to print it in regular 6-point type. I do not know how it got by, or how it came to be in there in 6-point type.

Mr. JONES. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution (H.Con.Res. 18) for the purpose of correcting a word in the bill.
The Clerk read the concurrent resolution, as follows:

**House Concurrent Resolution 18**

*Referred to the House of Representatives (the Senate concurring).*

In the consideration of the bill (H.R. 3835) to relieve the existing national economic emergency by increasing agricultural purchasing power, to raise revenue for extraordinary expenses incurred by reason of such emergency, to provide emergency relief, to provide for the orderly leasing of Federal land for the purpose of preserving such land from waste, to provide for and be promised time to speak in favor of my motion, and I am prepared to say to the Members of the House who agree with me on this measure, that this agreement reached between the gentleman from South Carolina, Senator Norris, and the President carries with it an understanding that the conferees are to accept the principal provisions of the Norris bill. (Applause.)

There are some other minor amendments that will be ironed out in conference.

Therefore I have agreed to consent to the bill going to conference and to withholding my motion to instruct the conferees. We have secured the desired result under this agreement.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. RANKIN. I yield.

Mr. SNELL. The gentleman was facing the other way and I did not understand all he said. Did the gentleman say that the President is in favor of the provisions of the Norris bill?

Mr. RANKIN. He is in favor of the principal provisions of the Norris bill, yes.

Mr. SNELL. May I ask the gentleman who was at the conference at the White House this morning which one of these two bills the President favors. The President favors the principal provisions of which one of the bills?

Mr. McSWAIN. Mr. Speaker, the gentleman knows that as I am going to conference and as I ought not to disclose the details of the conversation with the President, I should not answer his question categorically.

Mr. SNELL. I thought the gentleman started to disclose them.

Mr. McSWAIN. The President indicated his will with regard to the main provisions in this bill. In my humble view, there never were many very substantial differences. There was a little difference in regard to fertilizer.

Mr. SNELL. I thought there was quite a substantial difference.

Mr. McSWAIN. There was also some difference in regard to transmission lines. I am quite sure that if the House will give us the opportunity, it will be a matter of only a few days before we will report back a bill that will be accepted overwhelmingly.

Mr. SNELL. Is the gentleman from Mississippi right in his statement or not?

Mr. McSWAIN. The gentleman from Mississippi had a talk with Senator Norris over the telephone, as I understand.

Mr. RANKIN. From the White House.

Mr. McSWAIN. I am trying not to get into any trouble between Senator Norris, the President, and the gentleman from Mississippi. I am asking the House to entrust their fates with the responsibility of bringing in proper legislation.

Mr. SNELL. Both gentlemen have quoted the President in regard to this bill. Which is correct?

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. McSWAIN. I yield.

Mr. BLANTON. I wish the gentleman from South Carolina would inform our friend the distinguished gentleman from New York that in due time he will find out just exactly how the President feels on this matter.

Mr. SNELL. I thank the gentleman.

Mr. RANKIN. Mr. Speaker, let me say to the gentleman from New York, if it is any consolation to him, he is pretty familiar with my views and with Senator Norris' views. Both of us are entirely satisfied with this agreement.

Mr. SNELL. I wish someone could speak with authority as to what the President's position is, as long as he has been brought into this argument.

Mr. McSWAIN. Mr. Speaker, the gentleman from South Carolina tries to obscure the principal provisions which should prevail in such circumstances. I have not tried to quote the President except to say to the House that the President wishes us to go to conference immediately.

Mr. McFADDEN. Mr. Speaker, reserving the right to object, I wish to ask the gentleman a question. Inasmuch as he reports an agreement, are those provisions still in
the bill, and will they remain in the bill, which permits the turning over of this power to private interests?

Mr. McSWAIN. The bill has not yet been written in full in conference. The gentleman will have the fullest opportunity to disagree to the conference report.

Mr. MCPADDEN. I asked the gentleman a question.

Mr. McSWAIN. The gentleman has read both bills with regard to the right of the authority to sell power; and, as I told the gentleman when the matter was under discussion before, the authority can sell power to anybody under the surplus.

Mr. MCPADDEN. Then these so-called "power interests" who have been trying to get control of Muscle Shoals all these years will have that opportunity when this bill passes?

Mr. McSWAIN. No; if they get power, they will pay for it, but they will not get Muscle Shoals.

Mr. MCPADDEN. I understand they will pay for it.

Mr. SNELL. Will the gentleman yield for one more question?

Mr. McSWAIN. I yield.

Mr. SNELL. A few days ago the House expressed itself as to whether it was in favor of the House bill or the Norris bill. Will this have any influence on the congreses when they are considering this matter?

Mr. McSWAIN. The gentleman knows that the Senate has amended what was then proposed as a substitute for the House bill by way of a motion to recommit in 32 different respects, and, of course, the decision as related to the motion as the bill then existed is not pertinent at this time. I am sorry, therefore, I cannot commit the congreses, in advance, as to what they will do.

Mr. RANKIN. Let me say to the gentleman from Pennsylvania [Mr. MCPADDEN] that my understanding is they are to accept the provisions of the Norris bill with reference to the distribution of power.

Mr. McSWAIN. The gentleman is doing his own talking. Mr. MCPADDEN. Let me ask the gentleman if these private power interests would have the right to get the excess power. I may say to the gentleman that at one time I know that one of these interests was willing to pay $80,000-000 to get this right, and deposited the money. I am wondering whether under this particular bill that is coming out they are going to get this right for nothing.

Mr. RANKIN. The gentleman need not uneasy. The people's interests will be protected under this agreement.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina [Mr. McSWAIN]? [After a pause.] The Chair hears none, and appoints the following congreses: Messrs. McSWAIN, HILL of Alabama, and JAMES.

SALE OF SECURITIES

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6460) to provide full and fair disclosure of the character of securities sold in interstate and foreign commerce and through the mails and to prevent frauds in the sale thereof, and for other purposes, with Senate amendments, disagree to the Senate amendments, and agree to the conference asked by the Senate.

Mr. RAYBURN. To the SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none, and appoints the following congreses: Messrs. RAYBURN, HUNTERTON, LEA of California, PARKER of New York, and MAPES.

CONTESTED-ELECTION CASE—GORMLEY V. GOSS

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives, which was read and referred to the Committee on Elections No. 2 and ordered printed:

WASHINGTON, D.C., May 9, 1922.

The Speaker. House of Representatives, Washington, D.C.

Sirs: Having the honor to lay before the House of Representatives the contest for a seat in the House of Representatives for the Seventy-third Congress of the United States for the fifth district of the State of Connecticut, Martin R. Gormley against Edward W. Goss, notice of which has been filed in the office of the Clerk of the House, and also transmit herewith original testimony, papers, and documents relating thereto.

In compliance with the act approved March 2, 1887, entitled "An act relating to contested-election cases", such portions of the testimony as the parties in interest agreed upon or as seemed proper to the Clerk, after giving the requisite notices, have been transcribed and indexed together with all copies of papers and exhibits which have been sealed up and are ready to be laid before the Committee on Elections.

Two copies of the printed testimony in the aforesaid case have been mailed to the candidate and the same number to the conferees together with an abstract thereof and copies of the briefs of the parties, will be laid before the Committee on Elections to which the case shall be referred.

Yours respectfully,

SOUTH THOMAS,

Clerk of the House of Representatives.

UNEMPLOYMENT RELIEF

Mr. DRIVER. Mr. Speaker, I call up a privileged resolution from the Committee on Rules.

The Clerk read as follows:

House Resolution 335

Resolved, That upon the adoption of this resolution the House shall proceed to the consideration of the conference report on the bill H.R. 4606, and all points of order against said conference report shall be waived.

Mr. DRIVER. Mr. Speaker—

Mr. RANSLEY. Mr. Speaker, will the gentleman yield?

Mr. DRIVER. I yield.

Mr. RANSLEY. We would like to have the usual 30 minutes on this side of the House.

Mr. DRIVER. The gentleman will be yielded 30 minutes of the hour.

Mr. Speaker, when the bill H.R. 4606, introduced by the gentleman from Maryland [Mr. Lewis], was before the House some days ago, the bill being known as the unemployment relief bill, it contained the following language:

The administrator may appoint and fix the compensation of such experts and, subject to the provisions of the Civil Service laws, appoint and, in accordance with the Classification Act of 1923, as amended, fix the compensation of—

And then followed the employees necessary to administer the relief in accordance with the provisions of the bill.

On motion in the House this clause was eliminated from the bill and the bill was sent to the Senate, so amended. In the Senate the language stricken by the House was inserted and the bill was sent to conference with this difference between the two Houses.

The conferees have agreed upon the following amendment in the adjustment of the differences between the two Houses:

The administrator may appoint and fix the compensation of such experts and their appointment may be made and compensation fixed without regard to the Civil Service laws or the Classification Act of 1923, as amended.

In other words, practically reinserting in the bill the language of the House as transmitted to the Senate.

There is no question but what this amendment is subject to a point of order without a rule, and therefore it is necessary to submit this rule to the House in order to test whether or not you were in earnest when by your vote, during the pendency of the bill, you eliminated this language from it. There is no doubt of the fact that the purpose of the amendment was to remove from the personnel charged with the administration of this law the provisions of the Civil Service laws.

Your vote on this rule will endorse the elimination of the provisions of such law and remove the personnel selected by those whose duties and responsibilities will be to administer the act therefrom.

The House has already expressed itself, and therefore it is entitled under the rule to determine whether it is its purpose and desire to adhere to its former action.

The only opposition will come from those who believe in the adherence to the Civil Service law in all legislation and that it should be applied to the personnel to be selected for the administration of this law. There is no question the House action is the usual method employed in all relief measures we have passed in recent years.
Personally I do not believe that it should so apply. When we passed the Reconstruction Finance Corporation Act there was no suggestion by those in charge that this should be continued. We have passed several measures in the House creating certain agencies where there was no such provision with reference to the Civil Service law. So I say that the precedents are entirely with the House in regard to the application of the Civil Service rules.

There is another feature with regard to this particular bill. We have created in many States of the Union voluntary organizations for the administration of relief laws. These organizations are functioning today, and they are prepared through their experience as well as character to perform administrative duties. It is said that they would relieve much expense in connection with the administration of the law. Personally I think we should employ these voluntary organizations, and in doing so effect necessary economies of administration. But that is for the House. If you care to adhere to the former act, this gives you an opportunity to do so.

Mr. MAY. Will the gentleman yield?

Mr. DRIVER. I yield.

Mr. MAY. In other words, the adoption of this rule makes it possible to administer the law and employ people to carry into effect the provisions regardless of whether they have a Civil Service status or not?

Mr. DRIVER. The gentleman is correct. I want to say further that the amendment you adopted did not fully effectuate your purpose. This conference agreement does. I realize, as a matter of fact, that when you vote to eliminate the language I have read your purpose was to relieve the personnel from the exactions of the Civil Service law and remove the salary provisions as fixed by the act of 1923.

Mr. MACON. Will the gentleman yield?

Mr. DRIVER. I yield.

Mr. MACON. As the bill was introduced it was approved by the President and it contained a provision for employment under the Civil Service.

Mr. DRIVER. The gentleman is correct.

Mr. MACON. Can the gentleman say whether the President has disapproved taking it out?

