MICHIGAN

Edgar S. Allen, Mancelona.
Clarence J. Maloney, Mass.
Donald E. Howell, Wayne.

MISSOURI

Willie A. Barton, Alton.

NORTH CAROLINA

Joseph C. Allen, Durham.
Singleton F. Thompson, Flat Rock.
Helen B. Siler, Siler City.
Fred M. Mills, Wadesboro.

HOUSE OF REPRESENTATIVES

MONDAY, MARCH 25, 1935

The House met at 12 o'clock noon.

Rabbi Leon Fram, Temple Beth-El, Detroit, Mich., offered the following prayer:

Lord our God and God of our fathers, guided by Thy spirit and calling upon Thy name, our forefathers came to this New World and proceeded to establish a new society. Strengthened by their faith in Thee, they resisted the intolerance of the Old World and established a new society based upon mutual understanding. They defeated the political tyranny of the Old World and erected a new society of self-government and freedom. They emancipated themselves from the social oppressions of the Old World and built a new society based upon justice and righteousness. They repudiated the militaristic tradition of the Old World and constructed a new United States of peace, whose military forces shall be subordinate to the civil government.

And now in this hour of tempest and conflict, we pray to Thee, O God, who createst the world anew every day, help us to keep this our society forever new, forever young. Let us never relapse from the attitude of mutual tolerance which we have achieved into the intolerance which at the very founding of our country we sought to uproot from our hearts. Let us never surrender our democracy to the tyrannies against which we once successfully rebelled. Let us never settle back into the social injustices and inequities out of which we had emerged. Let us never embrace again that Old World militarist tradition which at the beginning of our career we repudiated. O Father, lend of Thine infinite wisdom and Thy creative energy unto these Thy children who constitute this great legislative body. May they continuously recapture that youthful enthusiasm and flexibility which characterizes the spirit of this Nation, and as our legislatures once pioneered on the trail of democracy, so may they now clear the road for national righteousness and world peace. Amen.

The Journal of the proceedings of Friday, March 22, 1935, was read and approved.

MESSAGE FROM THE PRESIDENT

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

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed with amendments, in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 117. Joint resolution making appropriations for relief purposes.

The message also announced that the Senate insists upon its amendments to the foregoing joint resolution, requests a conference with the House thereon, and appoints Mr. GLASS, Mr. MCKELLAR, Mr. COPELAND, Mr. HALE, and Mr. KEYES to be the conferees on the part of the Senate.

CORRECTION

Mr. FISH. Mr. Speaker, I would like to have an error corrected in the RECORD of the roll call no. 34 of last Friday. In the RECORD I am paired as in favor of the Patman bill. I am emphatically against the Patman bill.

Mr. RANKIN. Reserving the right to object, who is the gentleman paired with?

Mr. FISH. I was not paired with anybody. The RECORD had me paired with Mr. CLAIBORNE, and I had no conversation with Mr. CLAIBORNE.

Mr. RANKIN. I did not want to leave Mr. CLAIBORNE up in the air.

Mr. COCHRAN. Mr. Speaker, the gentleman from New York has asked that the RECORD be corrected. Of course it is not Mr. CLAIBORNE's fault that the gentleman from New York was paired with him. Mr. CLAIBORNE was against the Patman bill and wanted to be recorded against it. His request for a pair was one of the first filed.

If the RECORD is corrected, what will it show in reference to the gentleman from Missouri [Mr. CLAIBORNE] who was opposed to the bill?

The SPEAKER. The RECORD will show the gentleman's status on the bill—he will be fully protected.

Mr. COCHRAN. I would like to have the RECORD show here that Mr. CLAIBORNE was called home on important business and requested me to see that he was paired against the bill. I made such a request of the pair clerk as Mr. CLAIBORNE asked me to do, and the pair clerk paired my colleague with the gentleman from New York.

APRIL 6, ARMY DAY—A PATRIOTIC CELEBRATION OF OUR ENTRY INTO THE WORLD WAR

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the anniversary of our entry into the World War.

The SPEAKER. Is there objection?

There was no objection.

Mr. McSWAIN. Mr. Speaker, I respectfully call to the attention of the Congress and the country the fact that April 6 will be the eighteenth anniversary of the entry of the United States into the World War on behalf of the Allies. Many changes in the geography and history of the world have taken place since then. Great empires, such as the Austrian, the German, and the Russian empires, have fallen. Those great monarchies were considered prior to April 6, 1917, as bulwarks and cornerstones of the world. Now they have been literally obliterated and the world is looking out upon a new order of things.

The great democracy of Great Britain and the great democracy of the United States still stand. Why do they stand? They "still stand" because they do not "stand still"; because they are capable of internal modification in response to the will of the people themselves. The British Government, without any written constitution, makes its own constitution as it progresses in accordance with the will of the representatives of the people in Parliament assembled. The written Constitution of the United States contains within itself the machinery for changes and reform. Furthermore, the Constitution itself, written in broad and general terms, is capable of being interpreted by the Congress and by the Supreme Court of the United States to meet the necessities and emergencies and exigencies of the times.

Mr. Speaker, it is well that we should celebrate our entry into the World War. It will remind our people that we entered that great conflict with no selfish motive, but for the purpose of enforcing treaty rights and for championing the cause of small nations, such as Belgium, and of preserving our own inherent rights to travel the seas as a neutral nation. When our rights to travel the seas and to have commerce with other nations was deliberately denied and the lives of our people deliberately destroyed, there was nothing left for us, as a self-respecting people, to do but to seek to crush the power that denied such rights on our part. To celebrate April 6, therefore, is not to arouse the spirit of chauvinism and militarism, but to inspire the spirit of democracy and to proclaim the fact that we are proud that we have been champions of the cause of civilization. It means that we are willing in the future to defend our rights against any selfish and aggressive power that may invade our territory or undertake to defeat our rights upon the high seas.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Mr. Speaker, by permission of the House, I insert a letter from the President of the United States to the national commander of the Military Order of the World War concerning Army Day, and also I am inserting a letter from the Secretary of War, and from the Chief of Staff upon the same subject matter.

THE WHITE HOUSE,
Washington, March 16, 1935.

Lt. Col. GEORGE E. IJAMS,
Commander in Chief Military Order of the World War,
Washington, D. C.

MY DEAR COLONEL IJAMS: The general observance of Army Day on April 6 should bring back to our mind the efforts and sacrifices of our soldiers which have been so decisive in the creation, preservation, and development of this great Nation; it should be an occasion for the Army to rededicate itself to its glorious heritage of service to our country both in times of peace and in times of war.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

WAR DEPARTMENT,
Washington.

Commemorating, as it does, our entry into the World War, Army Day serves to keep fresh in the public mind the value of preparedness for national defense. To the Military Order of the World War, whose leadership is largely responsible for this annual observance, I extend hearty greetings and assurance of appreciation of its patriotic endeavors.

GEO. H. DERN, *Secretary of War.*

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF STAFF,
Washington, D. C.

Maj. EDWIN S. BETTELHEIM, Jr.,
Adjutant General Military Order of the World War,
Washington, D. C.

MY DEAR MAJOR BETTELHEIM: Army Day brings to me once again the opportunity of testifying to the high regard that the Army holds for the Military Order of the World War.

The members of your organization displayed, in the greatest war of history, qualities of leadership that brought them into positions of responsibility and distinction. During succeeding years they have continued to exhibit an unflagging interest in our country's welfare, which has earned for the order an enviable reputation and made of it a distinct national asset.

It is a privilege to extend, through the national bulletin of the order, Army Day greetings and best wishes to each of your members.

Sincerely,

DOUGLAS MACARTHUR,
General, Chief of Staff.

Mr. STACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute on the bill H. R. 1.

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

There was no objection.

Mr. STACK. Mr. Speaker and my colleagues of the House, I want to take this opportunity to congratulate the House of Representatives for the new bill of rights written last Friday afternoon, when H. R. 1, commonly called the "Patman bill", was passed by this body.

It is a new declaration of independence for the House of Representatives and their constituents. It is the emancipation of the American people from the slavery of the money changers and the international bankers.

I am satisfied that through the passage in this House of bill H. R. 1, the Nation, through us, spoke to our President, and that we are on our way to complete recovery.

I ask permission to revise and extend my remarks and to insert in the RECORD an editorial from the Philadelphia Record of Saturday March 23, 1935.

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

Mr. RICH. I object.

APPROPRIATIONS FOR RELIEF (H. J. RES. 117)

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 117, making appropriations for relief, disagree to the Senate amendments, and agree to the conference asked for by the Senate.

The SPEAKER. The gentleman from Texas asks unanimous consent to take from the Speaker's table House Joint Resolution 117, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate. Is there objection?

Mr. DIES. Mr. Speaker, I reserve the right to object.

Mr. JOHNSON of Texas. Mr. Speaker, I object.

Mr. RANKIN. Mr. Speaker, I desire to submit a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. Objection has just been made to sending the public-works bill to conference by unanimous consent. What course does it take now? Does it go to the committee automatically?

The SPEAKER. It could be referred to the committee or it can lie on the Speaker's table.

Mr. RANKIN. I ask the gentleman from Texas [Mr. BUCHANAN], the chairman of the committee, what the plans are with reference to this bill? We are very much interested and we would like to know what the plans are.

Mr. BUCHANAN. Mr. Speaker, the Senate placed 31 amendments on the bill.

Mr. RANKIN. We are familiar with the amendments.

Mr. BUCHANAN. Maybe. As the bill stands it is not possible of efficient administration.

Mr. RANKIN. We think it is.

Mr. BUCHANAN. I cannot help what the gentleman thinks.

Mr. RANKIN. And when I say "we" I mean a large number of Members on this side of the House who have examined these amendments. We are in favor of accepting the Senate amendments. What we are asking now is what parliamentary procedure will be followed.

Mr. JOHNSON of Texas. Mr. Speaker, I demand the regular order.

The SPEAKER. The procedure to be followed is a matter for the House to determine. The House will make such disposition of the Senate amendments to the joint resolution as a majority of the House wishes.

PHILIPPINE INDEPENDENCE (H. DOC. NO. 145)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Insular Affairs and ordered printed:

To the Congress of the United States:

I have pleasure in informing the Congress that I have today certified to the Governor General of the Philippine Islands that the proposed constitution of the Philippines as adopted by the Philippine Constitutional Convention conforms substantially with the provisions of the act of Congress approved March 24, 1934 (U. S. Stat. L., vol. 48, pp. 456–465).

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *March 23, 1935.*

APPORTIONMENT TO STATES FOR PUBLIC EMPLOYMENT OFFICES

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 147) to alter the amount apportioned to certain States for public employment offices affiliated with the United States Employment Service, and consider the same at this time.

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

Mr. SNELL. Mr. Speaker, I think the gentleman should make an explanation before a matter of this kind is brought up by unanimous consent.

Mr. CONNERY. The entire matter is fully explained in the report. The purpose is to permit an appropriation of not less than $10,000 to each State for its assistance in the establishment of local employment offices. Under existing law, the Wagner-Peyser Act, the appropriation of $3,000,000 provided must be—

> Apportioned by the Director among the several States in the proportion their population bears to the total population of the States of the United States according to the next preceding United States census.

By a strict application of this rule four States, Delaware, Nevada, Vermont, and Wyoming, and the Territories of Alaska and Hawaii, receive amounts less than $10,000. It is the opinion of the Department of Labor that the employment offices cannot be effectively established with a

total fund available for operation of less than $20,000; that is, $10,000 apportioned by the Federal Government and $10,000 raised by the State itself. Under the present law no money shall be apportioned in any State unless and until an equivalent sum has been apportioned for any year by the State; so that unless the State matches the appropriation of the Federal Government, it is not permitted to participate in the benefits of this legislation.

This bill does not increase the total appropriation. It merely effectuates a redistribution to the different States, whereby the 44 States that are now receiving substantial sums are called upon to make up the difference between the amounts now received by the four States named and the $10,000 which the bill provides for each of them. The cost of this redistribution to each of the 44 States is only a few hundred dollars.

In other words, they do not want these 4 States and the 2 Territories discriminated against.

Mr. SNELL. What information came before the gentleman's committee to show that they could not carry on in a State like Vermont with the money appropriated?

Mr. CONNERY. There is a letter in the report which covers that. I quote from a letter from Miss Perkins, Secretary of Labor:

> Even when a State is prepared to match the amount of the Federal apportionment, it is obvious that the combined total would hardly suffice to establish upon a sound basis a public employment office. The Director of the United States Employment Service and I are both of the opinion that in no State can a creditable State employment service be established with a total fund available for its operation of less than $20,000; that is, $10,000 apportioned by the Federal Government and $10,000 raised by the State itself.

No State can have these employment offices cover the State with less than $10,000. Even if a State puts up only $2,000, that is all that it would get from the Government. The idea of the Government is to start them off with at least $10,000 each.

Mr. SNELL. What information did the gentleman get from those States themselves as to why they are not doing what they ought to? Did they not want to appropriate more money? That is a general letter from the Secretary of Labor.

Mr. CONNERY. The Secretary of Labor and the Director of Employment under the Department of Labor say that these States cannot function, that they cannot have real employment services in these States unless they receive at least $10,000 from the United States Government.

Mr. SNELL. I do not want to object to bringing this up, but I think the gentleman ought to bring it up in regular order and let people understand it is going to be brought up. Then if anyone interested who has information wants to ask questions about it, he could be here and present what information he desires to to the House.

Mr. CONNERY. The Senate Education and Labor Committee and the House Labor Committee reported the bill unanimously.

Mr. SNELL. I think the gentleman should give the House some information in advance when matters of this kind are to be brought up on the floor of the House.

It is not fair to continue to bring everything up here by unanimous consent. I do not know that there is any objection to this, but it is not the proper way to legislate, and if you are going to continue to do that all through this session, I shall eventually have to object.

Mr. RICH. Will the gentleman yield?

Mr. CONNERY. I yield.