Mr. DRIVER. I have had no expression from the President one way or the other. I have nothing to indicate that he has ever expressed himself in regard to this particular matter. I will say that the provision was incorporated in the bill by the drafting service that frequently employs the usual language in the preparation of bills. However, that is only my opinion. The gentleman who had charge of the bill, the chairman of the committee, may make an explanation that will be more complete than that which I can give from my own opinion. I reserve the remainder of my time and yield 30 minutes to the gentleman from Pennsylvania (Mr. Ransley).

Mr. MAPES. Mr. Speaker, a parliamentary inquiry. The SPEAKER pro tempore (Mr. Oliver of New York). The gentleman will state it.

Mr. MAPES. I should like to know whether the bill as it passed the Senate is in printed form so that Members can obtain a copy of it. The only copy that I have been able to get is the copy of the bill as it was reported by the Senate committee. It does not have the amendments numbered as the conference report numbers them.

Mr. BRITTON. Mr. Speaker, a parliamentary inquiry. The SPEAKER pro tempore. The information the Chair receives is that there are no available copies now of the bill as it passed the Senate. The gentleman may examine the official copy on the Clerk’s desk, if he cares to do so.

Mr. MAPES. In order to act intelligently the Membership generally ought to have a chance to look it over as it passed the Senate.

Mr. BRITTON. Mr. Speaker, a parliamentary inquiry. The SPEAKER pro tempore. The gentleman will state it.

Mr. BRITTON. I think the House ought to know definitely just how the bill as passed by the Senate differs, if at all, from this copy which is now being distributed to the various Members of the House. The mere reading of the resolution from the Committee on Rules gives us no information.

Mr. RANSLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. Martin).

Mr. MARTIN of Massachusetts. Mr. Speaker, I hope the Democratic Party does not intend to stultify itself this afternoon by taking this extreme method of getting a few patronage jobs. Never could there be a more inopportune time to break down the Civil Service regulations than at the present moment. Thousands of men and women, Republicans and Democrats alike, from every State in the Union, are being furloughed, and this afternoon we are asked by means of a special rule to place positions in unemployment relief under political patronage. Instead of efficiency we are to place favoritism as the guide for appointment, and at the same time faithful employees of years’ service under the Civil Service are turned out. I do not believe that the American public will support this policy any more than they are supporting the drastic regulations which have unexpectedly emanated from the Veterans’ Bureau. Many worthy veterans injured in battle are suffering from disease incurred in the same time. Their country are being harshly and unjustly treated. I believe the American people believe in the Civil Service, and personally I do not believe that the President of the United States is in favor of what we are asked to do today. When this measure came before the House it contained the Civil Service provisions. The provision was eliminated in the House, and if I am any judge of the past record of the President, I believe he would be the last man to ask you to do what is being forced through by a special rule. I believe you gentlemen on the Democratic side are making a lot of trouble for yourselves by adopting this resolution. If you are not careful, you will be obliged to issue a second edition of that best seller of 1923, the book which contains the patronage jobs. I ask you to think seriously of what you are doing in striking down the Civil Service laws, which Democrats as well as Republicans have supported for many years.

Mr. ALLGOOD. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. Yes.

Mr. ALLGOOD. Would the gentleman even admit that the Democrats could pass a Civil Service examination?

Mr. MARTIN of Massachusetts. Of course, in the past I believe a good many of the outstanding Democrats of the party have stood squarely for the Civil Service, and the Democrats should follow their example, and if they do it will be the act of wisdom.

Mr. ALLGOOD. Under the Republican administration Democrats could not even pass a Civil Service examination.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has expired.

Mr. RANSLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan (Mr. Mapes).

Mr. MAPES. Mr. Speaker, a copy of the bill as it passed the Senate is not before the House of Representatives, so that it is a little difficult for Members who have not had the attention called to the matter before to know exactly what is before the House. This is the situation; the question really before the House is this: Is the House for the Civil Service or is it for the spoils system? Those who favor the spoils system will vote for this resolution and those who believe in the Civil Service will vote against it. Is it necessary in this ruling? What does it do? Speaking generally, this is the situation.

As the bill was reported to the House by the House committee, it contained an express provision that the personnel necessary to administer this law should come under the classified Civil Service, but on the floor of the House that provision was stricken out. The Senate inserted it. But—
and this is the point—it is not necessary to put that express provision into the act in order to bring the personnel under the Civil Service. They would come under it under the existing law and regulations unless taken out by express provision. The conference therefore found themselves in the position of being unable to take the employees out of the Civil Service and eliminate them from the Senate amendment. They were obliged to go outside the scope of their authority in order to carry out their purpose.

Mr. WEIDEMAN. Will the gentleman yield?

Mr. MAPES. I cannot yield at present. I will yield to my colleague later, if I have time.

Mr. WEIDEMAN. In order to put into effect the "spoils" system, had to incorporate in the conference report a provision of their own, going entirely outside the scope of the conference. This they did. That is the reason this rule is necessary, so that this provision in the conference report that otherwise would not be in order, may be made in order.

I yield now to the gentleman from Maryland [Mr. Goldsborough].

Mr. GOLDSBOROUGH. Is it possible that the gentleman's views are somewhat influenced by the result of the election last November? [Laughter and applause.]

The Speaker. I am not here either to criticize or to comment the attitude of other men on this question, but I wonder if the thousand employees of the former Republican Senator Smoot and 600 of the former Republican Senator Morse got in under Civil Service, or how did they work that?

Mr. MAPES. I will say that as a new Member the gentleman from Michigan [Mr. Mapes] has expired.

Mr. RANSLEY. I yield 2 additional minutes to the gentlemen from Michigan.

Mr. MAPES. I do not want to take in too much territory. I am not here either to criticize or to comment the attitude of other men on this question, but I took the floor largely to inform the membership of the House just what was involved and to express my own belief in the Civil Service.

I yield back the balance of my time, Mr. Speaker.

Mr. DRIVER. Mr. Speaker, I yield 5 minutes to the gentleman from Arkansas [Mr. Fuller].

Mr. FULLER. Mr. Speaker, when this bill was in the House I offered an amendment which struck out the language referring to the Civil Service and Classification Act. When the bill got into the Senate they said my amendment did not perfect the bill at all—it left the Civil Service just as it was at that time. I must plead guilty to the fact that I was not informed as to all the law on Civil Service matters, and I find that if we pass the law creating the positions and we do not exempt the Civil Service and Classification Act from it, they will automatically take charge of it under the act of 1923. Therefore the Senate replaced the language stricken out by the House. Before it went to conference I conferred with the Comptroller, and he said that in order to carry out the intention of the House there should be a provision inserted declaring that the administrator could appoint those to administer the affairs of this bureau, notwithstanding the Civil Service or the Classification Act.

Of course, that was new legislation, more or less, but the conference committee agreed upon it. The Senate conference unanimously agreed and the Senate adopted the report. We are only asking for approval and confirmation by the House to exempt the Civil Service employees from administering this law.

Mr. MAPES. Will the gentleman yield?

Mr. FULLER. I yield.

Mr. MAPES. I did not quite understand the gentleman. The Senate put in a provision indicating its belief in the civil service?

Mr. FULLER. No; they did not. They put back the very language that we took out by my amendment, and in doing so the gentleman who made the motion and the argument, Senator La Follies, of Wisconsin, said that the bill was no better with the language taken out by the House amendment so they might as well put it back; but there never was any argument as to whether or not they thought it should or should not be administered by the Civil Service. As a matter of fact, Senator Wagner agreed to my amendment before I introduced it in the House.

Mr. MAPES. But the point I was trying to make is this, that by the action of the Senate we have a right to conclude that the Senate favored the Civil Service law and regulation.

Mr. FULLER. Yes; that is true in one sense. 

Mr. DRIVER. That would be subject to this qualification, however, that the Senate has now adopted the conference report with the language before the House.

Mr. FULLER. Yes; and absolutely exempted the administration of this law from the Civil Service and the Classification Act.

Mr. GLOVER. Will the gentleman yield?

Mr. FULLER. Yes.

Mr. GLOVER. Much has been said about the Civil Service. When this is adopted people under the Civil Service and those outside may be employed alike?

Mr. FULLER. Yes.

Mr. GLOVER. It does not discriminate against those in the Civil Service?

Mr. FULLER. It does not bar them, but it puts them on an equality with the unemployed all over this country, and gives all an equal opportunity.

Mr. GLOVER. If this is not in the bill, then the Civil Service would take all the work and those on the outside would not get any?

Mr. FULLER. That is correct.

Mr. COX. Will the gentleman yield?

Mr. FULLER. I yield.

Mr. COX. Has the gentleman in his experience found that the Civil Service law has been administered entirely free of politics?

Mr. FULLER. We know it has not.

Mr. COX. In other words, is it not the gentleman's experience that the Civil Service is responsible for more inefficiency, more deadheads, and more disloyalty to the Government than anything Congress has ever done?

Mr. FULLER. I will not say that the Civil Service system is accountable for it, but I will say that that condition exists to a certain extent.

Mr. COX. Politics always control in the findings made by the Commission?

Mr. FULLER. That is correct.

Mr. GOLDSBOROUGH. Will the gentleman yield?

Mr. FULLER. Yes; I yield.

Mr. GOLDSBOROUGH. As a matter of fact, is not this legislation of an emergency and temporary character, anyway?

Mr. FULLER. I am going to discuss that. I thank the gentleman for calling it to my attention. The gentleman from Illinois wished to ask me a question, I think.

Mr. BRITTEN. What I wanted to determine was how the language which has been agreed upon by the conference differs from the language in the bill that was passed by the House.

Mr. FULLER. Here is an exact history of it. Read this [indicating] and it will show you exactly what it is.

Mr. HASTINGS. Mr. Speaker, will the gentleman yield?

Mr. FULLER. I yield.
Mr. HASTINGS. I thought the language in the conference report was the same as the gentleman's amendment.

Mr. FULLER. The language of the conference report is to the effect that the appointments may be made and the compensation fixed without regard to the Civil Service laws or the Classification Act of 1923.

There is no disposition whatever on the Democratic side of the House to try to reflect upon the Civil Service; not a bit in the world. As a matter of fact, the Democratic administration during the terms it has been in power since the Civil Service was created has been more friendly toward it and has done more for it than the Republican administration.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentlema yield?

Mr. FULLER. I yield.

Mr. MARTIN of Massachusetts. The gentleman should respond to some other part of the country where they believe more in the two-party system.

Mr. FULLER. Then I would have to go to Massachusetts, to Michigan, or some place like that.

[Here the gavel fell.]

Mr. BACON. Mr. Speaker, this is an important matter. I make the point of order there is not a quorum present.

The SPEAKER pro tempore (Mr. Olin of New York). The Chair will count. [After counting.] Two hundred and nineteen Members present; a quorum.

Mr. RANSLEY. Mr. Speaker, I yield the balance of the time on this side to the gentleman from Massachusetts [Mr. Lucas].

Mr. LEWIE. Mr. Speaker, gentlemen who have spoken have in part, explained this peculiar situation, but have on both sides missed what seems to me the important point.

The other day the House sought to take out from under the Civil Service the personnel to be employed in carrying out the so-called "Wagner-Lewis bill." Its failure so to do has some humorous aspects. I do not wish to embarrass my good friend from Arkansas by going into that in detail. It rarely happens in the House, however, that the House is persuaded to do precisely the opposite of what it meant to do.

The gentleman who made the motion the other day continues in his misunderstanding of the real point at issue. He has failed, as has some of the other speakers, to examine the law in question. It is contained in part of a sentence which I will read for the general information, the first sentence of the Civil Service law:

The President is authorized to prescribe such regulations as may best promote the efficiency thereof, and ascertain the fitness of each candidate in respect to age, health, character, knowledge, and ability for the branch of service into which he seeks to enter.

This is the function of the President of the United States. We have been so dazed in these last few weeks by the transfer of authority from the legislative branch to the executive branch that we have forgotten this practice was begun at least 50 years ago.

So the question the other day was not whether we should of our own initiative and on our own responsibility as a new matter determine the administration of the Civil Service law, but the issue was whether we should take away from the President power now in his hands.

As the bill was written it said in effect that we were to take away certain power. It had no inference whatever. We proposed that he should not, in this particular instance, be able to exclude anybody from the Civil Service requirements. We abridged his power, we lessened his power, we diminished his power by the bill as it was reported from the Committee on Banking and Currency to the House.

The other side of the House attempted to deal with the question of the spoils system; but all that was going on was cheap politics. They were not under Civil Service.
The bill went over to the Senate, and there the Senate also took away power from the President, but the precise opposite of the power the House thought it had taken away, because the Senate said in effect: "We will take away from the President the power to keep them out of the Civil Service, the principal question of the bill as had been brought by the proper and adequate language, and if what the gentleman from Arkansas tried to do had been accomplished, you would have had the House forbidding the President to let them in, you would have had the Senate forbidding the President to keep them out, two diametrically opposite propositions, and if the conference came on conference it was manifest that the House had acted illegitimately. Of course, I mean to convey no invidious idea in that word.

The committee of conference discarded the Senate proposal and then went beyond the scope of what on the face of it was in disagreement between the two branches. The conference transgressed the rules by reporting to the House what the gentleman from Arkansas and a majority of the House sought to accomplish.

So the issue at the moment is this: Do you want to forbid the President to keep the agents and employees of the new bureau out, do you want to forbid the President to keep them in, or do you want to let the law stand and leave its application to the judgment of the President?

This brings the matter to a somewhat more than ordinary crisis. It is an exceptional situation, a phenomenal situation, that the history will record, because for the first time in the memorable 2 months since the 4th of March the House will consciously have said that we are going to shear the President of power. We are probably going to forbid him to use his judgment as to whether or not these officers and employees should or should not be chosen under the Civil Service law.

So are or are not at last going to desert their leader, whether for the President or are they going to follow their own fancy, in the light of their own prejudice, or what not?

The primary question is whether gentlemen on my right are or are not at last going to desert their leader, whether they are or are not at last going to exercise their own duty as Representatives, whether they are or are not at last going to carry their brains under their own hats. That is the question they will decide today, and I am uttering these sentences in the knowledge that any one of the Members here who has had a share in these appointments, or any one of the Members who has served in the Congress for many years, or a Senator, or any one who has served in the Congress or the Senate, or has followed his judgment in this matter, is likely to be wiser; that you can reach a more sane conclusion.

Gentlemen have not asked themselves this question in 2 months. Today, for the first time, they are going to ask themselves that question. Are they going to leave this to the President or are they going to follow their own fancy, whim, prejudice, or what not?

So the primary question is whether gentlemen on my right are or are not at last going to desert their leader, whether they are or are not at last going to exercise their own duty as Representatives, whether they are or are not at last going to carry their brains under their own hats. That is the question they will decide today, and I am uttering these sentences in the knowledge that any one of the Members here who has had a share in these appointments, or any one of the Members who has served in the Congress for many years, or a Senator, or any one who has served in the Congress or the Senate, or has followed his judgment in this matter, is likely to be wiser; that you can reach a more sane conclusion.

Laughter.

Now, then, let us come to the further question, that involving the Civil Service. One hundred years ago, Andrew Jackson, the patron saint of the Democratic Party, was President of the United States. He had come into power in 1829; and if you desire to read a page of misery, a page of suffering, a page of injustice, read the story of office seekers that crowded this city and successfully thronged the offices of the President and the Members of Congress belonging to his party.

One hundred years ago last December William L. Marcy, of New York, then a Senator of the United States, coined a phrase which since then has been the slogan and watchword, the chief thing in the very bible of politicians—and I am using the term "politicians" in its infamous sense. He declared in the Senate, "To the victors belong the spoils or the agency."

That doctrine implanted in the public life of America by Andrew Jackson and William L. Marcy grew like a poisonous mushroom. All political parties accepted it. All nourished it. Steadily the public service grew worse.

Fifty years after Marcy spoke, in 1882, 50 years ago, the country awoke to the truth, to the danger. Then George H. Pendleton, Senator from Ohio, delivered in the Senate a speech you will find in at least one of the volumes that comprise the great speeches of our political history.

That speech awakened the conscience of his own party, the conscience of the other party, the conscience of the people and destroyed the poison that was threatening the very life of the Republic. You say that I am extravagant? I will presently show you that such were Pendleton's words almost precisely.

When the bill he had introduced was before the Senate, he disclosed that one bureau of the Treasury, the Bureau of Engraving and Printing, had 965 employees, of whom more than 500—if I remember aright, 531—were absolutely superfluous and had been discharged. In one office they found 20 messengers doing the work 1 could do. They cut down the appropriation for the Department from $890,000 to $200,000. That was typical of what the spoils system had done first for one party and then for another, as they succeeded each other in control.

It was the speech of Senator Pendleton that did most to secure the passage of the law of which I have read the first sentence as it now stands. In its course he reminded the Senate that Jefferson had spoken 50 years ago in 1831, that the function of Government had been brought about, not by the belief of Jackson and the utterance of Marcy "To the victors belong the spoils."

I do not say that the Civil Service of the Government is wholly bad. But I do say that the Civil Service is inefficient; that it is expensive; that it is extravagant; that it is in many cases and in some senses corrupt. This whole system demoralizes everybody who is engaged in it.

It demoralizes the clerks who are appointed. That is inevitable. It demoralizes those who make the appointment. That also is inevitable. And it demoralizes Senators and Representatives, who are the exercise of their power, as Senators and Representatives, exert pressure upon the appointing power.

Mark you, these words of a great Democrat, a man incorruptible and fearless, a champion of the welfare of the country:

I believe that the existing system which, for want of a better name, I call the "spoils system," must be killed if the Republic is to live. I believe that it is impossible to maintain free institutions in the country upon any basis of that sort.

I believe the spoils system to be a great crime. I believe it to be fraught with danger. I believe that the highest duty of patriotism is to prevent the crime and avoid the danger.

And so, if you do not care to decide this question today upon the issue of whether you will trust your President, turn to these words, dwell upon them in your minds, let them appeal to your judgments, and to your conscience, and do not now, when first the opportunity squarely presents itself, say that it is your wish to return to that system which menaced the very life of the Republic itself.

It is not prudent for you to do that.

Furthermore, it is not your individual interest to do that. At luncheon this noon I sat next to a fellow Member who told me he had 167 postmasters in his district, and he was bewailing his sad lot and the trouble they had caused him through the years of his service. Ask any one of the older Members here who has had a share in these appointments, and secure from him his own judgment as to the personal benefit of this system. If you are to be selfish in this matter, then you ought to turn your backs against every proposal to burden you with more office seekers. We, who have been here long, know that what has been said is true, that every time we secure an appointment we make 1 ingrate and 20 enemies. That is an old saying, but it
continues to be true in the experience of every man in public life. So, for selfish motives as well as public interest, I pray you forewarn a return to this system, which seemed to one of the great Democrats in our time the greatest menace to the very existence of the Republic.

Mr. SISSON. Mr. Speaker, will the gentleman yield?

Mr. LUCE. I yield.

Mr. SISSON. The gentleman was speaking a moment ago of a great Democrat, Thomas Jefferson; and with all the admiration and respect that I possess for the gentleman from Missouri [Mr. Luce], I admire him still more because of his devotion to the apostle of the Democratic Party, and may I ask the gentleman if he ever heard these words of Thomas Jefferson, speaking of officeholders, in respect to their qualifications: "First, is he capable; second, is he honest; third, is he a Democrat?"

Mr. LUCE. The gentleman has altered what I attributed to the first Democratic President. If the gentleman desires to know what Senator Pendleton averred that Mr. Jefferson actually said, I will repeat the words as used by Mr. Pendleton in his speech: "Fidelity, capacity, honesty." They were the tests used by Jefferson. My friend for the word "fidelity" substituted "Democrat." Of course, I will grant that they are synonymous.

Mr. SISSON. I refer the gentleman to Jefferson's whole works for the fact.

May I ask the gentleman—and I say this with all respect to him, and I have admired the very eloquent speech of the gentleman from Missouri [Mr. Luce] as a reading of the Congressional Record to disclose an equally eloquent speech upon the same subject, carrying admonition to the gentleman's own party when that party was in power?

Mr. LUCE. As far as I can recall, this is the first time since I have been a Member of the House that the question has come up, the House squarely, or even in such a way as to warrant taking the floor in the matter.

Mr. O'CONNOR. Will the gentleman yield?

Mr. LUCE. I yield.

Mr. O'CONNOR. The gentleman was here, I am quite sure, when we had a vote as to putting the employees of the Census under Civil Service. As I recall, looking at that side of the House, I did not see the gentleman stand up against that "spoils" system under the Fifteenth Census.

Mr. LUCE. If I failed to stand up at that time, it was one of the numerous sins that I have committed. [Laughter and applause.]

Mr. KAVAL. Will the gentleman yield?

Mr. LUCE. I yield.

Mr. KAVAL. Will the gentleman yield?

Mr. LUCE. I yield.

Mr. KAVAL. Will the gentleman yield?

Mr. LUCE. I yield.

Mr. KAVAL. Will the gentleman yield?

Mr. LUCE. I yield.

Mr. KAVAL. Will the gentleman yield?

Mr. LUCE. I yield.

Mr. KAVAL. Will the gentleman yield?

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Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment, and on page 8, line 3, of the House bill, after "Hawaii", insert "the Virgin Islands"; and the Senate agree to the same.

HENRY B. STEAGALL, T. ALAN GOLDSBOROUGH, Managers on the part of the House.

DUNCAN U. FLETCHER, ROBERT F. WAGNER, PETER NORBECK, Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4606) to provide for cooperation by the Federal Government with the several States and Territories and the District of Columbia in relieving the hardship and suffering caused by unemployment, and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the conferences and recommended in the accompanying conference report:

Amendment no. 1: The House bill provided that the Administrator should receive a salary not to exceed $8,500. The Senate amendment provides that the salary shall be fixed by the President at not to exceed $10,000. The House recedes. The effect of the provision, as agreed to in conference, is that the maximum salary is $10,000, which will be subject to the applicable reduction under the economy law.

On amendment no. 2: This amendment provides that the officers and employees (other than experts) of the administration shall be appointed subject to the provisions of the Civil Service laws, and their compensation fixed in accordance with the Classification Act of 1923, as amended. There was no such provision in the House bill. The House recedes with an amendment providing that experts and other officers and employees may be appointed without regard to the Civil Service laws and their compensation fixed without regard to the Classification Act of 1923.

On amendment no. 3: This amendment provides that the maximum compensation to be paid to any expert or other officer or employee appointed by the Administrator shall not exceed $8,000. The House recedes. The effect of the provision is that the maximum salary is $8,000, which will be subject to the applicable reduction under the economy law.