Mr. RICH. It seems to me the statement made by the gentleman from New York [Mr. SNELL] is correct, and that the membership should be given an opportunity to consider and study legislation that is brought up here. We realize that the gentleman's committee may have had some opportunity to study the proposed legislation, but the membership of the House has not been given any notice that this legislation would be taken up. There is a labor board and labor department in every State in the Union. We ought to know whether this will be satisfactory to them, because we here in Washington are trying to run not only the affairs of the Government we are connected with, but everybody else's business, which is all wrong. I think it is time that in submitting legislation we give the Representatives of the Congress an opportunity to consider it. I think it is wrong in principle to do it in this way, and I will have to object.

Mr. CONNERY. I wish the gentleman would withhold his objection. This is a matter which the Department of Labor, after experience trying to put people to work in the States of Vermont, Delaware, Wyoming, and Nevada, brought before the Senate committee. The Senate committee passed it and sent it over to us. Our Labor Committee studied the bill and the letter of the Secretary of Labor and decided that it only means a couple of hundred dollars from the other States to take care of these four States and Territories which are discriminated against. It does not mean anything to my State, but I do not like to see any State discriminated against.

Mr. RICH. Is this bill on the Consent Calendar?

Mr. CONNERY. No; it is on the Union Calendar.

Mr. RICH. When will it come up before the House?

Mr. CONNERY. It might never come before the House.

Mr. RICH. We can take it up here next Monday.

Mr. CONNERY. There is a question whether we can or not.

Mr. RICH. I would not object to the gentleman asking unanimous consent to bring it up next Monday.

Mr. CONNERY. If the gentleman desires to object, that, of course, is his right. I am only trying to help those 4 States and the 2 Territories. It has nothing to do with Massachusetts.

Mr. RICH. I would like to help those States if it is worthy, and after due consideration. I request that you ask unanimous consent to bring it up on next Monday.

Mr. CONNERY. I will put this bill on the Consent Calendar, and I hope the House will pass the bill next Monday.

Mr. RICH. Very well. We know by so doing Members of Congress will have some time to investigate the merit of the legislation proposed, and that is as it should be, not to jam it through here without any consideration.

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

Mr. RICH. Mr. Speaker, I object.

SPECIAL STATISTICAL STUDIES—DEPARTMENT OF LABOR

Mr. CONNERY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 857) to authorize the Department of Labor to continue to make special statistical studies upon payment of the cost thereof, and for other purposes.

The Clerk read the title of the bill.

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

Mr. SNELL. Reserving the right to object, the Consent Calendar is for the purpose of taking care of bills of this character. We have appointed certain Members of the House to look over those bills and see if they should be passed by unanimous consent. I really feel that the gentleman, in fairness to the House, should put both of these bills on the Consent Calendar and then they would come up next Monday.

Mr. CONNERY. I will say that this last bill which I have called up is a bill which is already the law. It is simply to continue for 2 years something which the House has already passed upon, and allows those who seek statistics to go to the Department of Labor for statistics and then pay the cost of securing these statistics. There is no cost to the Government. This is in the law already.

Mr. SNELL. If it is in the law, then it cannot do any very great harm to let it go over for 1 week. I maintain that the purpose of the Consent Calendar is to take care of these bills. If we are going to have them we should do it that way rather than to bring them up "hit and miss" every day in the House. For the present I shall have to object.

The SPEAKER. Objection is heard.

DISTRICT OF COLUMBIA LEGISLATION

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that on Thursday next it may be in order to consider business from the Committee on the District of Columbia, and that it be dispensed with today because of the illness of the chairman of that committee.

The SPEAKER. The gentleman from Colorado asks unanimous consent that it be in order on next Thursday to consider business from the Committee on the District of Columbia. Is there objection?

There was no objection.

PRIVATE CALENDAR

Mr. O'CONNOR, Chairman of the Committee on Rules, submitted a favorable report on the resolution (H. Res. 172) to amend paragraph 6 of rule XXIV of the House of Representatives.

AIR MAIL SERVICE

Mr. O'CONNOR. Mr. Speaker, I call up House Resolution 167.

The SPEAKER. The gentleman from New York calls up a resolution which the Clerk will report.

The Clerk read as follows:

House Resolution 167

Resolved, That immediately upon the adoption of the resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 6511, a bill to amend the air mail laws and to authorize the extension of the Air Mail Service. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the Chairman and ranking minority member of the Committee on the Post Office and Post Roads, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

Mr. O'CONNOR. Mr. Speaker, I yield 30 minutes to the gentleman from Pennsylvania [Mr. RANSLEY].

Mr. Speaker, for the moment all I need to say about this rule is that it is an open rule for the consideration of this bill to amend the air mail laws.

I reserve the balance of my time.

Mr. RANSLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. MAPES].

Mr. MAPES. Mr. Speaker, I am in favor of the rule. As far as I know, the Republican members of the Committee on Rules, and the Republicans generally, are in favor of the rule and of the purposes in the main sought to be accomplished by the legislation.

I rise particularly to call attention to one provision of the bill which I have had an opportunity to discuss with the distinguished Chairman of the Committee on the Post Office and Post Roads, and which I understand from him will be amended during the consideration of the bill under the 5-minute rule. It applies especially to a situation which affects Grand Rapids and western Michigan. The language to which I have particular reference is the last sentence of the bill.

The last sentence of the bill reads as follows:

After June 30, 1935, no air mail contractor shall be allowed to maintain passenger or express service off the line of his air mail route which in any way competes with passenger or express service available upon another air mail route.

Here is the situation to which I desire to direct the attention of the committee: The Pennsylvania Air Lines operates a commercial route from Washington to Milwaukee via Detroit and Grand Rapids. It carries passengers and express over the entire route. It does not carry mail, except from Detroit to Grand Rapids and across the Lake to Milwaukee. The western part of the route, as far as the commercial part of the business is concerned, is the least profitable; the more profitable part of its line I understand is from here to Detroit. The language of this last sentence of the bill, which I have read, as it stands now would require this company to give up either its air mail service from Detroit to Milwaukee or to abandon its commercial service from Washington to Detroit, because it is not allowed to compete for passenger and express business with an air mail carrier over the same route.

The probable result would be that it would discontinue its service from Detroit to Grand Rapids and Milwaukee to the great disadvantage of those who are making use of this service now, and to the great disadvantage of the people in Grand Rapids and Milwaukee, particularly, in going back and forth across Lake Michigan. By air the trip is made in a little less than an hour, whereas it takes the major part of a day to go around the lake by way of Chicago from Grand Rapids to Milwaukee.

Mr. Speaker, I rose particularly for the purpose of having the RECORD show in substance a conversation which the gentleman from New York [Mr. MEAD], the distinguished chairman of this committee, and I had in regard to this provision. I understand the gentleman from New York [Mr. MEAD] intends to offer an amendment which will permit the continuance of this service of the Pennsylvania Air Lines from Washington to Detroit and Milwaukee via Grand Rapids the same as it is now. Am I correct in this understanding?

Mr. MEAD. I will say to the gentleman from Michigan that it was the original intention of the committee to prevent or prohibit off-line operations in the future and also to eliminate all off-line operations that are now in existence.

[Here the gavel fell.]

Mr. RANSLEY. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. MEAD. After giving the question more consideration we decided to prevent additional off-line operations in the future, and we give the Interstate Commerce Commission authority over off-line operations now in existence. We feel that the operation the gentleman has in mind comes within the authority contained in the amendment, and it can be approved by the Interstate Commerce Commission, if it is a fair operation and an operation in the public interest. These two requirements are in the amendment. Therefore, it is my opinion that the operation now conducted by the Pennsylvania Air Lines between Washington and Detroit will be continued by the Interstate Commerce Commission as a result of the amendment which will be offered to the bill.

Mr. MAPES. As I understand the gentleman, whether or not the Pennsylvania Air Lines is permitted to continue giving this service will rest in the discretion of the Interstate Commerce Commission.

Mr. MEAD. Yes; under limitations.

Mr. MAPES. But the service will not be arbitrarily shut off by the legislation with amendment which the gentleman will offer?

Mr. MEAD. The gentleman is correct; they will not be allowed arbitrarily to cut off the service, but the entire matter will be referred to the Interstate Commerce Commission.

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

Mr. MAPES. I yield to my colleague from Michigan.

Mr. MICHENER. Can the gentleman tell us whether or not the language of the bill is to be changed by amendment, or is the gentleman simply interpreting the language, expecting to pass the bill as it stands in this respect?

Mr. MEAD. No. We have a committee amendment which will be offered when the bill is read under the 5-minute rule.

Mr. MAPES. Would the gentleman care to read the committee amendment which he intends to offer now so that we may be giving it consideration?

[Here the gavel fell.]

Mr. RANSLEY. Mr. Speaker, I yield 2 additional minutes to the gentleman from Michigan.

Mr. MEAD. The committee amendment reads as follows:

Page 7, line 7, after the word "route", strike out the period and the quotation marks and insert in lieu thereof a comma and the following: "except that off-line competitive service which has been regularly maintained for at least 4 months next preceding July 1, 1935, may be continued if restricted to the number of trips and to the stops scheduled and in effect on March 1, 1935.

"Upon application of the Postmaster General or of any interested air mail contractor, setting forth that the general transport business or earnings upon an air mail route are being adversely

affected by any alleged unfair practice of another air transport operator, or by any competitive air transport service other than that supplied by an air mail contractor on the line of his prescribed air mail route, or by any service inaugurated after March 1, 1935, through the scheduling of competitive nonmail flights over an air mail route, the Interstate Commerce Commission shall, after giving reasonable notice to the person complained of, inquire fully into the subject matter of the allegations; and if the Commission shall find such practice or competition or any part thereof to be unfair, or that such competitive service in whole or in part is not reasonably required in the interest of public convenience and necessity, and if the Commission shall further find that in either case the receipts or expenses of an air mail contractor are so affected thereby as to tend to increase the cost of air mail transportation, then it shall order such practice or competitive service, or both, as the case may be, discontinued or restricted in accordance with such findings, and the respondent named in the order shall comply therewith within a reasonable time to be fixed in such order."

Mr. MAPES. Has the gentleman consulted the representatives of the Pennsylvania Air Lines on the language of the amendment; and will it save the situation to which I have referred?

Mr. MEAD. We discussed this matter with the Pennsylvania Air Lines before we framed the amendment; and in drafting the amendment we had in mind giving the Interstate Commerce Commission the authority to continue that operation and therefore included such authority in the amendment.

Mr. MAPES. I have not had an opportunity to study the language of the amendment. It is somewhat involved and I am glad to have the gentleman's interpretation of it. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I yield 8 minutes to the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Speaker, it was in 1927 that the attention of the world was focused upon a splendid, outstanding achievement of an American youth. In that year Charles Lindbergh took a frail craft known as the "*Spirit of St. Louis*", flew it from New York to Paris, was acclaimed by millions, and added a second story to the world. That flight was spectacular at that time, and the world marveled and applauded the courageous feat of this young American.

Today we are considering upon the floor of Congress a measure which is not spectacular but which is, indeed, important and is practical. Each day in the news dispatches we read of the increases being made in the air forces of the European nations. Some weeks ago we read of the effective use made of a few airplanes during the period of the internal warfare in Greece. In this connection I should like to read from this morning's comment by Arthur Brisbane in his column Today, in which he tells of the plans of Kemal Pasha to fortify the Dardanelles.

Quoting his words, he says:

In old days Stalin would have had something to say about that, fortifying the Dardanelles would have meant keeping him and his fleet out of the Mediterranean. It matters little now. Stalin, who knows that the only real fleet is the air fleet, has the second largest air fleet in the world. If Kemal annoyed him, Stalin could blow up Constantinople, Angora, and the Dardanelles fortification as well, all comfortably and conveniently from the air.

Mr. Speaker, in our own country we are making large and necessary appropriations for an increase in our military forces, including military aviation.

The fine performance of two American airplanes in the recent air race from London to Melbourne and the accomplishment of a flight last month by a commercial airplane from Los Angeles to Washington in the fine time of 10 hours and 22 minutes serve to demonstrate the military defense possibilities of the same airplanes which are today flying the air mail routes of this country.

Reading further from the comment of Mr. Brisbane in his column Today, I should like to quote these words:

If real war came, Mussolini, like others, would rely on his air fleet rather than send 2,000,000 men to be gassed from the air.

The next war, if we must have it, will be a bombing, gas-poisoning competition. A few million civilians killed in the first week, which is not improbable, might do more than any amount of talk to bring the 20 years' peace.

President Roosevelt is "advised by his highest naval and military advisers" that "no immediate war is likely."

That must comfort the President, knowing as he does that this Nation is absolutely unprepared for war, with an air force that the British Air Ministry, somewhat "top-loftily" but accurately, describes as negligible.

The United States possesses in its great fleet of commercial aircraft the finest secondary line of defense ever possessed by any country in the world. The United States leads the world in the number, the speed, and in the effective use of commercial airplanes.

More than 50 percent of the miles flown in the world by commercial airplanes are flown by American commercial airplanes. Likewise more than 50 percent of the air mail, air express, and air passengers transported in the world are flown in American-built and American-operated airplanes.

During the past 6 months many European countries have purchased Douglas, Boeing, and Curtiss commercial airplanes built in the United States by American manufacturers. American commercial aviation is recognized throughout the world as outstanding. Let us not have American commercial aviation assume the unwanted position of the prophet of old who was not without honor save in his own country.

For this fiscal year, I am informed, less than $10,000,000 will be paid by the Government to the air mail contractors for the carriage of air mail. Of this amount, nearly six and one-half millions will come back to the Government from the sale of air mail stamps. For the coming year the amount paid by the Government will have to be increased by a reasonable amount, for it has been demonstrated that the air mail contractors cannot continue in business at the present air mail rates.

In this connection I should like to quote from the report of the Federal Aviation Commission as follows:

A considerable part of the Nation's air transport is running at a steady loss, and operations cannot continue indefinitely under present conditions.