On amendment no. 4: This amendment provides that the Administrator may, under rules and regulations prescribed by the President, assume control of the administration in any State or States where, in his judgment, more effective and efficient cooperation between the State and Federal authorities may be secured in carrying out the purposes of this act; and the Senate agree to the same.

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HENRY B. STEAGALL, T. ALAN GOLDSBOROUGH, Managers on the part of the Senate.
of this official. It seemed to me at the time almost the unanimous will of the House that this limitation should be placed in the bill. I was wondering what pressure was brought upon the committee to bend the position of the House on this particular item.

Mr. STEAGALL. The change is not substantial. The Senate language placed a limit of $10,000 upon the salary, but makes it subject to the reduction provided in the economy bill, which, under the present adjustment, would make the salary $8,500, as provided specifically in the House bill.

Mr. BEEDY. That is just what I wanted to ascertain.

Mr. STEAGALL. Another limitation was placed on the salaries of employees and experts employed by the administration, placing the maximum at $8,000 annually. There was incorporated a provision which authorizes the administrator of the relief fund to set up authorities in the different States to administer the fund, where it is found desirable to do so, in order to secure more effective and more efficient administration of the fund. I do not think there is anything in that provision that need create any serious concern.

There might possibly be an instance where complaints would arise on the score of local politics or otherwise that might make it desirable for the administrator to exercise control of the funds, in some instances, without leaving them in the hands of persons selected by the State authorities. But I think it is safe to say that such thing is not likely to arise, and if it should, it certainly would be an exception to the rule. The general provision is that the funds are to be administered by State authorities and distributed upon the application of the Governors of the States.

Mr. SNELL. Will the gentleman yield for a question?

Mr. STEAGALL. Yes.

Mr. SNELL. Has there been any estimate anywhere along the line or in any hearings of the number of employees who will be put to work in the administration of this measure?

Mr. STEAGALL. I may say to the gentleman that the purpose of this legislation is not primarily that of dealing with unemployment.

Mr. SNELL. A good deal of unemployment will be relieved through the jobs created under this bill, will there not?

Mr. STEAGALL. What we desire through this legislation is to relieve hunger and distress. Other things are incidental to the main object.

Do I understand the gentleman directs his inquiry to the personnel set up to administer the $500,000,000 fund?

Mr. SNELL. Yes.

Mr. STEAGALL. I may say to the gentleman it was not thought that any large number employed or necessary in the administration of this fund for the reason that it is to be left to the State authorities to distribute and administer after allocation by the administration in Washington.

Mr. SNELL. I hope those who administer the law will remember the gentleman's statement.

Mr. STEAGALL. That, of course, is what is contemplated by the Congress and, so far as we were advised, by those who appeared before the committee advocating the enactment of the legislation.

Mr. McFARLANE. Mr. Speaker, will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. McFARLANE. I notice as the bill passed the House the salary of the administrator was fixed at $8,500. The conference report limits it to $10,000. Does this mean the administrator of this law will receive $10,000?

Mr. STEAGALL. The purpose of that change made was for a specific provision that the maximum salary should be $8,500 to a provision that it shall not exceed $10,000, the purpose being to fix the basic salary at $10,000, leaving it subject to reduction under the economy law, which, according to the adjustment now in effect, will make it $8,500. So the net result is that the salary is left at $8,500, the figure it was before.

Mr. STEAGALL. It should be less under this than it was under the provisions of the House bill.

Mr. McFARLANE. Why should it not be?

Mr. STEAGALL. It can not be more. The House bill fixed a definite sum. The amendment of the Senate provides that it shall not exceed that sum.

Mr. Speaker, these are the changes in the bill, except the one which has been fully and adequately discussed in connection with the rule which has just been adopted by the House. I refer to the provision which removes the employees from the provisions of the Civil Service law.

The discussion of the rule has left nothing necessary to be said. In this connection I think it proper to state that the force to be employed in connection with this legislation is to be utilized by the administrator from the provisions of the Civil Service law.

We all desire to preserve our Civil Service System insofar as it should be done, properly safeguarded to continue the personnel of the Government which are peculiarly trained and experienced, whose continued service is desirable for the public welfare.

This is an emergency measure. We were urged to have the legislation passed by the Ist of May. Funds are being depleted and it is desirable that the administration be left free to employ local help wherever available in cases where it is necessary to employ personnel in the different States.

Mr. LUDLOW. Mr. Speaker, will the gentleman yield?

Mr. STEAGALL. In a word.

Mr. LUDLOW. Is it not true that in every State there is now a trained personnel and an adequate set-up?

Mr. STEAGALL. Yes. I think that is generally true.

Mr. LUDLOW. This trained personnel may be utilized and a large sum may be saved administratively if the employees to be taken on under this bill are not required to be taken from Civil Service lists, whereas they could not be utilized if the employees are put under the operation of the Civil Service law.

In Indiana there is a relief organization under the directing genius of our able Governor, Paul V. McNutt, that is prepared to take over this relief work and administer it most efficiently and at a minimum of cost. The utilization of that organization not only will mean that relief will be applied where it is needed in Indiana but it will result in a large saving to the taxpayers. I am a firm believer in Civil Service, but I think that on account of the temporary nature of this work and the facilities already at hand there should be an exception in this instance.

Mr. STEAGALL. It would vastly increase the expense of administration of this act and handicap the administrator in his duties if we put the Civil Service requirement into the bill.

Mr. LUDLOW. And add greatly to the difficulties of the administration.

Mr. STEAGALL. It would add greatly to the difficulties of the administration of the law, as the gentleman says.

After all, our Civil Service system is far from satisfactory. There are not many things about it so sacred as to forbid change or suggestion for improvement. The system is lop-sided and unfair. I have not the figures in mind, but four States and the District of Columbia have taken over an unjust share of the jobs under the prevailing Civil Service system and left without opportunity for employment by the Government multiplets of thousands of citizens throughout other States and other sections of the Union who have no opportunity to find employment with the Government.

This subject is now under consideration by one of the committees of this House and will be dealt with, I hope, constructively in legislation that will be considered in just a few days. I hope the friction that has been developed under the present Civil Service system of the country will be corrected by this legislation and that we shall have a just and equitable distribution of the favors to be dispensed by the Federal Government.

Mr. GREEN. Mr. Speaker, will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. GREEN. And if these inequalities and abuses are not corrected, then all Civil Service laws ought to be repealed.
Mr. STEAGALL. I think the proper course is to improve and perfect the Civil Service law and its administration, so that fairness and justice may result and that its true purpose may be carried out.

Mr. McFARLANE. Does not the gentleman think a policy should be declared which will offset the effect of these blanket orders of the last three administrations placing so many under Civil Service, so that lots of good Democrats, who are now out of employment, may be given employment?

Mr. STEAGALL. I may say to the gentleman from Texas that, of course, I share the feeling he entertains. My political sympathies are the same as his. But we should deal with the subject from the standpoint of justice and public welfare and adopt a permanent system to accomplish these ends.

The Civil Service law ought to be put on a fair basis, to stand throughout the years, no matter what party may be in power. This is what ought to be done.

Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The conference report was agreed to.

On motion of Mr. STEAGALL, a motion to reconsider the vote by which the conference report was agreed to was laid on the table.

DISTRICT OF COLUMBIA APPROPRIATION BILL—FISCAL YEAR 1934

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent to take from the Speaker’s table the bill (H.R. 4889) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District, for the fiscal year ending June 30, 1934, and for other purposes, with Senate amendments, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears no objection.

I ask unanimous consent that we lay this on the table.

Mr. BYRNS. Mr. Speaker, I reserve the right to object to any aspect of the District of Columbia appropriation bill.

Mr. BACON. Mr. BUCHANAN. The gentleman is recognized for that purpose.

Mr. BACON. I simply feel that under the previous agreements, I should have been recognized because I meant to ask the chairman of the committee to make a clarifying statement.

The SPEAKER. The gentleman is recognized for that purpose.

Mr. BACON. I simply want a statement from the chairman of the Committee on Appropriations with reference to the intent and purpose of the conference with respect to the amendments of the Senate on the District of Columbia appropriation bill. We understand that some of the restrictions and some of the changes have to do with a more liberal policy toward the schools, playgrounds, swimming pools, and other activities of the District, and I am wondering what the attitude of the House conferences is going to be.

Mr. BUCHANAN. I do not know, and I cannot speak for the House conferences because I have not consulted them. Ordinarily, when conferences are appointed, it becomes their duty to carry out, so far as it is in their power to do so, the will of the House as expressed in the bill. I assume the conferences are going to try to carry out this duty. However, they are not going into the conference with any predetermined or unyielding convictions that would not permit of a real conference.

Mr. BACON. And this action today will not be interpreted as a mandate to stand by the provisions of the House bill?
Mr. BUSBY. One other question. Is it expected that the Members who address the Committee will talk to empty benches, as they do usually in general debate, or is it expected that we shall have a quorum?

Mr. BYRNS. I am sure they will talk to a crowded House. Gentlemen are going to address the House are going to make some splendid speeches. [Laughter.]

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. BUSBY. I am receiving the right to object, I am not satisfied with that little crack. [Laughter.]

Mr. BYRNS. Is the gentleman on the list of speakers?

Mr. BUSBY. No; and I did not ask to be, but I want to inform the gentleman that he will have to have a quorum here all day tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

FERRY AND HARBOR APPROPRIATION BILL

Mr. MANSFIELD, from the Committee on Rivers and Harbors, by direction of that committee, reported the bill (H.R. 5569) for the construction, repair, and preservation of public works on rivers and harbors, and for other purposes, which was read a first and second time and referred to the calendar.

Mr. SNELL reserved all points of order on the bill.

WHERE ARE WE HEADED TODAY?

Mr. HESS. Mr. Speaker, I ask unanimous consent to publish in the Record the remarks made by my colleague, Mr. Hollister, of Ohio.

There was no objection.

Mr. HOLLI, under the leave to extend my remarks in the Record, I include the following address by my colleague, Hon. John B. Hollister, of Ohio, at the annual dinner of the Cincinnati Bar Association, April 29, 1933.

My colleagues of the Cincinnati Bar: When I was asked a short time ago to address you tonight, I realized how little time there was to prepare adequately a scholarly address suitable to the occasion, and to the dignity of the assemblage now before me. I selected the subject, "Where Are We Headed Today?", with a purpose. We are moving so fast, and the kaleidoscope changes so greatly each day that no matter how carefully I might prepare myself on the subject I knew full well that the elapse of 24 hours might and probably would render all my observations obsolete. It left me afine "out" for any lack of preparation which might appear.

Let me say at the outset that I have no answer for the question "Where are we headed today?" I only wish I had, but the matter of the present is so new that it is next to impossible with any reasonable degree of accuracy is yet to be found. Our position today makes me think of the Members who address the Committee will talk to empty benches, as they do usually in general debate, or is it expected that we shall have a quorum?

The Constitution was conceived on the theory of rugged individualism. As the Colonies would not have approved the basic document itself. But Hamilton and Jefferson, who had charge of the general government, took this as a grant of powers by independent and sovereign States to a central government, and it was the view of our first forefathers that there must be a system of government against encroachment by the central Government on the prerogatives of the States. You all know of the historic controversies between Hamilton, the Federalist, and Jefferson, the Democrat, as though they did not call them Democrats in those days. You all know of the struggle of 1787, the Constitution, and how under his guidance, little by little, the Federal idea took form and crystallized. But Hamilton and Marshall would have been aghast at some of the governmental manifestations which we today accept as normal, and I am afraid that poor Thomas Jefferson has grown callouses from turning daily in his grave at the mere thought of how far we have departed from his principles.

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which cannot be locally acquired. Its ambitious head begins to
find there is a demand for other things. He puts on new line
after new line, and before he is through he is selling radishes and
asparagus, and is a laundryman, and a bank examiner, and before
you know it everyone in the neighborhood, whether
customer or not, is having his laundry done at
the post establishment.

The convicts at a penitentiary are at work making chairs by
hand, and before long the Panama Railroad was run
extending this work, and before you know it high-speed ma-

chinery is installed and 60 convicts who, of course, are paid noth-
ing but their rations operating self-liquidating projects.

... the recent session of

the closing of all the banks in the country. The emergency of the
have to be paid for their work. Perhaps you might expect that

automobiles
tives have made ghastly mistakes, and I am only praying that... And what did we do in the House

... after new line, and before he is through he is selling radios and
Shortly after

produce when he should have been curtailing his acreage. Even face the music and say

male

... extending this work, and before you know it high-speed ma-

... the convicts at a penitentiary are at work making chairs by
showing the result of many months of operation by the carriers
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... the general lack of confidence which resulted

... the Panama Railroad, set up in 1904, for

... In January 1932 we placed 125 mil-

... of millions of dollars. It was conceived as a help to the farmer, welfare clause of the Constitution?

... thestock of this company. The Inland Waterways Corporation is merely a loan. But what was the crowning act? A few days ago,

... the whole community. Next a laundry

... the post establishment. since increased a number of times. Railroad bonds were then

... the Government loses the investment, shrugs its shoulders and goes on, but

... the result could not have been achieved by Industry itself under

... This was continued even after the war, for shortly thereafter

... the Department of Labor set up the United States Housing Cor-
poration to finance the building of homes, or try to. We have

... and insurance companies alone. While this method had the

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... and its representatives will not follow the the Muscle

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... sends young men from the bread lines

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... the estimated cost of a unit of

... the liquefied gas, which is the

... and demand.
CONGRESSIONAL RECORD—HOUSE

MAY 9

development at great cost of additional power in a district which now has more than a million kilowatts of excess, unusable power and providing also for more kilowatts of excess, usable power, and providing also for more kilowatts of excess, usable power, at a time when the Government, and many private companies, are trying desperately but vainly to make a profit.

But the end is not yet. Not long ago we were presented with the prospect of 66 men, called Senators, selected by their States, theoretically at least, from among the best—we saw these men not only mightily seated but they were actually passing it. Please do not misunderstand me. With 15,000,000 men out of work and only a certain amount of work available, we should not be having any trouble with any reason to attempt to spread work around, but can anyone contend seriously, even if the operation of such a bill were practiced in all our industries and of course we can see that the commerce clause of the Constitution to uphold a law debarring interstate commerce certain articles because of the number of laborers, that individual, not excluding you, on the particular article involved but anywhere in the plant which produces the article? You will say that the unconstitutionality of such a law was settled in the Child Labor case, but there are many who claim to be lawyers who will tell you that a 5-to-4 decision of the Court is not a precedent, and there seems to be a large school of thought which makes so bold as to say that if Congress declares a law to be an emergency and puts it into operation for a limited period, in some miraculous way the Constitution ceases to operate with respect to it.

And now for the question of inflation. You all know that the Senate has solemnly condemned as unwise to pay the bonds in gold of the present standard of weight and fineness? If this is lived up to and the gold content of the dollar is changed, more dollars will be required to pay the same thing as will presently be required to print the gold clause. Will this make things easier for the debtor class or will it impair the sanctity of contract by governmental action. But if contracts are not to be observed, what becomes of our great industrial system, which is based on contract, and how will the Government be able to sell its contracts in the future if the prospective investor realizes he may be robbed of a portion of his property at the will of his debtor?

The crowing folly is a bill now before the Appropriations Committee in support of which administering spokesmen have appeared and which actually proposes that the President shall have the right to cancel any Government contract leaving the other party to suffer. This is a proposal that has so far received from the Government know the endless sorrows such a bill will bring. Not to be living in a strange new world. The instrumentalities, the very terms, are strange. Within the last few weeks we have passed or are considering bills setting up the following:

An emergency agricultural adjustment administration.
A home-owners loan corporation.
A Federal power and loans associations.
A Federal agricultural credit corporation.
A Tennessee authority.
A General agricultural bureau.
A dollar-stabilization board.

Is it any wonder that the brain becomes a bit foggy and that we wonder what has become of the good old Government we used to know?

My friends, I have brought you on a long and perhaps a tedious trip. But I believe that the various steps have led logically to the goal. It is apparent that the Federal Government is the influence which looms most menacingly in our lives. It has today many more bureaus, offices, departments, and agencies, than the Department of the Treasury, whose responsibilities are sociological in nature, has an annual appropriation of $8,702,365 acres of the national parks and monuments and seeing that they are available at all reasonable times for the enjoyment of the millions of Americans who wish to visit them or engage in the Geological Survey office, which has 3,500,000 acres of public lands and is engaged in the survey of the history of the United States, and the Environmental Survey, which was organized originally as a bureau of the Treasury Department under the act of April 25, 1815. The work of this office had become so burdensome to the Treasury Department that it was turned over to the Interior Department for administration in 1910. This really marks the beginning of the Interior Department, which was intended to be, and still is, the land, home, and educational department of the Government.

The first annual appropriation for the Department of the Interior was $3,684,029.77. The highest appropriation ever made was in 1929 and amounted to $333,323,000, of which $275,930,000 was for the Public Roads and Civil Service and the Balance, for the Veterans' Administration. For the fiscal year of 1933 the appropriation was $81,320,484, and for the fiscal year 1934, which begins July 1 next, the appropriation is $85,890,086. However, conformity with President Roosevelt's economy program, the actual expenditures for the Department for 1934 will be considerably less than the appropriated amount.

The Department employs, roughly, 15,000 persons, of whom about 2,000 are temporary employees. For reasons that are obvious, the employees of the Department who are not engaged on duties connected with the work of the interior are under Civil Service.

But if my listeners have as much difficulty carrying figures in their heads as I have, they will not be interested in having too many dry statistics detailed to them. I take it that, as taxpayers who have not the opportunity to inspect the Government that is so wide-spread at this time, they would rather have from me a brief outline of what this Department is responsible for and a share of the administration of the Federal Government.

The functions of the Department, broadly stated, are sociological and scientific. Our primary concern is the protection and enlargement of life and the conservation of natural resources. For the effective administration of the responsibilities entrusted to
this Department several bureaus have been established, each specializing in a particular field. A brief review of the activities of each of these bureaus will give some idea of the scope of the Government and demonstrate that it comes closer to the life, happiness, and well-being of the average citizen of the United States than perhaps that of the other great administrative divisions of the Government.

THE GENERAL LAND OFFICE

There are more than 300,000,000 acres of unappropriated public lands in the United States, 46,000,000 acres of which still remain to be surveyed. This takes no account of the hundreds of millions of acres of public lands which, through the General Land Office, have already been disposed of to the people of the United States. As to the right of private citizens under the homestead law.

Is this the basis of our civilization? What citizen has not felt the urge of land hunger? It is as common to the lawyer who works in his skyscraper office as to the farmer whose possession of a small plot of land is a source of the furrow he is plowing. Uninspiring as the term General Land Office is, no bureau of the Government has meant more to the citizens of the United States than this bureau, the making of which was the object of the act of March 2, 1867, and became a part of the Interior Department.

The acting Secretary of the Interior already enumerated. We come now to two bureaus which are more appealing to the imaginations of a greater number of people than any of the other activities within our Government. We have pressed him ever backward, ruthlessly and greedily taking from him his fertile soil and his rich resources. Because his habits and customs and religion have been different from ours, because he has spoken a different language, we have put him outside the pale. As the dominant race, we have forced him to use our ways of living, and to improve the system of education.

THE GEOLOGICAL SURVEY

This bureau was established under the act of March 3, 1879. It is concerned with the discovery, appraisal, and development of natural resources, including the fiscal year 1884, and has already been appropriated for the development of mineral resources in Alaska. It goes without saying that no such thing as a public domain.

Alaska, Hawaii, and the Virgin Islands are among the administrative responsibilities of the Interior Department. The Virgin Islands, originally purchased from Denmark, were transferred to the Interior Department from the Navy Department in 1931. The Department has purchased land in the islands for homesteading and is engaged in readjusting facilities on the land in the island of St. Croix. Our chief concern is to make these islands economically self-sufficient. The public lands can be fully utilized without violation of a law that was designed to protect the Indian. As a matter of fact, the administration of the Interior already enumerated. We come now to two bureaus which are more appealing to the imaginations of a greater number of people than any of the other activities within our Government. We have pressed him ever backward, ruthlessly and greedily taking from him his fertile soil and his rich resources.

The Virgin Islands, originally purchased from Denmark, were transferred to the Bureau of Indian Affairs and the National Park Service.

What the last word. The Department has purchased land in the islands for homesteading and is engaged in readjusting facilities on the land in the island of St. Croix. Our chief concern is to make these islands economically self-sufficient, to raise the standard of living, and to improve the system of education. Serious problems are presented here but we are hopefully trying to solve them.

Not the least of these problems is the reorganization of the Indian Service, a project that has been under way for many years. The Indian Service is now engaged in the development of a reindeer herd for the territory of Alaska.

THE BUREAU OF HOMESTEAD

This Bureau was established under the act of June 7, 1890. It is charged with the duty of developing the agricultural possibilities of the arid and semiarid regions of the United States. The present appropriation for the work of this bureau is $3,964,607 acres, with a crop value of $73,960,377. The total crop value of irrigated-land crops from 1906 to 1921, inclusive, is $199,877,751. For the year 1921, this Bureau appropriations are made from the reclamation fund, which is a revolving fund consisting of revenues from public lands and repayments by water users in the reclamation districts. The appropriations are made with various municipalities that are to enjoy the fruits of the development of the undeveloped and undiscovered oil pools within the public domain. As a matter of fact, the administration of the Interior already enumerated. We come now to two bureaus which are more appealing to the imaginations of a greater number of people than any of the other activities within our Government. We have pressed him ever backward, ruthlessly and greedily taking from him his fertile soil and his rich resources.

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tions that go back to a time centuries before the white man ever set foot on American soil. We can even see a value—a dollars-and-cents value—innovating the arts. Indians who come to appreciate. Men boast of Indian blood in their veins. Women of culture and artistic perceptions in our eastern cities are to be found on display among the Indian artifacts in their homes. They wear artistic jewelry fashioned out of Mexican pesos and are from the historic Indian land grants and native Indian tribes which we buy at large prices proudly to display on our walls.

We can even see something worth while in the age-old ceremonies of the white Indians. By this means, we will see the tourists flock to the desert spaces of New Mexico and Arizona to see the buffalo dance, the corn dance, the shalako, and that most sensational of all native ceremonies, the fire dance.