Reading from the column of James T. Williams, Jr., in the Washington Times of March 5, I quote the following:

The cost of operating a transport plane depends largely on its size and power and the frequency of schedules. To operate a modern 10–15 passenger transport costs approximately between 55 cents and 75 cents per mile. The more frequent the schedules, the lower the cost per mile.

Of the 12 contract air routes using modern equipment in October 1934, only 7 averaged gross revenues of 50 cents per mile, and only 3 exceeded 60 cents per mile.

The official figures submitted by the air lines to the Interstate Commerce Commission showed that in October of last year 26 out of 32 domestic contracts for carrying the mail ran at a net loss. One contract was losing its holder almost $49,000 per month.

Although our air transport system is far ahead of foreign countries and is the safest in the world, it showed a net loss last October of $307,000.

Whether this splendid system, which is a vital factor in national defense as well as in national transportation and communication, is to be wrecked in 6 weeks or in 6 months nobody can forecast. But the facts and figures now before Congress show that the air transport system of this country is heading straight for disaster. It is only a question of time when it will collapse unless Congress comes swiftly and intelligently to its support.

The experience of the whole world proves that a first-class air transport system cannot long exist without direct financial aid from the Government. If our air transport system is to hold its present position of leadership, it must receive a greater degree of financial assistance from the Government than it is now getting.

I believe, however, that the Government of this country receives a real bargain in the benefits which our people receive from the steady transportation of air mail, air cargo, and air passengers when compared with the cost of that service to the Government.

Today we have under consideration the Mead bill, H. R. 6511, which has the endorsement of the Post Office and Post Roads Committee of the House. It has been considered by that committee after long and careful consideration of each of the sections. It is endorsed by the United States Post Office Department and by a majority of the air mail contractors. Certain amendments will be offered by the committee to clarify the measure. I believe that the bill is sound, that it is needed now, and that it is constructive. I urge its speedy passage.

Mr. Speaker, we of the United States were proud some 8 years ago of the achievement of Charles Lindbergh, and we

should today back up the splendid further achievements of our air mail pilots and the air transportation systems of this country. By so doing we, as Members of Congress, say that we will place this Nation as the patternmaker for civilization in this realm. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I yield 1 minute to the gentleman from Missouri [Mr. ROMJUE].

Mr. ROMJUE. Mr. Speaker, on last evening the gentleman from New York [Mr. MEAD] and the gentleman from Illinois [Mr. DOBBINS] delivered very constructive talks over the radio on the legislation we are dealing with here today. I ask unanimous consent that this radio discussion made by the gentlemen named may be placed in the RECORD at this point, because it is a very informative discussion on this subject by gentlemen who are thoroughly familiar with the matter.

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

There was no objection.

Mr. ROMJUE. The radio discussion referred to is as follows:

Mr. MEAD. We have been given this time, as you know, through the courtesy of the Columbia Broadcasting System, to discuss the new air mail measure, which we are to take up for consideration, as a special order of the day, tomorrow at noon when the House of Representatives convenes. You are no doubt called upon to answer many questions in connection with the pending bill in which the general public might also be interested. For that reason I am going to ask what I think is a natural first question, and that is, Mr. DOBBINS, what occasion or demand is there for this new air mail legislation?

Mr. DOBBINS. Chairman MEAD, the need for this legislation is outlined in the report of the Federal Aviation Commission made to the President on January 22, 1935; and it is also to be found in the President's message to Congress made on January 31 of this year. Now that I have mentioned what prompts the legislation, I would like your opinion as to what constitutes the most important feature of the measure.

Mr. MEAD. The most important feature of the bill can be found in section 4. It provides that the Interstate Commerce Commission may raise the rates of compensation for carrying air mail above those rates specified in the act of 1934, but not to exceed such rates by more than 20 percent. It may well be asked why any authority should be given to the Interstate Commerce Commission to increase the compensation of the air mail carriers over the amounts now paid them, those rates being based either upon the bids made by them in competitive lettings last year, or upon a reduction of that amount in some cases to bring it down to the maximum of 33⅓ cents a mile fixed by the Air Mail Act of 1934. There are several reasons that occur to me. In the first place, the character of equipment provided for air transportation is being rapidly improved, and it is necessary for the transport companies, in order to keep their business, to provide the most up-to-date equipment. Again, the schedules are faster now than they were before, and that means that a higher class of mail service is being furnished than was required at the time the contracts were let. And you know, Mr. DOBBINS, there are other factors that have greatly increased operating costs.

Mr. DOBBINS. Yes, Mr. MEAD; unquestionably there are other factors of importance. The safety of air travel has been greatly advanced through regulations imposed by the Department of Commerce and by the Air Mail Act of 1934. Two-way radio service is now required over all the important lines, so that the pilots may be kept informed at all times as to weather and ground conditions and other operating hazards. Blind flying, as it is commonly called, is thus made possible. Another safety measure which has greatly increased cost of operation is the requirement that planes operating over hilly or mountainous territory, or across bodies of water, must have more than one motor, and that all engines must be of such power that if one goes dead the remaining motor will keep the ship in the air, thus avoiding the hazard of an emergency landing. Many lines have had to buy new and expensive equipment for this reason. These requirements were all imposed in the public interest, and do you not think they have been well worth their cost?

Mr. MEAD. They surely have, Mr. DOBBINS. You will remember the testimony before our committee by very well-informed members of the Federal Aviation Commission, to the effect that the service now provided by the air lines is superior to that heretofore furnished in practically every important feature, including the paramount considerations of safety, regularity of performance, speed, and comfort. Conditions of this kind, which have been brought into existence through wide-awake legislative and administrative policies on the part of the Government, cannot fail to give satisfaction to every patriotic American citizen.

Mr. DOBBINS. Mr. MEAD, there is another highly significant factor entering into operating costs which neither of us has mentioned. Yet it is one that is inseparably connected with the successful operation of any kind of transportation or navigation, on land, on sea, and particularly in the air. I refer to the human element—the personnel—the men who pilot the airplanes.

Mr. MEAD. Oh, yes, indeed; that should not be overlooked. When, in 1934, provision was made for the letting of new air mail contracts by competitive bidding, we took particular care to guard against a natural tendency to lower costs through reductions in the pilots' wages, and we required that the pilots should be paid according to the fair standards established by the National Labor Board. Without doubt, this has resulted in maintaining the efficient and preeminently safe service in which we all take pride; but it is just as true that this also, and justifiably, I think, has tended to increase the operating costs. You have studied the figures on those increases, I believe, Mr. DOBBINS.

Mr. DOBBINS. Yes, I have; and while the computations made by the air line operators, by the Post Office Department, and by the Interstate Commerce Commission, are not by any means identical, they all are in harmony on this point—that at prevailing rates of compensation practically every air mail operator in the country is losing money, and that these losses are being suffered by the larger as well as the smaller operators, the aggregate amounting to several million dollars a year. It is quite evident that unless the Interstate Commerce Commission is given authority to revise the rates, either downward or upward, within rigid statutory limitations, with a top limit slightly above that now provided, many of the lines will have to discontinue operations, and our wonderful air mail service will be sadly crippled. And I think we are in agreement, Mr. MEAD, that any such deplorable results could not properly be blamed upon the cancelation of air mail contracts, concerning which there was so much controversy last year.

Mr. MEAD. Indeed, it could not. The cancelation of contracts took place over a year ago. Since then entirely new contracts have been awarded, at prices assumed by the operators to be fair, and for which they agreed to furnish service under those contracts. The new contractors, without exception, in the meantime have demonstrated their ability to give to the Post Office Department a better air mail service than was ever before furnished. If these contractors were allowed to supply a service no more adequate than that formerly supplied, and to dispense with the features of increased safety, speed, and comfort which everyone concedes to be worth much more to the public than their cost, they no doubt could continue to carry the mails at present prices, and without substantial loss, except possibly in a very few cases.

One thing I believe ought to be borne in mind, that with the increases provided for in the pending legislation, and with thousands of miles of additional air routes, and increases in the annual mileage flown extending into the millions, and with all of the other improvements and advantages which are now afforded, this new air mail service under the proposed legislation will be supplied to the Government at considerably less cost than the inferior service we had in the past, even if every air mail carrier should receive the maximum amount authorized by law. There has been quite a bit of discussion, Mr. DOBBINS, about the proposed new amendment to the air mail laws, which would restrict the maintenance or institution of competitive service along the lines of existing air mail routes. I believe it would be interesting if you would repeat, in substance, the brief explanation of the necessity for this restriction, as it was stated by you in the last meeting of our committee.

Mr. DOBBINS. Yes, Mr. Chairman; there is a very real necessity for that restriction. Under the rules guiding the Interstate Commerce Commission in the determination of air mail rates, the profits made by the transport companies from the carriage of passengers will result in a reduction of the amount paid by the Government for transporting the air mail. It is only logical, therefore, in the interest of the Government—which means the interest of all our taxpayers—that we should not permit other air mail contractors or independent operators to increase this cost by unfair practices or unnecessary competitive service, if that service, in addition to being unfair or unnecessary, tends to increase the cost of carrying the mail. The Interstate Commerce Commission will act as a tribunal to determine questions of this kind, and if it finds, after full inquiry, that any competitive service is fair and necessary in the public interest, then it may be continued. I do not see how there can be any rational objection to that requirement in the law. Do you not think, Mr. Chairman, that the Interstate Commerce Commission is well qualified to pass upon this question, as well as the question of rates committed to it by the bill?

Mr. MEAD. There is no doubt of that in my mind, Mr. Dobbins. Our committee, you will remember, is unanimous in the belief that these questions ought to be determined by a semijudicial body such as the Interstate Commerce Commission, which is independent of political considerations, is headed by men who are outstanding in the transportation field, and whose subordinate officials and employees are experts in that line. I know that the fear has been occasionally expressed that they may be railroad-minded rather than air-minded. But our committee investigations have explored that question, and I think we can say that the fear is wholly unfounded. The manner in which they have handled their first survey of air mail rates, which was lately completed, shows a most profound understanding of the subject.

Mr. DOBBINS. Now, Mr. MEAD, you have touched upon the improvement and expansion of our Air Mail Service. That this better service is appreciated is clearly established by the figures showing the amount of air mail carried in December 1934, which have just been completed and will be released to the press tomorrow morning. They show that nearly a million pounds of letters were carried in that month, being the largest amount ever carried in a

single month, and an increase of more than 40 percent over the corresponding month in 1933, when the old system was in vogue. I recall that this service now covers 46 States, with indirect service to the other two, and provides interisland service in Hawaii. And the number of cities served directly has been increased in the last year from 152 to 193. What further expansion does the new legislation authorize?

Mr. MEAD. Notwithstanding that air mail routes now extend over charted courses 3,700 miles longer in the aggregate than the old system, and the mail planes are flying nearly 5,000,000 miles more annually than they did in 1933, a still greater expansion is provided for in the new bill. The limit of route mileage will be further expanded from 29,000 to 32,000 miles, and the miles flown annually will have an authorized increase from the present limit of 40,000,000 up to an annual total of 45,000,000 airplane miles. I know, Mr. DOBBINS, that the formulation of new legislation for the regulation and improvement of our wonderful air mail system has meant a lot of work for you and for me, and for other legislative and administrative officials here in Washington; but I can envision results from that work so gratifying that none of us will ever regret the time and effort we have expended on it.

Mr. RANSLEY. Mr. Speaker, I yield 5 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, when I think of this recent air mail fiasco and Mr. Farley's action in the cancelation of air mail contracts without hearing and turning that job over to the Army, I think of the old rhyme:

The King of France went up the hill
With twenty thousand men;
The King of France came down the hill
And ne'er went up again.

Mr. Speaker, I hope in the future there never will be such a farce, such a travesty as that perpetrated last year when the flying of the air mail was taken from the commercial pilots and turned over to pilots untrained and unequipped for that sort of flying. The administration has pointed with pride to the fact that not a pound of mail was lost, but what shame the administration must feel in thinking of those 12 men who needlessly went to their death. Think of the business that was lost in connection with the nondelivery and poor service rendered in the carrying of the mail.

The administration admits that well up to $4,000,000 was the price paid for the experiment involving the Army in the carrying of the mail as a result of the cancelation of the air mail contracts. In other words, it cost $2.21 per flying mile as contrasted with the 42.6 cents a mile which was paid to the commercial carriers just prior to the cancelation of the contracts. At that time, over a year ago, we were the envy and the wonder of the entire world in our commercial aviation, but the administration, through misinformation or carelessness or wantonness, was willing to sacrifice this wonderful commercial aviation, which resulted in sending on the rocks some of the air mail industries and practically annihilating others.

Let us have no more of such fiascos. We know the costly experiment in the plowing under and the killing of the little pigs at a time when people were hungry; the plowing under of the wheat. Was not this a plowing under of human life?

Do you remember that a year ago you would not allow us to discuss even, except when we could get in under general debate, the cancelation without a hearing of the flying of the air mail?

You could have stopped the flying of the air mail entirely, but instead you gave it to the Army and the pilots were not equipped to fly, neither in experience nor proper air equipment.

I do not want to bring this up just to say, "I told you so." You feel as badly as I do that these men went to their deaths.

Mr. WEARIN. Mr. Speaker, will the gentlewoman from Massachusetts yield?

Mrs. ROGERS of Massachusetts. I am sorry. Do you realize your side—that is, the Democrats—would not yield to me and that your party adjourned the House in 13 minutes when I asked for consideration of a resolution?

Mr. WEARIN. The gentlewoman is mistaken.

Mrs. ROGERS of Massachusetts. I am sorry. I cannot yield. I was not pleading for myself at that time. It was not a party question. I was pleading for the safety of your Army pilots, our United States pilots. I was trying to have the mail carried safely or stopped.