The policy of the Bureau of Indian Affairs is to help the Indian to help himself. We want to protect him in his property rights. We want to prevent further ruthless exploitation. We want to encourage him to live his own life in his own way. We want the white neighbors of these original Americans to learn to respect their religions and their ceremonies. We want the Indians themselves to rebuild and develop their own cultural life. Our policy is to encourage both races to live together in mutual tolerance and understanding.

The national parks and monuments are among the most cherished possessions of the people, and the National Park Service of the Federal Government has been generously assisted by some of the most generous of American citizens. The National Park Service is to-day as it has been tended by the generosity of Mr. Rockefeller, is responsible for the rebuilding and development of the West, where natural phenomena and areas of rare beauty and unmatched liberality, he has already actually given some $1,500,000. Mr. Rockefeller, Jr., has acquired the land for the Shenandoah National Park, in addition to these great playgrounds the historic Mammoth Cave in Kentucky will soon be the property of the United States.

In acquiring and developing these parks and monuments the Federal Government has been generously assisted by citizens of the States and by citizens either acting individually or in association with each other. The State of Virginia by appropriating $1,000,000 and the States of Tennessee and North Carolina, the Morristown National Park in New Jersey, which will be dedicated to the United States on July 6, and the Acacia National Park in Maine. In addition to these great playgrounds the historic Mammoth Cave in Kentucky will soon be the property of the United States.

An organization of patriotic women under the leadership of Mrs. Josephine Rust, and encouraged by a gift of $113,000 from Mr. Rockefeller, has purchased the buildings and equipment of Wakefield, the birthplace of George Washington, and its dedication as a national monument to the Federal Government. Citizens of New York, inspired by an endowment of $800,000 by Mr. Rockefeller, have contributed to the purchase of the Morristown National Park.

Stephen T. Mather of Chicago, in whose honor a memorial tablet will be dedicated at Bear Mountain in the Palisades Park on May 27, was the man who dreamed a dream of what the national parks ought to mean to the people. He was, who, as director of the National Park Service, had the foresight to see, deep and wide, the foundations upon which we have been building ever since. Out of his comparatively modest fortune he contributed, while in the Government service, several hundred thousand dollars to the development of the parks and to the upkeep of the Park Service. William Kent, at one time also a citizen of Chicago, and later a resident of and Congressmen from, the State of California, have contributed to the National Park Service, thereby saving a fine grove of the great redwood trees, which, but for his intervention, would long ago have succumbed to the woodmen’s axes.

But the one man who has done most to help us realize the ideals that Stephen T. Mather and Horace Albright, his successor in the service, have had with respect to our national parks is Mr. John D. Rockefeller, Jr. His generosity, which stirs our sentiments and appeals to our imagination, poured out on national projects which likewise stir our imagination and appeal to our manhood, has no parallel in the world. Can such an investment in a dream be matched? Individuals and States have joined with the United States to preserve the western parks. Magnificent specimens of the oldest living things in the world, the giant Sequoias, happily preserved from being turned into shingles and posts, are free for all time to come to appreciate. Men boast of Indian blood in their veins.

Mr. FISH. Mr. Speaker, I ask unanimous consent to speak out of order for 10 minutes.

Mr. BYRNS. Mr. Speaker, reserving the right to object, I wish the gentleman from New York would address the House for 5 minutes immediately following the gentleman from New York.

Mr. BLANTON. Reserving the right to object, I object this morning because I was afraid the gentleman from New York was going to make some adverse criticism of the soldiers from our districts who are coming to Washington. The gentleman since then has assured me that he had no such intentions. He was only to warn them, he said, against certain communistic leaders in Washington. Therefore I withdraw any objection.

Mr. GREEN. Reserving the right to object, I should like to know if the gentleman from New York is going to rehash the deplorable Scottsboro case in Alabama? If not, I have no objection.

Mr. ROGERS of Oklahoma. Mr. Speaker, reserving the right to object, in regard to keeping a quorum here to-morrow, if every Member who speaks will remain we will have a quorum. The trouble is that as soon as a speaker makes his speech he leaves the House.

The SPEAKER. The gentleman from New York asks unanimous consent to address the House for 10 minutes and the gentleman from Washington 5 minutes. Is there objection?

There was no objection.

Mr. FISH. Mr. Speaker, I assure the gentleman from Tennessee that I do not intend to make any reflections on those veterans who have been invited here from congressional districts, the 20 veterans from each congressional district, to participate in this so-called "convention" next week. I am one of those who believe that 98 percent of the veterans of the United States are loyal and patriotic and can be depended upon at all times. 

The veterans in the United States, however, were shocked a few days ago when they read in the newspapers an announcement, issued from the White House, by the Veterans' National Liaison Committee, with the approval of Colonel Howe, the Secretary of the President, that a convention was to be called here in Washington by this group between May 12 and May 18, and that, with the consent and cooperation of the President and of the administration, these veterans would be housed and fed at Government expense, if necessary. The great veterans' organizations in America, the American Legion, the Veterans of Foreign Wars, the Disabled American Veterans, feel that they have been betrayed because they know that the Veterans' National Liaison Committee is inspired and led by Communists and has been repudiated by all veteran organizations incorporated under the laws of Congress.

Mr. McFARLANE. Mr. Speaker, will the gentleman yield? Mr. FISH. I cannot yield; I am sorry. I should like to, but I cannot.

Mr. McFARLANE. I wonder if the gentleman is speaking as the official representative of these organizations.
Mr. FISH. I have spoken with the national legislative representatives of all of those organizations, and after having read their own statements to the press, I understand that all of them were requested by the White House to use their influence with their members to prevent a bonus march on Washington, and that they all did cooperate to the fullest extent. Naturally they are disgusted at the action of the White House in recognizing a red organization sponsored by Communists and securing time over the Columbia Broadcasting System to summon veterans to Washington. Those organizations are opposed to holding this convention in Washington, because they know that those who have inspired it, who have organized it, who have led it and are still leading it, are mostly Communists or affiliated with Communist activities. Mr. Newlin, the national adjutant of the Bonus Expeditionary Forces, from Pittsburgh, went to the White House a few days ago and explained to Colonel Howe that one of the leaders, Emanuel Levin, was a Communist. The secretary said, “How do you know that he is a Communist, and how do we know anything about you?” I take this opportunity to place before you the record of Emanuel Levin, one of the active members of this committee and also the head of the Workers Ex-Service Men’s League, an out-and-out Communist organization, and a former editor of the Daily Worker, the official organ of the Communist Party. 

Mr. PATMAN. Will the gentleman yield? 

Mr. FISH. I have not the time. I cannot yield. 

Mr. PATMAN. Then I shall make the point of order that there is no quorum present. 

Mr. FISH. Very well; I yield for a brief question. 

Mr. PATMAN. Mr. Levin is not a veteran of the World War, and he would not be in a position to have anything to say on this convention here. 

Mr. FISH. Mr. Levin is an active and leading member of the National Veterans’ Liaison Committee. He has been up to the White House several times himself, and was there this morning, and Mr. Newlin informed the press that when he told them Levin was a Communist he was told that they did not know he was a Communist. 

Mr. PATMAN. He cannot participate in the convention. 

Mr. FISH. The record shows that this man, Emanuel Levin, who still is a leader of the Veterans’ National Liaison Committee, and recognized as such at the White House, is not a veteran. He was asked by Mr. MILLIGAN at a hearing before the Joint Congressional Committee on Veterans’ Affairs, held on February 2, 1933: Are you a veteran of the World War? He replied: 

I am not a World War veteran. I served in the United States Marine Corps. 

Mr. MILLIGAN. During peace times? 

Mr. Levin. During peace times. 

Later on Mr. Chipperfield asked him: 

Should I like to ask you this question: Are you connected with the Communist group? I am not asking whether you are a member of the Communist Party. 

Mr. Levin. It is a matter of record. I am a member of the Communist Party. 

He is one of the main leaders, if not the actual leader, of the Veterans’ National Liaison Committee, on which are also James W. Ford, a Negro, who was the Communist Vice-Presidential candidate in the last election. On that committee also is a man named Harold Hickerson, whom I do not know, but who is an influential Communist, according to Robert Desoff, the national legislative representative of the B.E.F., who was a member of the liaison committee, but resigned because of its Communist propaganda, activities, and affiliations. Then there is Alfred Sellers, one of the few men who was actually connected with the B.E.F., and who, I am informed, signs his letters “Yours for the revolution.” That is the makeup of the committee that organized the V.E.F. convention that has been called here in Washington, practically with the consent and approval of the administration. 

I rose for the specific purpose of calling attention to the record of these men, so that your people back home, your veterans, who want the bonus, and who have a right to ask for it, will not come here without knowing the facts that the proposed V.E.F. convention has been organized, inspired, and directed by Communists.

Mr. KVALE rose. 

Mr. FISH. Of course I will say to my friend from Minnesota that there are one or two members on that committee whom the gentleman knows who probably are not Communists. So far as I know, I have no record that they are Communists, but the majority of them, who have inspired it, who have organized it, who have led it and are still leading it, are mostly Communists or affiliated with Communist activities. Mr. Newlin, the national adjutant of the Bonus Expeditionary Forces, from Pittsburgh, went to the White House a few days ago and explained to Colonel Howe that one of the leaders, Emanuel Levin, was a Communist. The secretary said, “How do you know that he is a Communist, and how do we know anything about you?” I take this opportunity to place before you the record of Emanuel Levin, one of the active members of this committee and also the head of the Workers Ex-Service Men’s League, an out-and-out Communist organization, and a former editor of the Daily Worker, the official organ of the Communist Party. 

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not have any part in it either. If it does it will be a serious
blunder and will help to promote the spread of communism
among the veterans. It would be a traveesty and a disgrace
if American veterans are compelled to seek quarters and
food from Communists who are preaching the overthrow
of the Government.
Mr. KVALE. Will the gentleman yield?
Mr. FISH. I yield.
Mr. KVALE. Is the gentleman willing to except from that
indictment the two members of the committee that I spoke
to him about, namely, Mr. Brady and Mr. Williams, both of
whom have been performing unseafish and thoroughly
devoted tasks in behalf of their comrades?
Mr. FISH. I am, because I know nothing against them
except that they are radically inclined; and, of course, they
know they are associating with Communists, and that the
Communists are in control of the liaison committee. That is
the only thing I know against them. [Applause.]

The SPEAKER. The time of the gentleman from New
York [Mr. FISH] has expired.