The administration admits that the costly experiment in dollars and cents was well on to $4,000,000—to be exact, $3,767,355—but it does not mention the fact that probably upward of $500,000 should be added to this cost, which represents the expense of training these pilots, as it is estimated to cost $50,000 per man. This does not include the insurance each aviator carried. Let us have no more of the old regime. Let us vote for this resolution. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, we all must admit that the gentlewoman from Massachusetts [Mrs. ROGERS] has been consistent in her continued abusive attacks for over a year on the President of the United States and the Postmaster General. I wonder what she would have done——

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. In a moment, please.

I wonder what she would have done had she been running this Government when they found fraud and dishonesty in these contracts.

The great Commonwealth of Massachusetts in the interest of its great State and of its Nation has always been willing to make such sacrifices, even of life, as have been necessary to preserve the integrity of their Government.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. In just a moment, please.

The President of the United States and the Postmaster General discovered fraud, they discovered dishonesty in air mail contracts that affected the rights of the people of this Nation.

Our distinguished friend, the gentlewoman from Massachusetts, from her warm heart that sympathizes with everyone except the President of the United States and the Postmaster General——

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield? I wish you had a warm heart on that side.

Mr. BLANTON. Our distinguished friend, the gentlewoman from Massachusetts, from her warm heart that sympathizes with everyone except our President and Postmaster General, seemingly even with dishonest mail contractors, would probably send them a bouquet of orchids for operating under such fraudulent agreements, but the President of the United States and the Postmaster General in the exercise of their authority annulled those contracts and set them aside. It then became their duty in running this Government to run and carry the air mail even if they did have to have the air mail carried by the Army.

It was never intended by them that the mail should be carried by the Army except temporarily. It was merely to meet the emergency as we found it, just as the great President of the United States, when he found men in high authority who, in derogation of our rights and against the best interests of this Nation, were attempting to ship their gold to foreign lands, entered his decree, under the Constitution of the United States, that stopped them from shipping this gold from New York Harbor.

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

Mr. BLANTON. In a moment, if I have time.

When the great President of these United States found that the banking system of the United States in many places was rotten to the core, when the people of the United States, trustful and credulous as they were, were losing their deposits which represented the savings of a lifetime, again the great President of these United States entered his decree closing every bank in the United States until he could find those which were sound as differentiated from the ones that were unsound. Thus again he protected the rights of the people of this country.

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

Mr. BLANTON. In a moment, if I have time. Oh, I have been expecting our great friend and sympathetic colleague, the distinguished gentlewoman from Massachusetts, although she is persistently consistent in attacking continually the President and the Postmaster General on this issue, to rise in her seat and say, "I applaud the President of the United States for zealously protecting the people and putting the banking system back on a sound basis in order to preserve the rights of the American people."

Mrs. ROGERS of Massachusetts and Mr. ROMJUE rose.

Mr. BLANTON. I first must yield to the gentlewoman from Massachusetts. I always yield to my distinguished colleague the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Why did not the administration, if it found fraud, send the people to jail as Calvin Coolidge did? Why did the administration, during this air mail matter, try to bring in a perfectly innocent person, Charles Francis, of Massachusetts, the Secretary of the Navy, and my own constituent, who had nothing to do with it, as the gentleman knows?

Mr. BLANTON. President Roosevelt has no power or authority to send anyone to jail. These were civil contracts. President Roosevelt canceled them for fraud. That ended them. If he canceled them unlawfully, the contractors had the right to go into the courts and force him to rescind such cancelation. But they did not go to court. They accepted the cancelations. And by not suing to rescind they acknowledged their wrong. I want to say to the gentlewoman from Massachusetts regarding her reference to President Coolidge that she does not have a higher regard for the memory of Calvin Coolidge than I have. He was honest to the core, and, in my judgment, when all the facts are known he will go down in history as a great President; but her last Republican President, Mr. Herbert Hoover, would have referred the matter of these fraudulent and dishonest air mail contracts to a commission to report back 5 years hence. [Laughter and applause.]

[Here the gavel fell.]

Mr. BLANTON. I am sorry, Mr. Speaker, that I have not the time to prove to my colleague from Massachusetts [Mrs. ROGERS] that in promptly taking action in canceling these fraudulent air mail contracts and meeting the unexpected emergency by promptly using the Army our President of the United States demonstrated his ability to see quickly and correctly, to think quickly and correctly, and to act quickly and correctly in an important and imperative crisis.

Mr. O'CONNOR. Mr. Speaker, I yield the gentleman from Texas 2 minutes more, on condition that he first yield to the gentleman from Missouri [Mr. ROMJUE] and then to the lady from Massachusetts to defend my native State of Massachusetts. [Laughter and applause.]

Mr. BLANTON. I thank my friend who now hails from New York, but I always yield to the ladies first.

Mrs. ROGERS of Massachusetts. I ask the gentleman to yield first to the gentleman from Missouri.

Mr. BLANTON. Being obedient to ladies, I yield to the gentleman from Missouri.

Mr. ROMJUE. I want to call the attention of gentlemen from Texas to this fact: I have not heard any complaint from any Republican that under the Republican administrations about the Army flying the mail for a time, as was done. I have heard no complaint about that. Army flyers under Republican rule carried the mail at times also.

Mr. BLANTON. When it is necessary to use the Army to preserve the integrity of our country, I believe that our great President always will meet the emergency in the way he did. I now yield to the lady from Massachusetts.

Mrs. ROGERS of Massachusetts. The gentleman has spoken of the fact that the Army flew the mail under the Republican administration. Is it not true then that great precautions were taken in sending pilots out, and that they were sent out only in very good weather?

Mr. BLANTON. Oh, let me say that here in the National Capital there were at least 120 people lost their lives last year in the city of Washington by automobile accidents. Many people are killed in everyday life. Surely people will lose their lives in air mail accidents and in riding commercial planes. It is a hazard all must take. But why criticize a faithful President of the United States and a dependable Postmaster General for doing their duty?

Mr. RANSLEY. Mr. Speaker, I yield 2 minutes to the lady from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. There is one thing, Mr. Speaker, that it will be impossible for the administration to deny or explain, and that is, if the Postmaster General was right in canceling the air mail contracts without a hearing, why, under this bill, is that power taken away from him?

Under this bill, contracts cannot be canceled without due hearing before the Interstate Commerce Commission. The Postmaster General can never again cancel air mail contracts at his own will. Thank God for that. [Applause.]

Mr. O'CONNOR. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska [Mr. LUCKEY].

Mr. LUCKEY. Mr. Speaker, it has been stated that when the Army flew these air mail planes precaution should have been taken to prevent disaster. I was wondering whether if we were in war the enemy would take extra precautions when our Army flew the planes.

Everyone regrets the fatalities and accidents which occurred during the period from February 12 to June 30, when the Army flew the mails. Yet was it not just some such rigorous test under prevailing flying conditions which we needed to test the efficiency of our Air Corps?

Mr. RANSLEY. Mr. Speaker, I yield myself 2 minutes. Mr. Speaker, no one on this side of the aisle is opposed to this liberal rule. The bill which the rule brings forward is considered detrimental to some existing companies, and also to the traveling public.

I have had a talk with the able chairman of the committee, who has this bill in charge, and he has assured me that an amendment will be offered which, to a great extent, will satisfy those who are protesting against the bill as it stands at the present time.

Mr. Speaker, I yield the remainder of my time to the gentleman from New York [Mr. BACON].

Mr. BACON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter from the Secretary of State to the chairman of the committee.

The SPEAKER. Is there objection?

There was no objection.

Mr. BACON. Mr. Speaker, I do not care to discuss a partisan or political question. I am in favor of this bill, and I want particularly to direct the attention of the House to section 7. Section 7 of the bill has to do with the American air mail that leaves our shores and goes to foreign countries. The Secretary of State has written a letter to the Chairman of the Post Office Committee protesting against this section and urging that it be stricken from the bill. Due to the very courteous gentleman from New York [Mr. MEAD], chairman of the committee, I have been furnished with a copy of the letter from Mr. Hull, Secretary of State, and with Mr. MEAD's approval I propose to offer an amendment to strike section 7 from the bill. The gentleman from New York [Mr. MEAD], chairman of the committee, has assured me that his committee will accept this amendment.

I shall read a part of the letter of the Secretary of State. In discussing section 7, he said:

> The adoption of section 7 of the bill would, in my opinion, be likely to lead to serious consequences in that foreign countries would probably adopt retaliatory measures with respect to operations in their territories by air transport companies in which American citizens are officers and directors, employed as pilots or radio operators, or own shares of stock. The adoption of the proposed section 7 of the bill and the imposition by foreign countries of retaliatory measures would, it is believed, result in American interests in those countries being affected to a much greater extent than foreign interests in United States territory. American citizens are interested in air transport operations abroad, particularly in China, Canada, and the Latin American countries, and it is believed that the section quoted would adversely affect such interests, especially in Canada and Latin America.

He then goes on and discusses the question of the arrangement for licensing pilots. He says:

In cooperation with the Department of Commerce, the Department of State has negotiated agreements with several countries establishing reciprocity with respect to the issuance of pilot licenses. Under such an agreement each country undertakes to issue licenses to the nationals of the other countries authorizing them to pilot civil aircraft, provided they are qualified to receive licenses under the regulations of the country issuing them.

I shall not read the Secretary's entire letter, but will place it in the RECORD. In conclusion, he says:

In view of all the foregoing considerations I respectfully urge that in order to avoid complications that are likely to follow in the conduct of foreign relations if the proposed section 7 of the present bill is retained, the bill be amended, by the omission of section 7, before it may be enacted into law.

Sincerely yours,

CORDELL HULL.

I wish to call attention to this briefly. I also wish to discuss the great strides that America has made in air transportation from our shores to the shores of friendly nations. We now have lines running from Miami, Fla., that circle the Caribbean, go down the east coast of South America to Buenos Aires, that go down the west coast of South America to Valparaiso and over the Andes Mountains, 29,000 feet high, to Buenos Aires, a very remarkable feat. This is accomplished by one of the best-operated companies in the entire world. That company has done more to bring peace and good will between the North and South American Continents than anything else our country has done I may say, except possibly for the splendid impression that our own present Secretary of State made at the Pan American Conference in Montevideo. This provision, section 7, if left in the bill, would absolutely hamper, if not curtail, the operations of that company carrying mail and good will and passengers from America of the north to Central and South America in the south. I have seen stacks and stacks of letters from business concerns all over the United States written to the Pan American Airways Co., which is the name of the company that carries on this great work, telling it that if it had not been for the American air service to South America they could not have closed this or that contract, and that they could not have carried on their business. In other words, this company has enabled American manufacturers in every one of the 48 States to carry on with greater facility their business with South America and has enabled them to meet the competition from Europe, particularly England, France, and Germany.

This company in South America is in competition when once it arrives in South America with lines owned by French and German interests. One can readily see that it may be necessary to employ sometimes certain nationals of the country to which they are going. After all it is the United States that is pioneering in the rest of the world. The rest of the world is not pioneering in the United States, so far as air transportation is concerned. It is American pilots that are going to Brazil, Colombia, the Argentine, Chile, Ecuador, and the countries of South America and Central America, and it is not their pilots who are coming to the United States.

Therefore, if we should write anything into this bill that would hinder the obtaining of licenses by our American-citizen pilots in foreign countries to permit them to fly American planes in these countries, we would be doing our own country and our aviation a great deal of permanent harm.

Let us look forward to the future. Our country has been the pioneer in commercial airways. Let us not do anything here to hamper it. Let it continue to show the way.

Only last week you all read about the enterprise that is just starting across the Pacific. In a short space of time the first plane is going to leave San Francisco for Hawaii, Wake Island, Midway Island, Guam, Manila, and Hong Kong. Undoubtedly within a very short time we are going to establish a commercial line across the Pacific that will touch English possessions and China. We must not write into this bill anything that will hinder that development. I also can foresee within the near future air transport from our shores by way of Bermuda and the Azores to France and England. It has been suggested that English, French, and American companies join in developing such a line. That is a possibility for the future. Let us not write anything into this bill that will hamper the future development that we here today cannot possibly foretell. It may be even necessary, for example, for an American line going to a foreign country to have a director on its board who is a national of that foreign country. He will be, of course, a minority of one, but it may be required by the regulations and laws of the country to which that line may be going that they shall have one of their nationals on the board of directors. That may be so. It may be that we will be required to employ certain of their nationals, because, after all, we cannot carry on without giving and taking in foreign affairs.

So my appeal to the House today is to join with me and with your Secretary of State, with the consent and full approval of the Chairman of the Committee on Post Offices and Post Roads, to strike section 7 from the bill in the interest of cordial relations between this country and other countries of the world. [Applause.]

[Here the gavel fell.]

Mr. BACON. The following is the full text of the letter to the chairman of the committee from the Secretary of State:

MARCH 16, 1935.

The Honorable JAMES M. MEAD,
House of Representatives.

MY DEAR MR. MEAD: I desire to invite attention to section 7 of the bill H. R. 6511 entitled "A bill to amend the air mail laws and to authorize the extension of the Air Mail Service", which, it is understood, has been reported out of your committee and is now on the House Calendar. Section 7 reads:

"SEC. 7. Section 7 of such act [act of June 12, 1934, as amended] is amended by adding at the end thereof a new subsection to read as follows:

"'(e) No contract for the transportation of air mail under this act shall be held by any person who (1), if an individual, is not a citizen of the United States, or (2) being a partnership or association, admits to or retains in its membership an individual who is not a citizen of the United States, or (3) being a corporation, has any officer or director who is not a citizen of the United States, or (4) employs in its service, between terminals within the jurisdiction of the United States, a pilot or radio operator who is not a citizen of the United States. To effectuate the purpose of the foregoing restrictions, the acquisition of any interest, in the form of shares of stock or otherwise, in the business of a contractor for air mail transportation under this act, by any person disqualified by this subsection from holding an air mail contract, is hereby prohibited.'"

The adoption of section 7 of the bill would, in my opinion, be likely to lead to serious consequences in that foreign countries would probably adopt retaliatory measures with respect to operations in their territories by air transport companies in which American citizens are officers or directors, employed as pilots or radio operators, or own shares of stock. The adoption of the proposed section 7 of the bill and the imposition by foreign countries of retaliatory measures would, it is believed, result in American interests in those countries being affected to a much greater extent than foreign interests in United States territory. American citizens are interested in air transport operations abroad, particularly in China, Canada, and the Latin American countries, and it is believed that the section quoted would adversely affect such interests, especially in Canada and Latin America.

Aside from the foregoing considerations I desire to invite special attention to the provision of section 7 of the bill, which would prevent the employment of an alien pilot in cases where there is a contract to carry the mails. Section 48 of the Air Commerce Regulations, issued pursuant to the provisions of the Air Commerce Act of 1926, contains provisions in regard to the issuance of licenses to aliens. This section reads:

"An applicant for a pilot's license must be of good moral character. The minimum age requirements are 14 years for noncommercial glider pilots; 16 years for private, amateur, and student pilots; 18 years for commercial glider, limited commercial, and transport pilots. Applicants for any type of pilot's license who are under the age of 21 will be required to submit evidence of the consent of parent, legal guardian, or natural guardian prior to the issuance of a license. A noncommercial glider, private, amateur, or student pilot may be a citizen of any country. A commercial pilot must be (1) a citizen of the United States, or (2) a citizen of a foreign country which grants reciprocal commercial-pilot privileges to citizens of the United States on equal terms and conditions with the citizens of such foreign country, or (3) an alien who has filed his declaration of intention to become a citizen of the United States and advises the Secretary of Commerce of the serial number of such declaration, the date thereof, and the court in which filed. He must diligently and successfully prosecute the naturalization proceedings under penalty of the revocation of his pilot's license and from time to time must keep the Secretary of Commerce advised of the status of such proceedings. All applicants for commercial pilots' licenses shall be able to read, write,

speak, and understand the English language except applicants who are citizens of a country with which the United States has reciprocity with respect to the licensing of pilots."

In cooperation with the Department of Commerce the Department of State has negotiated agreements with several countries establishing reciprocity with respect to the issuance of pilot licenses. Under such an agreement each country undertakes to issue licenses to the nationals of the other country authorizing them to pilot civil aircraft, provided they are qualified to receive the licenses under the regulations of the country issuing them. It is contemplated by each of these agreements that when pilot licenses are issued to nationals of the one country by the other country they shall be entitled to the same privileges as are granted by pilot licenses issued by the latter country to its own nationals.

Should the effect of the proposed legislation be to deprive aliens legally holding or acquiring American pilot licenses under these pilot agreements of the right to use them as would American holders of similar licenses, it would constitute a discrimination against such aliens which would be contrary to the terms of these agreements.

The United States has entered into agreements providing for the issuance of licenses to pilots of civil aircraft with Canada, Italy, Norway, Sweden, Denmark, and the Union of South Africa. In the cases of Canada and Italy provisions in regard to the issuance of pilot licenses are embodied in agreements with these countries relating to air transportation in general. Such provisions are found in clause 4 of the agreement with Canada and in article 5 of the agreement with Italy. In the cases of the other countries mentioned, agreements have been negotiated by the United States relating specifically to the issuance of pilot licenses. A similar agreement has been negotiated by the United States with Great Britain, but has not yet been made effective by the necessary exchange of notes. Negotiations for similar pilot agreements are pending with several other countries.

Copies of all the agreements mentioned above now in force are enclosed for the information of your committee.

In view of all the foregoing considerations, I respectfully urge that in order to avoid complications that are likely to follow in the conduct of foreign relations if the proposed section 7 of the present bill is retained the bill be amended, by the omission of section 7, before it may be enacted into law.

Sincerely yours,

CORDELL HULL.

Mr. O'CONNOR. Mr. Speaker, I move the previous question.

The previous question was ordered.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to amend the rule to correct a typographical error on page 1. The last word in line 1 should be "this" instead of "the."

The SPEAKER. Without objection, the correction will be made.

There was no objection.

The SPEAKER. The question is on the adoption of the resolution.

The resolution was agreed to.

THE PATMAN BILL TO EXPAND CURRENCY AND PAY OFF SOLDIERS' ADJUSTED-SERVICE CERTIFICATES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including an address which I made over the radio on last Saturday night.

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

There was no objection.

Mr. RANKIN. Mr. Speaker, under permission granted to me to extend my remarks in the RECORD, I desire to insert the following address which I delivered over the radio on last Saturday:

My friends, it is my privilege tonight, through the courtesy of the National Broadcasting Co. and associated radio stations, to speak to you for a few minutes on one of the gravest questions that has faced the American people for many a day, and that is the passage of the bill which went through the House on yesterday, and is now before the Senate, to expand the currency and pay off the soldiers' adjusted-service certificates.

In my humble judgment, nothing could do this country more good than the passage of this measure and the putting of this new money into circulation without delay. Its passage through the House has already started prices of farm products to advancing throughout the world.

I know that some people tell you that these certificates are not due, but I call your attention to the fact that if the veterans had been paid the same interest that was paid by our Government to the contractors, war profiteers, munition manufacturers, and financiers on their unpaid balances, every one of these certificates would have been due and payable at their full face value in October 1931.

Besides, this bill is not for the benefit of the soldiers alone; it is for the benefit of all the American people. It will do more toward restoring prosperity than anything else that has yet been done or attempted. We are in the midst of a paradoxical depression that is without parallel in all the history of mankind. We are living in the richest country in all the world. Its natural resources are unlimited; its gentle climate, fertile soils, and abundant rainfall cause it to yield abundantly every product of the temperate zone. Our industrial facilities are not equaled by those of any other country under the sun. American genius has given us the greatest ascendency over the forces of nature ever attained in all the history of mankind. We have an oversupply of the world's monetary gold. Our Treasury is literally bursting with gold. We own 40 percent of the world's monetary supply of that metal, and we scarcely owe a dollar beyond the confines of the United States; but on the other hand, billions of dollars are owed to the United States by foreign countries and other billions are owed to American citizens by foreign countries or foreign individuals.

Yet, with all of these advantages, we are told that we have approximately 23,000,000 people on relief, many of whom will not get the chill of the humiliation out of their blood for two or three generations. We have been killing pigs, slaying cattle, plowing up cotton, and curtailing the production of other agricultural products, as well as industrial commodities, attempting to cure this direful situation without using the one method at our command that will do the work without injuring a single human being, and that is expanding the currency and putting new money into circulation.

Now, don't any of you get frightened at Wall Street's propaganda about inflation. This bill does not provide for what they call inflation; it provides for controlled expansion. We have a sufficient amount of gold reserve against which to issue $20,000,000,000 of currency without going beyond the reserve required under the present law. Yet we have only about five and a half billion dollars of currency in circulation.

In 1914 we had $34 per capita in circulation, or $3,400,000,000 all told. We began to expand through the Federal Reserve banks. Wall Street didn't call it inflation then; the big banks were getting interest on it. That made a difference. But now, when the Government proposes to issue its own currency and save the interest, they refer to it as "dangerous inflation."

By 1920 we had expanded that currency from three billion four hundred million to five billion six hundred million, or from $34 per capita to $53 per capita. What was the result? Cotton went to 25 or 30 cents a pound, wheat to $2.50 a bushel, corn, hogs, land, lumber, and labor advanced in proportion. On that price level we contracted our debts, fixed our standards of living, floated our bonds, and levied our taxes. Now we are asked to meet those obligations with the depressed prices which a contraction of that currency has produced. It simply can't be done.

There are two things necessary to maintain commodity prices. One of them is a sufficient volume of the circulating medium, and the other is a sufficient velocity of its circulation. When the volume is low the velocity must be rapid, or commodity prices will decline. If the velocity is slow, then the volume must be high, or prices will decline.

In 1920, and also in 1926, we had an ample volume of currency and a rapid velocity of circulation, both of which have since declined. The passage of this Patman bill would not only add to the volume of our circulating medium but it would put it in circulation in every community in the United States. It would raise commodity prices back to their normal levels. If there was any tendency toward skyrocketing prices, as some of our reactionary friends seem to fear, it could be checked by the sale of bonds and calling in a sufficient amount of Federal Reserve notes to hold this tendency in check and to prevent any wild or abnormal inflation of prices.

The opponents of this measure are deliberately attempting to mislead the American people into the belief that this would be "fiat" money, and that it would be almost or quite worthless. As a matter of fact, every dollar of it would have the gold reserve required by the law behind it, and every dollar of it would be interchangeable with every other dollar of American money. It would have behind it just what is behind our present outstanding currency, and that is every ounce of gold, every ounce of silver, all the wealth, all the resources, and all the credit of the United States. It would be the best fortified money on the globe, just as our present currency is today.

During the Civil War Abraham Lincoln issued United States notes in order to secure money to fight the Civil War. There are $346,000,000 of those notes in circulation now, and they are just as good as any other United States money, because they are legal tender and are interchangeable with all the rest of our money. I saw it stated recently that the United States had saved between eleven and thirteen billion dollars in interest on those notes in the last 70 years.

But you ask then why the money power opposes this measure? I'll tell you why. The wealth of this Nation is now in the hands of a few people; less than 10 percent of our population owns more than 90 percent of our wealth. In 1914, the year the World War broke out, there were 61 individuals in the United States with incomes of $1,000,000 a year. In 1929 there were 513 individuals with incomes of a million dollars a year. There hasn't been such a concentration of wealth since the world began. They not only reaped their fortunes out of the tariff, watered railroad and utilities stocks, and gambling on the stock exchange but they made millions in war profits during the war—coining them from the blood and tears of the suffering men, women, and children of the world. They now have their funds invested in tax-exempt securi-

ties, in first-mortgage bonds, and in other evidences of indebtedness that they want you and your children and their children to pay throughout the coming decades. They know that the passage of this measure will raise commodity prices, restore prosperity to the American farmer, to the small merchant and to the home owner, dissipate our bread lines, abolish our relief rolls, and bring to the American people a new era of prosperity. But it will not permit the favored few to wring the economic lifeblood from the masses of our people in order to increase their wealth or perpetuate their power.

The money changers who are opposing this measure are trying to make you believe that those of us who favor it are opposing the administration, when the truth is we are trying to help the administration Nothing could do this administration more good than for this measure to pass without delay and to become law in its present form. It is now before the United States Senate. Its fate depends upon the action of that body. Its passage is probably the only hope for the World War veterans to ever secure the full payment of their adjusted-service certificates. Upon its passage may depend the hope of the American farmer, the American home owner, the American laborer, the small business man, and all those other millions of our people who do not belong to that small group into whose hands the wealth of the Nation has been concentrated.

I appeal to you veterans to all join and throw your combined strength behind the passage of this measure. This is the bill the rank and file of the veterans want. The Veterans of Foreign Wars, the rank and file of the American Legion and of the Disabled Veterans of the World War, as well as the hundreds of thousands of ex-service men who do not belong to any veterans' organization at all, want this measure passed.

I appeal to the farmers of this country, to the merchants, to the laborers, to the home owners, to all join in this battle for the passage of the one measure that will pay this debt, discharge a just obligation, and at the same time restore to the American people a sound and lasting prosperity for all.

AIR MAIL SERVICE

Mr. MEAD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6511) to amend the air mail laws and to authorize the extension of the Air Mail Service.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6511, with Mr. BLANTON in the chair.

The Clerk read the title of the bill.

Mr. MEAD. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. MEAD. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this measure which comes before us with the unanimous report of the Committee on the Post Office and Post Roads is an excellent bill in my estimation. This bill is the result of the findings of the Federal Aviation Commission, and it is in keeping with the request for legislation contained in a message on aviation sent to the House recently by the President.

The principal purpose of this legislation is to transfer to the Interstate Commerce Commission full authority over air mail rates. This measure will give the Interstate Commerce Commission authority to fix rates for mail pay for all the operators carrying air mail in the United States. Under existing law the Interstate Commerce Commission has the right to inquire into rates and to revise and adjust rates within certain limitations. This bill exceeds those limitations and broadens the power of the Commission. In the Air Mail Act adopted in the last Congress the Commission was given authority to fix rates below the contract bid price. After the cancelation of the contracts and the new lettings of contracts we found air mail contractors bidding all the way from 8 cents per mile up to 39 cents per mile for carrying the mail. The rate which we were paying the contractors before the cancelation of the contracts averaged 42.658 cents a mile. It was reasonable to assume that in some cases, at least, the rates were low. Under the law the air mail rates could not exceed 33⅓ cents per mile. Even though some companies bid as high as 39 cents, their rate of pay was reduced to 33⅓ cents, the maximum under existing law. The only authority the Interstate Commerce Commission has is to revise and reduce rates below the contract bid price. Everybody knows that this industry is the most rapidly developing industry in the world today. Planes that were constructed last year may be obsolete this year.

New devices for speed and for safety are constantly being applied and the cost of maintaining an up-to-date operation has increased tremendously over the cost when the bids were requested. This tremendous increase in cost of operation and the desire to keep abreast with the times presents an excellent reason for giving the Interstate Commerce Commission the right to revise upward as well as downward the rates of air mail pay.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. MEAD. I shall be glad to yield.

Mr. SNELL. Under the old operation, before the cancelation of the contracts, as I understand it, the Interstate Commerce Commission had then, as they have now, the right to reduce the rate of pay.

Mr. MEAD. No; before the cancelation of the contracts they could not adjust rates. The Interstate Commerce Commission exercised no power until after the cancelation of the contracts. All rates were fixed by a formula adopted by the Post Office administration.

Mr. SNELL. As I understand it, the Post Office Department has discovered they could not carry the mails efficiently at the prices they set at the time they canceled the contracts.

Mr. MEAD. Not only the Post Office Department but the Federal Aviation Commission and the Interstate Commerce Commission have also made that discovery. In a number of cases the Interstate Commerce Commission has recommended decreases; but the increases, I may say to the gentleman, exceed the decreases. I believe there were 11 decreases authorized by the Interstate Commerce Commission and 16 increases recommended, but which could not be put into effect because of the prohibition in existing law.