Mr. LLOYD. Mr. Speaker, it is with some degree of
trepidation and some reluctance that I trespass upon the
time of the House at this hour of the day. However, I have
laid upon the Clerk's desk today a resolution about which
I desire to make some small explanation.
This resolution, in substance and effect, which I offer upon
my own responsibility and ask the consideration of this
House, is a resolution that provides for an amendment to the
Constitution of the United States, in substance and
effect, authorizing the Congress to limit the wealth of in­
dividual citizens; provided, however, that at no time shall the
amount be fixed below the minimum fixed in the amend­
ment, namely, $1,000,000 per person.
Mr. CHRISTIANSON. Will the gentleman yield?
Mr. LLOYD. Yes; I yield, but I only have 5 minutes.
Mr. CHRISTIANSON. The gentleman meant maximum,
did he not?
Mr. LLOYD. Minimum. For almost 60 days we have been
in session; and while we have tried to do much, and I
believe so far as the good of the country is concerned, we
have done much.
Mr. BOYLAN. Mr. Speaker, will the gentleman yield for
a parliamentary inquiry?
Mr. LLOYD. I yield.
Mr. BOYLAN. I wanted to ascertain whether or not the
millionaires were walking out while the gentleman is making
his address.
The SPEAKER. That is not a parliamentary inquiry.
The gentleman will proceed.
Mr. LLOYD. For almost 60 days we have sat in extraordi­
ary session, and my judgment is that all too little legislation of
a permanently constructive character has been enacted or
even planned, or is now contemplated.
Palliatves, to be sure, have been applied. We have sub­
dsidized the farmer and charged the cost to labor, and we are
attempting to subsidize labor and propose to let the farmer
pay the bill. We have inflated the currency without profit
if the major portion of that inflated medium shall find its
way into the hands of those who already possess an over­
abundance.
This resolution proposes that once and for all we shall lay
the ax of legislative enactment at the tap root of the evil;
that we shall cease to equivocate and bravely face a con­
dition, not of our choosing, that has been the natural and
inevitable result of a progressive civilization, and in the
interest of the future of all of our people, place a definite
limitation on the acquisition and ownership of wealth.
I could point out in logical sequence the causes that have
brought about our present conditions, but even the effort in
foreshadowed by futility since the fact remains that the
vast, uncontrolled, and unbridled acquisition of our national
wealth has become centralized—the only reason many
men are too poor is because a few men are too rich.

In a country like ours, blessed with an abundance of all
that the needs of men require, poverty among those who are
willing to work should be an accident rather than a universal
habit, and a system of government that makes widespread
poverty possible is neither just nor economically sound.
I do not seek to destroy the industry or wealth, but I do pur­
pose to place the burden of public expense and national
development upon the shoulders of those best able to bear
that burden and those who have profited most. I would have
the strong help the weak rather than have the weak forever
bearing the strong. I would have fewer millionaires and
more millionaires, and more opportunity for every man to
acquire a little fortune. I purpose in the main to bring up
the poor and bring down the rich into the class of the aver­
age man, where all may find real happiness and where we
may know a widespread national prosperity.
I recognize in this proposed amendment the right of every
man to strive for gain, within reasonable limits, not inconsis­
tent with the rights of every other man, and recognize, too,
the oft-proven fact that no tyranny is more cruel than the
tyranny of a temporary majority. So I have deemed it wise
to place a limit beyond which Congress may not go in
equalizing fortunes that will insure to every man the exercise
of the maximum amount of initiative.
I am not insensible to the fact that this portends a radical
departure from preconceived concepts of the rights of prop­
erty, but I recognize that a condition has grown upon us that
the founders of this Government could not have foreseen.
I am committed to the doctrine that it is the natural and
inevitable right of every man to own and control the prop­
erty that he may earn or create, but I recognize the fact that
not only the happiness of our people but the entire future of
the capitalistic system is dependent upon its submission

to reasonable regulations and restraints.
Unusual times may demand unusual measures, but the test
by which every policy of legislation must be judged is the
truth whether it be in itself constructive or destructive.
Even though it be new and untried, if it promises a con­
structive program that will reestablish our people, it is worthy of consideration by those whose duty
it may become to find a way out of the fog of discontent
and uncertainty and fear that now surrounds us. New
conditions always have required and will always require new
thoughts and new inventions, and new illis will require new
remedies.

The world is moving on flying wheels and speeding wings
into an unexplored future, and men of faith and vision must
be found to guide the way. May we have the faith and
vision to see those brave men who bear the brains capable
to the happy people in the Nation that was to be, and may we meet
our problems with the same directness of purpose that
guided them. [Applause.]

The House joint resolution is as follows:

House Joint Resolution 178
Resolved by the Senate and House of Representatives of the
United States of America in Congress assembled (two thirds of
each House concurring therein), That the following article is
hereby proposed as an amendment to the Constitution of the
United States, which shall be valid to all intents and purposes as
part of the Constitution when ratified by conventions in three
fourths of the several States:

"ARTICLE —

"Sec. 1. Congress shall have power to limit the wealth of the
individual citizens of the several States, Territories, and the
District of Columbia and of all persons owning property within
the jurisdiction of the laws of the United States.

"Sec. 2. No law shall be enacted fixing the maximum amount of
wealth allowable to any one person at success in value in
excess of $1,000,000 gold dollars, 25% grains, nine tenths fine.

"Sec. 3. The power of levying and collecting taxes for revenue
shall require new inventions, and new illis will require new
remedies.

The world is moving on flying wheels and speeding wings
into an unexplored future, and men of faith and vision must
be found to guide the way. May we have the faith and
vision to see those brave men who bear the brains capable
to the happy people in the Nation that was to be, and may we meet
our problems with the same directness of purpose that
guided them. [Applause.]

The House joint resolution is as follows:

House Joint Resolution 178
Resolved by the Senate and House of Representatives of the
United States of America in Congress assembled (two thirds of
each House concurring therein), That the following article is
hereby proposed as an amendment to the Constitution of the
United States, which shall be valid to all intents and purposes as
part of the Constitution when ratified by conventions in three
fourths of the several States:

"ARTICLE —

"Sec. 1. Congress shall have power to limit the wealth of the
individual citizens of the several States, Territories, and the
District of Columbia and of all persons owning property within
the jurisdiction of the laws of the United States.

"Sec. 2. No law shall be enacted fixing the maximum amount of
wealth allowable to any one person at success in value in
excess of $1,000,000 gold dollars, 25% grains, nine tenths fine.

"Sec. 3. The power of levying and collecting taxes for revenue
shall require new inventions, and new illis will require new
remedies.

"Sec. 4. All sections of the Constitution of the United States
amendment heretofore are suspended for the purpose of carrying
this article into effect.

"Sec. 5. This article shall be inoperative unless it shall have been
been ratified as an amendment of the Constitution in the
several States, as provided in the Constitution, within 7
years from the date of the submission hereof to the States by
Congress."
Mr. PATMAN. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

SO-CALLED "BONUS MARCHERS"

Mr. PATMAN. Mr. Speaker, I do not favor a march on Washington by veterans of the World War. I am not in sympathy with it. Those who are encouraging it no doubt believe it will be helpful, but I believe it is calculated to be harmful to the entire movement. It is my understanding that a convention and not a march is proposed. Probably the present administration is facing a condition rather than a theory. The last administration had in the Capital City a large number of veterans of the World War; and if the administration had handled the situation more diplomatically, I believe those veterans would have let it alone in 15 days and there never would have been the least trouble in the world.

CONDITION AND NOT A THEORY

The present administration is facing a situation about which some of the Members of this House do not know. The administration is handling it in a way that will be satisfactory to the Congress and to the country. Less harmful results will develop than would otherwise develop. If the administration is to be commended for its efforts rather than condemned. I assure the Members of this House that what I know about the situation is that no one connected with the administration—and I am not speaking for the administration, I have no right to, but I am just giving you the benefit of my limited knowledge on the movement—is in sympathy with a march on Washington by the veterans of the World War or by any other group. On the other hand, I believe the administration recognizes that they should not be discouraged from peacefully assembling and presenting their views.

THIS IS A FREE COUNTRY

It is true the veterans believe they have the right to come here, and they do have a right to come here. The so-called "Economy Act" has caused many of them to have a grievance. They believe the payment of the adjusted-service certificates will help the country. They have a right to be in Washington. They have a right to be in New York City. They have a right to be any place in the United States. This is a free country, and no one should attempt to deny them this right. But I do believe they are exercising poor judgment in attempting to enforce their views and their judgment by a march on Washington. There is a difference in having a convention in Washington, or veterans coming to Washington and a march on it.

NO REFLECTION ON VETERANS' ORGANIZATIONS

I do not believe it is a reflection on the disabled American veterans or the Veterans of Foreign Wars or the American Legion for the reason that they will have a right to participate in the convention the same as veterans who do not belong to any organization. If I understand the plan correctly, it is to prevent, to prohibit, the very thing the gentleman from New York complained about. He said he was apprehensive that these veterans were going to be led by Communists. If they do come here unorganized, without any program, without any means of support, without any food, or without any shelter, do you not think a worse condition is created and more harm done to the cause of the veterans, most of them coming from just a few cities, than if a plan is worked out whereby a few will come from each congressional district in the United States? In other words, instead of having 10,000 come here from a few large cities, Communists—I mean a large number of them—Communists, I do not mean to say that all of them are Communists. I think very few of them are, very few. Practically all of them are good, loyal, patriotic American citizens. Many of them have spilled their blood upon foreign soil for this country. They are entitled to be heard.

Mr. BULWINKLE. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield for a question.

Mr. BULWINKLE. What is the purpose of this course of action of the veterans coming here from New York City said. I have the literature in my office if the gentleman wants to see it.

Mr. PATMAN. I do not doubt what but what there are a large number of Communists coming here. I regret this exceeding-heedless. But I want to say, Mr. Speaker, that the veterans of the World War are not going to be misled or deceived by a few Communists. They were not the last time and they are not going to be this time. I know the last time they were here it was said the Communists had control, but instead of their encouraging communism, they were an anti-communism. They kept the Communists under control.

[Here the gavel fell.]

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to proceed for 3 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. They conducted themselves in a very commendable manner.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. FISH. Is it not a fact that the B.E.F., who were here last year and who conducted themselves in a satisfactory way, are opposed to this whole convention being held here?

Mr. PATMAN. It is not my understanding that they are. Albert G. Sellers, one of the three incorporators and national treasurer of the B.E.F., as I understand, is behind this movement and is one of the leading officials in the National Liaison Committee which the gentleman says has been conferring with the White House. Three of the other four members of the committee, I understand, are former members of the B.E.F. I understand the chairman of the committee, George D. Brody, enlisted a few hours after war was declared, April 6, 1917, and was in five major engagements in France.

Mr. FISH. The gentleman understands that Waters, Carter, Newlin, Dessop, and Thomas and practically all the other leaders are very much against it.

Mr. PATMAN. I understand they are very much divided on it, but the gentleman must realize we are facing a condition we must deal with in the best possible manner, and I may say that if the last administration had left it to General Glassford to handle in the human, diplomatic way that he had always handled every situation I ever knew about, they would never have had any trouble; and if the veterans want to come here, and they are coming here, I insist that it is much better for them to come as good veterans from all sections of the country, from every congressional district, if you please, and be permitted to assemble here peacefully and present their views to Congress and to congressional committees, say their pieces—in other words, get it out of their system—and tell the country what they want and what should be given to them, and then peaceably go back home—I much prefer this to a large number coming here from a few large cities, and a large number of them would be Communists. I will listen to them and give consideration to their views, and I believe all the other Members of Congress will consider any petition they may present.

Mr. SNELL. Will the gentleman yield for a question?

Mr. PATMAN. I yield.

Mr. SNELL. It is reported in the papers that Colonel Howe said they would be fed by the Federal Government. Can the gentleman give us any information about that or tell us what right any man has to say that the Federal Government will appropriate money to feed any aggregation of citizens that comes to Washington?

Mr. PATMAN. The information I have is from a statement given out, it is said, from the White House, although not by the White House, that last year there was appro-
priated by this Government $40,000 to entertain veterans of the World War from France. There remains an unexpended balance in this fund, and as I understand, it has been suggested that the portion of that fund which remains unexpended, and which was to be used to entertain World War veterans from France, be used, if necessary, to shelter and feed those who attend this convention and who do not have any means of support and cannot otherwise provide accommodations for themselves.