Mr. SNELL. Last year at the time of the cancelation of the contracts the gentleman explained to the House very fully, eloquently, and at length about the fraud and corruption that existed. How many people have been prosecuted for fraud and corruption in connection with those contracts since that time?

Mr. MEAD. The gentleman gives me credit for saying perhaps more than I said on that occasion. I did not dwell at any length on that particular subject; and, therefore, I would like to keep it out of this discussion as far, and as well, as I am able to.

Mr. SNELL. I appreciate the gentleman wants to do that, but I think the country is entitled to know, if there were fraud and corruption at that time, what this administration has done to punish the perpetrators of that fraud and corruption.

Mr. MEAD. Under the law which was adopted by the last Congress all those who were in attendance at parleys in the Post Office Department, at which time it was alleged certain mail contracts were given out, have been eliminated from the air mail industry. Not only that, but holding companies, subsidiaries, affiliates, and other organizations that were involved in the operating, maintaining, and financing of air lines have been eliminated from this field.

Mr. SNELL. I appreciate the fact they were eliminated practically by Executive order, but if that fraud, collusion, and dishonesty of which the chairman of this committee spoke was present at that time, surely some man or some corporation should have been brought to the bar of justice.

Mr. MEAD. I presume the Department felt they were amply punished when they were eliminated from bidding again. I shall accept that view of it.

Mr. DOBBINS. Mr. Chairman, will the gentleman yield?

Mr. MEAD. I yield.

Mr. DOBBINS. In this connection I would remind the chairman of the committee that had the administration been wrong in canceling those air mail contracts the contractors could have brought suit against the United States in the Court of Claims. Can the gentleman tell the House how many air mail contractors whose contracts were canceled have brought such suit in the 9 months that have elapsed?

Mr. MEAD. None of them. They had such an opportunity given to them.

In conclusion, Mr. Chairman, I wish to say that the Air Mail Service we have and the air transportation service generally is better than it has ever been in the history of the United States, it is the best of its kind in the world. Not only that but the service touches more cities, serves a greater number of States, and has been extended by millions of airplane miles. This bill will help develop this wonderful service.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. MEAD. I yield.

Mr. TABER. I am wondering if the gentleman could tell us something about what the cost of operating the air mail under this bill will be as compared with present cost?

Mr. MEAD. There is no doubt in my mind but what the cost will be increased; but I will say to the gentleman—and I base this prediction on reports I have from the Interstate Commerce Commission—that the increase should not exceed $1,500,000, or $2,500,000 at the outside. If this is the case, then the cost of operating this greater Air Mail Service will be under what it was before the contracts were canceled.

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

Mr. MEAD. I am sorry I cannot; my time has expired.

Mr. McFARLANE. Will the gentleman incorporate that information in the RECORD?

Mr. MEAD. Yes; I will.

[Here the gavel fell.]

Mr. GOODWIN. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, on July 1, 1934, the act to revise air mail laws, Public, 308, went into effect, providing that contracts for carrying air mail be let to the lowest bidders, in place of the plan previously used whereby rates were set by the Post Office Department. This plan of low-bid awards has been tried out during the past year, and it has been found that the air mail contractors have suffered such losses that the entire structure of Air Mail Service is endangered through great financial losses of the carriers. In their endeavors to protect their investments in landing fields, routes, and equipment they have made bids far below the cost of operation, and today they are in a defenseless position. The service required for the proper handling of air mail cannot be provided at the contract rates.

On account of this very vital situation in the development of air service, both from the Air Mail Service standpoint and from the national-defense situation, the Committee on Post Offices and Post Roads has held hearings and deems it a necessity to amend the air-mail law and to further extend the service.

To carry on the service, fair and reasonable rates of compensation are necessary. These rates should be entirely within the jurisdiction of the Interstate Commerce Commission, which department is equipped for rate findings which are equitable.

H. R. 6511, now before you for the expansion and improvement of the Air Mail Service, has been approved by the unanimous vote of the members of the committee. It bears the endorsement of the air lines and the Post Office Department.

It has been generally recognized that the chairman of the committee, Mr. MEAD, and former Representative Clyde Kelly, of Pennsylvania, have been authorities on the subject of air mail. This bill is a combination result of their studies, together with the committee.

I have had the privilege recently of talking with former Representative Kelly on the subject of this measure, in which he has been so interested, and he stated to me that, in his opinion, this bill of amendments will go a long way toward providing the smooth working of the Air Mail Service, so necessary not only for its own functions, but for the development of aviation for whatever necessity it may be required.

Mr. Chairman, I ask unanimous consent to insert in the RECORD at this point a comparison between the existing law and the proposed legislation.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The matter referred to follows:

COMPARISON BETWEEN EXISTING LAW (ACT OF JUNE 12, 1934, AS AMENDED), AND PROPOSED LEGISLATION (H. R. 6511)

EXISTING LAW	PROPOSED LEGISLATION
Subsection (c) of section 3: Allows the Postmaster General to extend an air mail route up to 100 miles. (Not more than one such extension may be granted to any one person.)	The first section of the bill allows an extension of an air-mail route up to 150 miles instead of the former limit of 100 miles. (Not more than one such extension may be granted to any one person.)
Subsection (d) of section 3: Allows the Postmaster General to designate certain routes as primary and secondary. Directs that at least four transcontinental routes and the eastern and western coastal routes shall be included among primary routes.	Section 2 (subsec. (d) of sec. 3 of 1934 act): Provides that at least three transcontinental routes shall be included among the primary routes, and such other routes as the Postmaster General deems advisable, but no route less than 500 miles in length may be designated as a primary route. This takes the eastern and western coastal routes out of the mandatory primary classification and leaves their designation up to the Postmaster General.
Subsection (f) of section 3: Limits the aggregate air mail route mileage to 29,000 miles and the annual aggregate of scheduled air-mail transportation to 40,000,000 airplane-miles.	Section 3 (subsec. (f) of sec. 3 of 1934 act): Allows an aggregate air mail route mileage of 32,000 miles instead of the existing 29,000 miles, and allows an annual aggregate of 45,000,000 airplane-miles of scheduled air-mail transportation in place of the present limit of 40,000,000.
No corresponding provision.	The bill further provides that the Postmaster General shall prescribe the number and time of departure of all air mail schedules and that he may utilize therefor any scheduled passenger or express flight of the contractor.
Subsection (a) of section 6: Authorizes the Interstate Commerce Commission to adjust the rate of compensation for carrying air mail, but the adjusted rate may not exceed the rates provided in the act—33⅓ cents per airplane-mile for a load of not over 300 pounds, and in no case shall payment exceed 40 cents per airplane-mile.	Section 4 (subsec. (a) of sec. 6 of 1934 act): Authorizes the Interstate Commerce Commission to adjust the rate of compensation for carrying air mail and permits rates to be increased above the rates specified in the act of 1934, but not to exceed such rates by more than 20 percent.
Subsection (c) of section 6: Allows the indefinite continuation of contracts which may be let or extended pursuant to the provisions of the act, subject to any reduction in the rate of payment and such additional conditions and terms as the I. C. C. may prescribe.	Section 5 (subsec. (c) of sec. 6 of 1934 act): Allows the indefinite continuation of contracts (1) let, extended, or assigned under the provisions of the 1934 act and in full force on March 1, 1935, or (2) which may be let subsequent to such date under the provisions of the 1934 act and which shall have been satisfactorily performed during the initial period of the contract. Rates of compensation to be fixed by the I. C. C. during such period of indefinite continuance, but not to exceed the limitation set forth above in section 4.
Subsection (e) of section 6: Instructs the I. C. C., in arriving at fair and reasonable rates, to endeavor to keep the aggregate cost of the Air Mail Service on and after July 1, 1938, within the limits of the anticipated postal revenue therefrom.	Section 6 (subsec. (e) of sec. 6 of 1934 act): Adds a new sentence to subsection (e) of section 6 of the 1934 act instructing the I. C. C. in determining rates of compensation to disregard losses on air mail routes resulting from the nonprofitable maintenance of nonmail schedules.

EXISTING LAW	PROPOSED LEGISLATION
Section 7: Relates to holding companies, etc., and is intended to prevent intercorporate relationships involving air mail contractors.	Section 7 (sec. 7 of 1934 act): The bill adds a new subsection to section 7 of the 1934 act prohibiting aliens from holding air mail contracts or working as pilots or copilots on the air mail routes. It further forbids aliens to have any interest, in the form of stock or otherwise, in the business of an air mail contractor. The committee intends to offer the following amendment when the bill comes before the House: Page 5, line 11, after the word "acquisition", insert "after the effective date of this act."
Section 10: Requires air-mail contractors to keep their records under departmental regulations, and authorizes the Postmaster General to examine and audit such records.	Section 8 (sec. 10 of 1934 act): This is a clarifying amendment to section 10 of the act, authorizing the Postmaster General to require financial reports from air-mail contractors at such times and in such form as he may prescribe.
Section 13: Rates of compensation and the working conditions and relations for all pilots, mechanics, and laborers employed on air-mail routes to conform to decisions of the National Labor Board. Protects collective bargaining on the part of the employees.	Section 9 (sec. 13 of 1934 act): Slightly changes the language of section 13 of the 1934 act so as to continue in effect the latest decision of the National Labor Board, or its successor in authority, and protects collective bargaining on the part of the employees.
Section 15: Prohibits any contractor operating a primary route from holding more than three contracts for carrying air mail, and further prohibits the contractor on a primary route from holding a contract covering any other primary route. The act further makes it unlawful for air mail contractors competing in parallel routes to merge.	Section 10 (sec. 15 of 1934 act): Permits any contractor operating a primary route to hold not more than four air mail contracts, instead of the limitation of three contracts as contained in the 1934 act; prohibits the contractor on a primary route from holding a contract on any other primary route; but clarifies the language of the 1934 act by providing that where several contracts cover one air mail route such contracts are to be regarded as one contract for the purpose of this prohibition. As in the 1934 act, merging of contractors operating parallel routes is prohibited.
No corresponding provisions.	The bill further provides that after June 30, 1935, no air mail contractor may maintain passenger or express service off the line of his air mail route in the event it competes with passenger or express service available upon another air mail route. The committee has prepared an amendment to this sentence so as to exempt off-line competitive service which has been regularly maintained for at least 4 months next preceding July 1, 1935, provided the number of trips and stops are restricted to those in effect on March 1, 1935. The committee's amendment, which will be offered in the House when the bill comes up, further provides that the I. C. C. may hear complaints regarding alleged unfair practices of competing lines and determine whether such competing service shall be discontinued.

Mr. MEAD. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. DOBBINS].

Mr. DOBBINS. Mr. Chairman, a bill of this kind coming from the committee with the unanimous approval of the committee, ought not, in the opinion of those who are in charge of the presentation of the bill, be made the vehicle for political controversy; and I wish to say that it is the purpose, I think, of the gentlemen on both sides of the House who are in charge of the bill to avoid anything of this sort if it can be avoided. This statement is not to be taken either as an admission of weakness or as a boast of strength, but simply as an indication of the fact that we ought, without the heat of partisan debate, to provide for the future of this service in the best way that it is possible for the House of Representatives to provide.

As the chairman of the committee has told you, the need for this legislation has been made clear by the report of the Federal Aviation Commission, and emphasized by the message of the President delivered to the Congress on the 31st day of January. There are two or three salient features of this bill; probably the most important is the authority it grants to the Interstate Commerce Commission to raise rates of air mail pay as well as to lower them. They now have the authority to lower them, but they have no authority to raise them; and that Commission has recently concluded a very exhaustive inquiry into what constitutes rates of pay for the transportation of the mail through the air. These conclusions show that in the majority of instances the mail is now being carried for less than compensatory rates, and it finds that in 8 out of 25 or 30 contracts the maximum amount of pay authorized under the law is justified, this maximum being 33⅓ cents per mile of air travel.

This bill will authorize the Interstate Commerce Commission to go beyond that limit to the amount of 20 percent, which would allow a possible rate for a 300-pound load as high as 40 cents per mile. This will occur only in extreme cases. In most cases we presume they will find that the rate of pay is around the average which they have recently found to be fair and reasonable, something in the neighborhood of 25 or 30 cents. This bill also authorizes an increase in the annual plane-miles flown in the transportation of mail from 40,000,000 up to 45,000,000.

If the entire 45,000,000 miles are flown and the entire authorization that we have now shall be utilized, and this top pay of 40 cents for a 300-pound load should be paid in every case, as we know it will not be, you can quickly figure that the annual cost of our Air Mail Service will be $18,000,000. In the past, with a much inferior service and a service much more restricted, the expenditure has been $19,000,000 and $20,000,000. The most extensive service we ever had before was 35,000,000 airplane-miles per year, and it is proposed to increase that by nearly one-third. In addition we have a faster service; we have more frequent schedules; we have a better service; we have a more regular service, less failures, and less emergency landings. The requirements today impose upon the carriers the duty of maintaining safer equipment. For instance, wherever they fly over hills or mountains they must have multi-motored planes.

Mr. LANHAM. Will the gentleman yield?

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

Mr. LANHAM. With reference to off-line companies, I understand the gentleman is familiar with certain observations and recommendations made to the committee by the Bowen Air Lines, for instance, that operate in Texas. They have been operating there since October 1930. There are other companies in a similar position. Can the gentleman state approximately what would be the effect of this legislation with reference to them?

Mr. DOBBINS. For the information of the gentleman from Texas, I am glad to say that the case of the Bowen Air Lines was one of those cases which impelled the committee to provide that the Interstate Commerce Commission in its discretion might authorize the continuance of competitive service along air mail routes. It was our understanding that that line, as well as the Pennsylvania Air Lines

between here and Detroit and the T. W. A. between Pittsburgh and Kansas City by way of Chicago, are each supplying service which in a measure is competitive with the Air Mail Service, but that service is also, it seemed to the committee, fairly competitive and is reasonable and necessary in the public interest. Under the authority granted in this bill as it is proposed to be amended, the Interstate Commerce Commission will be authorized to permit the continuation of that service.

Mr. TABER. Will the gentleman yield?

Mr. DOBBINS. I yield to the gentleman from New York.

Mr. TABER. Is the gentleman familiar with the losses which it is alleged have been sustained by these air mail carriers which are now carrying the mail and have been carrying the mail during the past 6 or 8 months they have been operating?

Mr. DOBBINS. I know those losses are generally conceded to have been sustained. The exact amount of the losses is in disagreement. The Interstate Commerce Commission and the Department of Commerce arrived at one figure, the Post Office Department at another, and the air line operators at still another, which is considerably greater. Under the contention of the air mail operators, they are losing a maximum of $5,000,000 a year.

Mr. TABER. What does the Post Office Department say?

Mr. DOBBINS. The Post Office Department has not arrived at a definite figure, but it does question a great many items which enter into the computation of the air line carriers, such as the rate of depreciation.

Mr. TABER. What does the Interstate Commerce Commission find?

Mr. DOBBINS. The Interstate Commerce Commission finds that the losses are around $3,000,000 based upon the air line operations. Under the increase authorized by this bill those losses can all be absorbed by increases in rates of compensation which the Interstate Commerce Commission can grant and which would take every one of the air lines out of the red.

Mr. TABER. Does the gentleman estimate that the increases that would be required under this bill will run approximately $3,000,000?

Mr. DOBBINS. I anticipate they will run from $3,000,000 to $5,000,000, which would bring the maximum up to between $15,000,000 and $17,000,000. This will provide a much better service than we ever had before.

Mr. ZIONCHECK. Will the gentleman yield?

Mr. DOBBINS. I yield to the gentleman from Washington.

Mr. ZIONCHECK. Section 2 of the bill provides that the Postmaster General may designate as primary routes at least three transcontinental routes. As I understand it, those routes, as contemplated, are the United Air Lines, the Transcontinental & Western, and another one?

Mr. DOBBINS. Yes; the northern transcontinental, which runs through Salt Lake City; the central transcontinental, which runs directly to Los Angeles from Kansas City; and the southern route, which runs through Atlanta and Fort Worth.

Mr. ZIONCHECK. Is it the gentleman's understanding that the Northwest Air Lines are not considered at this time or are to be considered as a primary route?

Mr. DOBBINS. Under the act of 1934 they were considered as a primary route. This act eliminates that designation of the Northwest Air Lines, but authorizes the Postmaster General to classify it as a primary route if he sees fit.

Mr. ZIONCHECK. Section 2 at the same time does away with the Black-McKellar law, which made the coastal routes primary routes?

Mr. DOBBINS. It does.

Mr. MICHENER. Will the gentleman yield?

Mr. DOBBINS. I yield to the gentleman from Michigan.

Mr. MICHENER. As a matter of fact, this bill simply recognizes in plain language the fact that we must pay a subsidy or bonus in connection with these contracts. The effort is to reduce the subsidy or the bonus to the minimum?

Mr. DOBBINS. That is the purpose of the bill.

Mr. MICHENER. And there is nothing to all this talk about bonuses and subsidies in connection with air mail contracts?

[Here the gavel fell.]

Mr. MEAD. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. DOBBINS. I may say, in response to the gentleman from Michigan [Mr. MICHENER], that the act of 1934 requires the Interstate Commerce Commission to work toward the elimination of a subsidy, and we did not change that feature. But there is considerable doubt in the minds of many of us as to whether we shall ever reach that goal.

Mr. MOTT. Mr. Chairman, will the gentleman yield for a question?

Mr. DOBBINS. I yield.

Mr. MOTT. As I understand this bill, its provisions do not change the existing status of air mail carriers on the Pacific coast that may be flying the mail from Portland to San Francisco.

Mr. DOBBINS. No; it permits them to continue their service, which I understand to be an excellent service.

Mr. MOTT. And leaves them in the same situation in which they have been, which I think satisfies the people out there.

Mr. DOBBINS. I think it thoroughly satisfies the people on the Pacific coast.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. DOBBINS. I yield.

Mr. COX. I received the impression when the Chairman of the Committee on the Post Office appeared before the Rules Committee that this bill is monopolistic in effect, but the whole matter is under the strict supervision of the Interstate Commerce Commission.

Mr. DOBBINS. That is true.

Mr. COX. And what you are undertaking to do by the legislation is to stabilize and to improve the service.

Mr. DOBBINS. That is true.

Mr. COX. And that is the justification for the legislation.

Mr. DOBBINS. Yes; and that inquiry suggests just one other important feature of this bill which I wish to mention briefly. It undertakes to protect the air line carriers against unfair or unnecessary competition on the part of other operators, but if another operator competing with an air line carrier can show that the competitive service which he proposes to offer is either fair competition or is necessary in the public interest, then under the terms of this bill the Interstate Commerce Commission can authorize the competition. I think this answers a doubt that has been expressed by a great many people upon this question.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. DOBBINS. I yield.

Mr. CHURCH. Referring to the last seven lines of the bill and then your contemplated amendments which give the right of appeal to the Interstate Commerce Commission, is there not still the monopolistic feature in the bill, after your amendments are adopted, in that your amendments only allow those companies to come in that have an established route or established stops, and do not permit other companies or even these companies to increase their service?

Mr. DOBBINS. Yes; they can increase the service under the terms of this bill if the increase involves either fair competition or necessary service. If the service is unnecessary or unfair, it will be prohibited by the Interstate Commerce Commission in carrying out the provisions of this measure. [Applause.]

[Here the gavel fell.]

Mr. GOODWIN. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. McLEAN].

Mr. McLEAN. Mr. Chairman, in a forum that is essentially one of political atmosphere, it is absolutely impossible to refrain from thought along political lines, and so far as I am concerned I have no hesitancy in saying that thinking out public questions along political lines does not shock my sensibilities. There is every reason to believe the air mail situation had for its background a political purpose. A review of developments incident thereto may excite criticism

on the part of one party which gentlemen of the opposite party may find it necessary to defend and explain. If this be politics, then politics serves a very useful purpose in our deliberations, and furnishes no cause for the complaints we have heard during this debate.

The purpose of this bill is to amend the air-mail laws, to authorize the extension of the Air Mail Service, and supply omissions found to exist in the legislation adopted by the last Congress. The legislation comes as the result of the cancelation of the air mail contracts by the Postmaster General in January 1934.

The necessity for additional legislation, modifying existing law as to air mail carriers comes as no surprise to students of the situation. When the existing legislation was before Congress on May 10, 1934, Mr. Clyde Kelly, then a Representative from Pennsylvania, and whom we all recognize as an authority on postal affairs, said:

> Mr. Chairman, someday in the future the unwritten history of the past 90 days in the life of the air mail will be written, and many interesting things will be developed at that time.

He also said:

> Among those things one fact will stand out, and that is the Herculean effort of the distinguished Chairman of the Committee on Post Offices and Post Roads, the gentleman from New York [Mr. MEAD] to remedy the defects which have been made in connection with the air mail.

In this proposed legislation we discern an acknowledgment of existing difficulties and unfairness to the air mail carriers; also, the continued efforts of the gentleman from New York to correct the situation which was created by the cancelation.

I shall vote for this bill. It is a movement in the right direction to correct the colossal blunder of 1934, when the air mail contracts were ruthlessly canceled and a disastrous program entered upon, the dire results of which are too familiar to need repetition. This legislation will assist American aviation to more speedily recover from the effects of that blow. The proposed amendments are numerous, but of little consequence except insofar as they relate to fixing the pay of the carriers. Comparing the rates that will be paid under this bill with the rates paid under the revoked contracts, the new rates will be approximately the same as paid at the time the contracts were revoked. It was said that the new arrangement entered into under existing legislation would result in the reduction of cost and there would be a saving to the Government of $10,000,000 annually, and politically minded gentlemen praised this great saving as a wonderful accomplishment of the administration.

At that time Mr. Kelly predicted:

> We are not saving a dollar on this plan when the final balance sheet is made up. Wait until there has been operation under all the contracts before you say you have saved money. Wait until real air mail service is provided.

Mr. Kelly's prediction has worked out just as he said it would. It was estimated that the cost per mile would be 29.6 cents as compared with 44 cents a mile, or 42 cents a mile as stated by Mr. MEAD this morning, the cost of the service prior to the cancelation of the contracts. The report of the committee accompanying the bill is silent as to figures on this point, but does say that the service is being handled at a cost per mile much lower than at the former prevailing rate, and it is quite evident that the transportation service is being rendered at a substantial loss to the contractors in several instances, and that in some instances this loss is so great as to threaten most seriously the continuance of the high-grade service now supplied and to bring possible disaster to the entire aviation industry. I am advised, however, that the rate now paid is 33½ cents per pound, which by this bill may be increased by 20 cents, and the purpose of this bill is to increase the rates.

Mr. DOBBINS. Mr. Chairman, will the gentleman yield?

Mr. McLEAN. Yes.

Mr. DOBBINS. The rate now paid is not 33½ cents per mile, but that is the maximum rate, the average rate now being paid is nearly 20 cents a mile.

Mr. McLEAN. My authority is the Superintendent of the Air Mail Service. However, I shall accept the gentleman's suggestion.

It needs only simple mathematical calculation to establish by these figures that the rates paid under the former contracts were not excessive as was alleged, and that the method of calculation as provided in this bill will bring the cost to approximately what it was, and which the report states is necessary to avoid disaster to the entire aviation industry. It bears out the excellent judgment of Mr. Kelly above recited.

These extravagant claims of amounts to be saved were based on low bids submitted by the carriers. They were bargain bids, made at suicide rates. They were made for the simple purpose of providing an opportunity to demonstrate the injustice of the cancelations. They were made because the companies wanted to show that there had been no fraud or collusion, and in the hope that in an orderly way over the course of time they would be exonerated and treated fairly. This bill proves the claims of excessive payments and large savings were wrong. Admitting as it does the need for additional pay, the bill comes none too soon to right the wrong in the light of experience of the past year.

American aviation has developed very rapidly, and in the past few years people have become air-minded. We are proud to be able to boast that we had the finest aviation service in the world. Evidently it has recovered from the humiliation and retarded development at the hands of the Postmaster General or whoever was responsible. Its further development will gratify all who hope that it may excel commercially as well as an industry whose upbuilding against the possibility of future wars is a vital national necessity. [Applause.]

Mr. MEAD. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. LUDLOW].

Mr. LUDLOW. Mr. Chairman, I have asked for this time, primarily, that I may propound a question to the gentleman from New York, the able chairman of the committee.

The gentleman from New York is very familiar with this subject, and has a very comprehensive vision of the Air Mail Service throughout the United States. I think the gentleman is familiar with our air problem in the city of Indianapolis, and I wish to ask the gentleman whether in his opinion, under the bill he has introduced, there will be any diminution or abolishment or impairment of the Air Mail Service or the air facilities now enjoyed in our city.

Mr. MEAD. I may say to the gentleman that P. W. A. or Transcontinental or Western Air has a line from Newark to Los Angeles by way of Pittsburgh, Chicago, Indianapolis, Kansas City, and Amarillo, Tex. They also have an off-line operation from Pittsburgh north to Chicago and from Chicago down to Indianapolis. This off-line operation would have been eliminated under the provisions of the original bill, but it will be permitted under the amendment which we shall offer before the bill is finally acted upon.

Mr. LUDLOW. I thank the gentleman for the consolation he has given me, and in the remainder of the time I would like to read a brief letter from the Indianapolis Chamber of Commerce, a very alert organization that is always alive to the interests of our city and State. Originally it objected to this bill, but in a letter just received from William H. Book, the vice president of this great chamber of commerce, he included language which I quote:

> We understand House bill 6511, the air mail and air line legislation proposed at this session, will come up for a vote in the House on Monday. Several days ago we wrote you concerning section 15 of this bill. Amendments were offered by the committee to this section, which, if adopted, would seem to us to remove the objections stated in our letter.
>
> We believe that legislation of this kind is necessary for the preservation as well as the development of the air transportation system of the country, and hence respectfully urge that you vote for its passage.

The people of Indianapolis, the capital of our great State, are air-minded. I do not believe that aviation has any better friends anywhere than we are in Indiana. We are fond of speaking of Indianapolis as the air crossroads of America. Our chamber of commerce, with which I am pleased

to work in close cooperation, also our business men and our citizens generally, will be glad to learn from the eminent chairman of the committee that the reorganization plan provided in his bill will in no way or degree impair or diminish the air facilities we now enjoy.

Mr. RANSLEY. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, at the outset of my remarks I want to congratulate the Chairman of the Committee on the Post Office and Post Roads, my colleague from New York [Mr. MEAD]. There is no abler Member of Congress, no better chairman of a committee, no man more competent to write sound legislation, and if he had had his way in the previous Congress, and if the ranking Republican member of that committee in the previous Congress, Clyde Kelly, of Pennsylvania, had been permitted to legislate to protect the aviation transport industry this bill would have been introduced at the last session of Congress and commercial air transportation in the United States would not have been handicapped and almost wrecked.

If they had had their way there would have been none of these Farley air mail blunders, beginning with the cancelation of the air mail contracts.

As I recall, the first great blunder committed by the administration was committed by the Postmaster General, James A. Farley, when he canceled the air mail contracts without any hearings, in the most autocratic, high-handed, and dictatorial manner. He told Congress that he had canceled them because there had been no competition in the bidding, because there was fraud and favoritism, and then other Democrats took up the cry like a lot of parrots and cried, "Fraud, fraud, fraud", when there was no fraud. No fraud has been proven, and if there had been fraud it was the duty of the administration to prosecute anyone guilty of defrauding the Government. But nobody was brought to trial and no real evidence of fraud was presented.