Mr. SNELL. But no one has any right to promise that for Congress.

[Here the gavel fell.]

Mr. KYALE. Mr. Speaker, I ask unanimous consent to proceed for one half minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KYALE. Mr. Speaker, I do this in order to tell the gentleman from Texas (Mr. PATMAN), and I am sure he will be glad to have the correction, that the authorship of the statement to which he refers is with that Veterans' Committee and not with the White House.

Mr. PATMAN. The gentleman is correct, and I thank him for making my statement plain.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. Crowe, for the week, on account of urgent business.

To Mr. Better, for 1 day, on account of important business.

To Mr. Zioncheck, for 2 days, on account of important business.

RESIGNATION FROM COMMITTEE

The SPEAKER. The Chair lays before the House the following communication:

Hon. H. T. RAINEY,
Speaker House of Representatives, Washington, D.C.

Dear Mr. Speaker: I wish to tender my resignation from the Committee on Enrolled Bills, to take effect at once.

Yours very truly,

A. C. WILFORD, Member of Congress.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

RESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER. The Speaker will not be here tomorrow, and, therefore, appoints the gentleman from North Carolina (Mr. Bulwinkle) as Speaker pro tempore.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 48. An act to extend the time for completing the construction of a bridge across the Missouri River at or near Kansas City, Kans.;

H.R. 1596. An act to extend the times for commencing and completing the construction of an overpass viaduct across the Pee Dee River and a bridge across the Waccamaw River, both at or near Georgetown, S.C.;

H.R. 4127. An act to extend the times for commencing and completing the construction of a bridge across the Waccamaw River near Conway, S.C.; and

H.R. 4491. An act to extend the times for commencing and completing the construction of a bridge across the Mahoning River at Struthers, Mahoning County, Ohio.

ADJOURNMENT

Mr. WOODRUM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 45 minutes p.m.) the House, in accordance with its previous order, adjourned until tomorrow, May 10, 1933, at 11 o'clock a.m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. MILLIGAN: Committee on Interstate and Foreign Commerce. House Joint Resolution 189. A joint resolution granting the consent of Congress to a compact or agreement between the State of Kansas and the State of Missouri authorizing the acceptance for and on behalf of the States of Kansas and Missouri of title to a toll bridge across the Missouri River from a point in Platte County, Mo., to a point at, or near Kansas City, in Wyandotte County, Kans., and specifying the conditions thereof; with amendment (Rept. No. 114). Referred to the House Calendar.

Mr. MANSFIELD: Committee on Rivers and Harbors. H.R. 5568. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; without amendment (Rept. No. 119). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. MONTET: Committee on Military Affairs. H.R. 491. A bill for the relief of Arthur I. Neville; with amendment (Rept. No. 115). Referred to the Committee of the Whole House.

Mr. MONTET: Committee on Military Affairs. H.R. 992. A bill for the relief of Beryl M. McHam; without amendment (Rept. No. 116). Referred to the Committee of the Whole House.

Mr. MONTET: Committee on Military Affairs. H.R. 1015. A bill for the relief of Frank D. Whitfield; with amendment (Rept. No. 117). Referred to the Committee of the Whole House.

Mr. MONTET: Committee on Military Affairs. H.R. 3402. A bill for the relief of Harry C. Anderson; with amendment (Rept. No. 118). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H.R. 5533) granting an increase of pension to Eliza Alby; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H.R. 5550) granting a pension to Frank Milner; Committee on Claims discharged, and referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. MANSFIELD: A bill (H.R. 5589) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; to the Committee of the Whole House on the state of the Union.

By Mr. BLOOM: A bill (H.R. 5570) to extend the period during which certain aliens may remain in the United States; to the Committee on Immigration and Naturalization.

By Mr. McLEOD: A bill (H.R. 5571) to prevent losses to bank depositors by providing a Federal guaranty of bank deposits and to increase the stability and safety of the Nation's banking structure; to the Committee on Banking and Currency.

By Mr. LLOYD: Joint resolution (H.J.Res. 178) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. WHITE: Resolution (H.Res. 138) providing for the consideration of S. 7, an act providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska; to the Committee on Rules.
By Mr. WOODRUM: Resolution (H.Res. 139) for the payment to Pannie E. Wright of an amount equal to 6 months' compensation of the late J. W. Wright; to the Committee on Accounts.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Senate of the State of Texas, expressing deep regret at the untimely passing of Congressman Clay Stone Briggs and extending sincere and deepest sympathy to his widow and children in their bereavement; to the Committee on Memorials.

Also, a memorial of the House of Representatives of the State of Texas, expressing deepest regret at the untimely passing of Congressman Clay Stone Briggs and extending sincere and deepest sympathy to his widow and children in their bereavement; to the Committee on Memorials.

Also, a memorial of the Senate of the State of Pennsylvania, requesting Congress to reject any legislation to compel blending alcohol with gasoline; to the Committee on Ways and Means.

Also, a memorial of the Territory of Hawaii, memorializing Congress to amend section 41 of the organic act of Hawaii to the end that regular sessions of the legislature be held in the years ending on the third Wednesday in March in every odd-numbered year; to the Committee on the Territories.

Also, a memorial of the Legislature of the State of Colorado, requesting immediate passage of an act by the Congress of the United States providing for the construction of a drain through the "closed basin" of the Rio Grande in the State of Colorado, and for the surveying of a suitable site for a reservoir, toward the development and conservation of the waters of the Rio Grande Basin in the States of Colorado, New Mexico, and Texas; to the Committee on Irrigation and Reclamation.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BAKEWELL: A bill (H.R. 5572) for the relief of William J. Roper; to the Committee on Military Affairs.

By Mr. CANNON of Wisconsin: A bill (H.R. 5573) for the relief of John A. Nehmer; to the Committee on Claims.

By Mr. DICKINSON: A bill (H.R. 5574) granting a pension to Mary E. Mecomber; to the Committee on Invalid Pensions.

By Mr. GILLETTE: A bill (H.R. 5575) for the relief of Frederick Henry Pullman; to the Committee on Military Affairs.

By Mr. GRANFIELD: A bill (H.R. 5576) granting a pension to Ellen Scully; to the Committee on Pensions.

By Mr. HOPE: A bill (H.R. 5577) granting a pension to Sadie Hahnline; to the Committee on Invalid Pensions.

By Mr. IGLESIAS: A bill (H.R. 5578) for the relief of Carlota Ballesteros; to the Committee on Claims.

Also, a bill (H.R. 5579) for the relief of Julia Santiago; to the Committee on Claims.

Also, a bill (H.R. 5580) for the relief of Maria Miró Menéndez; to the Committee on Claims.

By Mr. JOHNSON of West Virginia: A bill (H.R. 5581) granting an increase of pension to Olive J. Eckert; to the Committee on Invalid Pensions.

Also, a bill (H.R. 5582) for the relief of John H. Gatts; to the Committee on Claims.

By Mr. McFARLANE: A bill (H.R. 5583) for the relief of E. P. Lane; to the Committee on Claims.

By Mr. McLEAN: A bill (H.R. 5584) for the relief of William J. Kemely; to the Committee on Claims.

By Mr. MARTIN of Oregon: A bill (H.R. 5585) for the relief of William Francis Kinsey; to the Committee on Naval Affairs.

By Mr. MURDOCK: A bill (H.R. 5586) for the relief of the parents of the late William Lloyd Parker; to the Committee on Claims.

By Mr. TABER: A bill (H.R. 5587) granting a pension to Sarah E. Schott; to the Committee on Invalid Pensions.

By Mr. WILLIAMS: A bill (H.R. 5588) for the relief of A. H. Marshall; to the Committee on Claims.

PETITIONS, ETC.

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

By Mr. ANDRUS of Massachusetts: Petition adopted by the council, Cambridge, Mass., urging passage of legislation authorizing and directing the Postmaster General to issue a special series of postage stamps commemorating the one hundred and fiftieth anniversary of the naturalization of Brig. Gen. Thaddeus Kosciusko, and of his illustrious service during the war for independence; to the Committee on the Post Office and Post Roads.

By Mr. CULLEN: Petition of Brooklyn Council-Kings County, Veterans of Foreign Wars of the United States, requesting that the remuneration and emoluments of the retired Army and Navy officers be readjusted and bear the same proportion of reduction in the interest of economy that the battle-scarred, wounded, and disabled veterans of all wars of the United States are bearing at this time and urging the Congress to prepare bills to effectuate this measure immediately; to the Committee on World War Veterans' Legislation.

By Mr. CUMMINGS: Memorial of the Senate and House of Representatives of the State of Colorado, requesting the immediate passage of an act by the Congress of the United States providing for the construction of a drain through the closed basin of the Rio Grande in State of Colorado, and for the surveying of a suitable site for a reservoir toward the development and conservation of the waters of the Rio Grande Basin in the States of Colorado, New Mexico, and Texas; to the Committee on Irrigation and Reclamation.

By Mr. FORD: Petition of the Legislature of the State of California, adopted January 26, 1933, memorializing Congress and the legislatures of the several States of the Union to cooperate in a program to give recognition to the services rendered the Nation by the volunteers who fought the War with Spain, the Philippine Insurrection, and the China relief expedition; to the Committee on the Judiciary.

By Mr. LAMBECK: Petition of Theodore Lindenberg, S. N. Bickerstaff, C. W. McKenzie, and 25 other citizens of the city of Columbus, Ohio, protesting against proposed reductions in the number of officers enrolled personnel in the United States Army, Navy, or Marine Corps, suspension of the National Guard and Reserve Officers' Training Corps training camps, suspension of Federal aid to military schools, and reduction in pay to Army, Navy, or Marine Corps Air Service flying officers; to the Committee on Appropriations.

By Mr. LINDSEY: Petition of Railway Express Employees, Local 808, International Brotherhood of Trainmen, New York City, concerning deficit in the Post Office Department; to the Committee on the Post Office and Post Roads.

By Mr. WHEATON: Petition of Whistler's Association, Local No. 1, New York City, favoring enactment of the Black-Connery 30-hour week bill; to the Committee on Labor.
The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. ROBINSON of Arkansas. 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:

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Mr. KEAN. I should like to announce the absence of my colleague the Junior Senator from New Jersey [Mr. Barbour], owing to illness. I ask that this announcement may stand for the day.

Mr. KENDRICK. I desire to announce that the Senator from Illinois [Mr. Lewis], the Senator from Oklahoma [Mr. Gore], the Senator from New York [Mr. Wheeler], the Senator from Virginia [Mr. Glass], the Senator from California [Mr. McAdoo], and the Senator from Massachusetts [Mr. Walsh] are necessarily detained from the Senate on official business.

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

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. 4580) to relieve the existing national economic emergency by increasing agricultural purchasing power, to raise revenue for extraordinary expenses incurred by reason of such emergency, to provide emergency relief with respect to agricultural indebtedness, to provide for the orderly liquidation of joint-stock land banks, and for other purposes, and that the House insisted upon its disagreement to the amendment of the Senate numbered 83 to the said bill.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 4580) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1934, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Cannon of Missouri, Mr. Blanton, Mr. Buchanan, Mr. Tyler, and Mr. Bacon were appointed managers on the part of the House at the conference.

The message further 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. 4690) to provide for cooperation by the Federal Government with the several States and Territories and the District of Columbia in relieving the hardship and suffering caused by unemployment, and for other purposes.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 4840) to...