The whole situation was simply that Postmaster General Farley wanted to get control of these air-mail contracts. If there was anything rotten or fraudulent, it was in the cancelation of the contracts, not in the making of them.

They were canceled without any hearings of any kind in the most un-American way. In our country, people who commit crimes—murderers, kidnapers, men charged with treason against the United States—are entitled to a hearing before being found guilty. [Applause.]

In the case of the cancelation of these air mail contracts the companies who held the contracts had their contracts canceled without even knowing that they were about to be canceled; they not only did not have a hearing but they did not know about it until it appeared in the newspapers that their contracts had been canceled. In order to protect themselves the Postmaster General and other Democrats raised the cry of "fraud", but submitted no valid evidence to support their contention. The whole performance was squalid politics from the very beginning.

Now, what has happened. There is a silver lining to every cloud. In order to cover up the Farley blunders, the Democratic Committee on the Post Office and Post Roads come in here and now say that competition does not work. That was one reason given for canceling the contracts; that there was no competition. Postmaster General Farley was going to open it up for competition. What a travesty and a farce! A blunder is often worse than a crime.

Now they say that competition does not work, and under the able leadership of the chairman of the committee [Mr. MEAD], you ask the House to pass new legislation limiting competition and placing the control of rates in the hands of the Interstate Commerce Commission where they will be safeguarded.

I have only taken these few minutes to make some reference and point out that in spite of the cry of "fraud" and the cancelation of the air mail contracts on the alleged basis of favoritism and fraud that not one iota of fraud has been proven, and you have almost wrecked the commercial air transportation service without justification and in a stupid attempt to smear the Hoover administration.

(The time of Mr. FISH having expired, he was given 1 minute more.)

Mr. DOBBINS. Will the gentleman yield?

Mr. FISH. I cannot yield. I have only 1 minute. Everybody admits that a year and a half ago we had the greatest air transportation system in the world. In spite of the cry of "fraud" none of the air mail companies were making any money. They were not paying any dividends. They were paying their officers limited salaries. How could there be fraud when they were not earning money at that time. They were building for national defense. They were building and had built up under that system the greatest air transportation system in the world. But for political reasons you almost wrecked and ruined the air mail and air transport service and industry. [Applause.]

[Here the gavel fell.]

Mr. GOODWIN. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. MAAS].

Mr. MAAS. Mr. Chairman, I am intensely interested in the development of air mail aviation and have been from its inception. I believe that I know something about it. I have ridden practically every air mail line both in this country and in the Caribbean. I have studied their operation, examined some of their books, and I think that this type of legislation is very essential; but there are some glaring omissions as well as a proposal that will be a most serious mistake, I believe. I must disagree with my colleague from New York [Mr. FISH] when he talks about the very low salaries paid these directors before the contracts were canceled, and when he says that we have gottten a great deal of national defense benefit. The subsidy that was intended to assist national defense hurt national defense in this country. The very air mail policy which has been in effect and which it is proposed to continue under this bill injured national defense, set it back 10 years in the air. The very use of these subsidy funds permitted these air mail contractors to acquire factories that built airplanes and motors, so that they were able to destroy competition, and using the money of the subsidy intended only for air mail, permitted them to build up a monopoly in making airplanes and motors that has destroyed competition, so that Europe has gone ahead of us in the development of airplanes and motors. It is the intention now to eliminate that situation, and I think this bill is a long step in the right direction, and yet this bill as it is now drawn will not accomplish that purpose. It is necessary that we have a complete, searching investigation by the Interstate Commerce Commission before any rates shall be adjusted upward. Do you realize that we have spent $100,000,000 in air mail subsidy and there is not a man in the House who can tell you where that money has gone or how it has been used?

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

Mr. MAAS. Yes.

Mr. McFARLANE. I think I can tell the gentleman where most of it has gone, because the Chase National Bank, National City Bank, and the Morgan interests practically own and control not only the passenger and manufacturing lines but control most of the air mail contracts as well.

Mr. MAAS. Yes; the gentleman is correct. At the very time when the officials of these companies were cutting the pay of their pilots, at the time they came and cried for increased rates, they voted to themselves enormous bonuses and enormous salaries running into the hundreds of thousands of dollars. We are told that they lost money under those contracts. I want to show you that, as a matter of fact, under the present rates which it is said will bankrupt these concerns if we do not give them immediate emergency legislation, they are now making money. I have before me the report of the Federal Aviation Commission. I take the report for the month of October as an example. Of 19 operators 10 show a loss and 9 show a profit, but the net result was a net profit for the operators as a whole under the present rates, and to tell us that they were losing money under the old rates, which were much higher, is ridiculous.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. MAAS. Yes.

Mr. TABER. What organization is supposed to be back of this bill?

Mr. MAAS. The Aeronautical Chamber of Commerce, representing all of these air transport companies, or practically all of them, is the one now telling us that unless we pass this bill it is going to bankrupt the industry.

Mr. TABER. Who is the chief representative for that organization?

Mr. MAAS. Oh, various officers, but at present the most active is Elliott Roosevelt, the vice president of the Aeronautical Chamber.

Mr. TABER. It is rumored around the Capitol that he draws a salary of $25,000.

Mr. MAAS. I believe it is $15,000. I understand he has just been raised from $10,000 for his good work. I believe, as a matter of fact, that if the administration was right when it canceled these contracts because they said the rates were too high and were obtained fraudulently, it is wrong now if it attempts to increase these rates without a searching audit and investigation to determine the actual operating cost of these air mail lines.

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

Mr. MAAS. Yes.

Mr. McFARLANE. The gentleman mentioned something about the cross licensing of patents and the making of engines. It may be of interest to know that in our national defense today in the Army and Navy we have only two different kinds of engine-manufacturing companies; that is, the Pratt & Whitney and the Wright Aeronautical Co.

Mr. MAAS. And the reason for it is because of this very policy. It made the condition possible.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. MAAS. Yes.

Mr. DONDERO. I am interested in the gentleman's actual experiences. What does he think of section 7 of this bill, regarding the question of the citizenship of pilots?

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. GOODWIN. Mr. Chairman, I yield the gentleman 3 minutes more.

Mr. MAAS. I think that provision is unnecessary and unwise. That was covered very thoroughly by Mr. BACON.

Gentlemen, we are in the position where we are asked to make rates or to delegate rate-making power without any knowledge or foundation or basis for these rates. You, nor I, nor the Interstate Commerce Commission, nor the Post Office Department knows nothing about the actual foundation of the necessity for increases. The rates may not be adequate, but we have no foundation or basis as yet for saying that. There has never been a real audit made of the money spent for air mail subsidies. I believe personally that an increase in the rates in many companies is necessary and justified, and that we must increase the rates, but we have to have, first, a basis on which to determine what the accounting practices are and whether they justify increases; and if so, how much. You perhaps do not realize that some of these great big air mail contractors are padding their books to show a loss when in fact they are making a profit. They are setting aside enormous reserves, not justified by any principle of insurance or any practice of any of the insurance companies. They are depreciating stone and brick buildings in 5 years, and one company has written off a two-way radio equipment in 1 year. They are paying attorney fees in exorbitant amounts, and we ought to find out what they are paying for lobbyists' fees. We ought to determine what expenses go to building up their costs which make them show a loss.

Mr. McFARLANE. The Air Trust's principal lobbyists, I understand, is former Governor Max Gardner, of North Carolina. They maintain a very elaborate suite of offices here. I understand from good authority that they received $75,000 last year in fees from air line companies.

Mr. MAAS. What I am interested in is the fact that there is only one legitimate purpose for an air mail subsidy, and that is to aid national defense. You and I have no right to vote the public's money to carry air mail simply for the sake of carrying it. The only reason we have air mail is as a method of assisting national defense, building up in peace time the aviation industry, that will give us skilled crews and technicians in the factories, that will give us trained ground crews to operate our planes in time of war. That we are not getting. I think we, as a legislative body, should have before us information upon which to base these rates before we increase or authorize anyone else to increase rates. I shall offer an amendment to that effect when the proper time comes.

There is one other provision in an amendment which will be offered by the committee, which will destroy the chance of competition in aviation. It is going to take the present air mail contractors and freeze them there, eliminating non-mail carriers who seek to build up a passenger and express business.

[Here the gavel fell.]

Mr. GOODWIN. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. MAAS. If we do not put such safeguards into this bill, the scandal under the Brown administration will dim into insignificance compared to the scandal which you will brew in the air mail in the future. We have no knowledge of how much these increases will amount to. There are only certain limitations. Do you realize that if the Interstate Commerce Commission should grant every operator only 1 cent an air mile it would run into millions of dollars? Yet they are permitted to adjust within a 20-percent limit.

Mr. McFARLANE. Will the gentleman yield further?

Mr. MAAS. I yield.

Mr. McFARLANE. Do I understand from this bill that the Interstate Commerce Commission would be authorized to grant these rates upward, without a proper prior investigation as to the adjusting of the rates?

Mr. MAAS. Oh, the bill provides that the Postmaster General may prescribe uniform bookkeeping systems for the air lines, and that the Interstate Commerce Commission can hold hearings, but what I am talking about is a searching investigation and audit into the accounting methods and into the practices of these lines. Now here is about all they can do. A line applies for an increase and says, "Here are our books." But there is no audit going beyond the mere face of those books. I know that the accounting practices are unfair. I know they are not in good business practice. [Applause.]

[Here the gavel fell.]

Mr. GOODWIN. Mr. Chairman, I yield the balance of my time to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, this bill has come here under these circumstances: In 1931 our appropriations for the Air Mail Service were $18,000,000, in 1932 they were $20,000,000, in 1933 they were $19,460,000, in 1934 they were $15,000,000, in 1935 they were $12,000,000, and in 1936 the bill passed the House providing for $10,000,000.

Now, we were told by the gentleman from Illinois when he was on the floor that the result of this bill would probably be an addition of at least $3,000,000. Then the total would run to something like $17,000,000.

This whole situation is in such chaotic condition that it seems to me it requires just that drastic treatment which the gentleman from Minnesota [Mr. MAAS] proposed, in going into this thing from the bottom up and getting at the facts.

In spite of the fact that these people took their contracts last year to carry the mail for the figures that their contracts now call for, in spite of the fact that they did it within 10 months, they are coming here before Congress now and asking for an increase, and in spite of the fact that during all that period there has been tremendous development in the aircraft situation—development which has increased speed and which has decreased costs tremendously. With that situation we must safeguard this bill against abuses in every possible way. If those contracts were let at figures which were too low a year ago, those people were taking their chances. Everybody else who takes a Government contract takes a chance. Why should we not go into this situation thoroughly and see that the interests of the Government are

protected and that we are not subjected to further abuses on the part of these people? [Applause.]

[Here the gavel fell.]

Mr. MEAD. Mr. Chairman, I yield the balance of my time to the gentleman from Pennsylvania. [Mr. HAINES].

Mr. HAINES. Mr. Chairman, I question very much if there is another committee in the House where politics enters into its deliberations as little as our committee of which the gentleman from New York [Mr. MEAD] is our beloved chairman. Each member of our committee honors and respects him because we realize that he understands his job. He is fair and just to every member of the committee and is always willing to listen to any suggestions that may come for better postal legislation. [Applause.]

I am sorry the distinguished gentleman from Minnesota [Mr. MAAS] did not appear before our committee and raise the question that he brings before the House. I am sure he would have received every consideration.

I desire to extend my personal thanks to the chairman of our committee and to assure him of my willingness to cooperate at all times with him.

We have under discussion at this time H. R. 6511, a bill to amend the air mail laws and to authorize the extension of the Air Mail Service. It is a well-known fact that the transportation of air mail under the contracts let in 1934 is being well conducted, with a more extensive and faster service than the country has ever had before. The cost is much lower to the Government, but it is also true that most of the contractors are losing money. This, of course, is unsound, and in the bill before us we are attempting to put the service on a permanent and profitable basis. Aviation has made great strides in the past few years but is still in its infancy. Many communities heretofore not interested in air mail or aviation are now being made air minded, so that it is important that the Congress enact a bill that will contribute to better service and at the same time encourage the operators to expand their lines as the public will demand.

In the bill before us we recognize that the continued successful operation in the Air Mail Service requires the amendments we have submitted, not only in the matter of providing for fair and reasonable rates of compensation, to be fixed by the Interstate Commerce Commission, but also to guard against unnecessary increased operating expenses of the contractors, which might result in rate increases, which have no relevance to the mail service rendered. For this reason we have included in this bill a provision that losses from the unprofitable operations of nonmail schedules shall not affect the rates established for the mail service. We do not deny to the air mail operators the privilege of extending the service for passenger and express, but we do say that losses sustained by such operations shall not be charged to the air mail operation. Should service prove to be profitable it will lead to further reductions of appropriations or subsidy by the Post Office Department. We aim also to protect air mail contractors from ruinous competition, so that the bill provides, beginning July 1, 1935, prohibits an air mail contractor from providing passenger or express service off the line of his air mail route in any way competing with like service available on another air mail route. In another provision we limit the Postmaster General to designate as primary air mail routes any routes of less than 500 miles in length. The bill also provides that the Postmaster General shall prescribe the departure of all air mail schedules, permitting him to increase the service if he deems it necessary between terminals or over a portion of a route.

The air mail map is to be increased from more than 28,000 miles to no more than 32,000 miles, with an annual flying mileage of 45,000,000 miles. The Postmaster General can, if he deems it good business, and for improved service, grant an extension of any air mail route, but not to exceed 150 miles, and then not more than one such extension is given to any one contractor.

We are guarding the employees of the contractors, insuring them compensation at rates fixed by the National Labor Board and requiring observance of the decisions of that Board or its successors in authority. Rates are to be fixed by the Interstate Commerce Commission, and these are to be fair and reasonable—in other words, we want these lines to be put upon a paying basis, so that it will not be necessary for the Congress to vote subsidies. The burden of proof is on the contractor, to show the necessity for additional compensation and in arriving at a determination the Commission shall disregard losses resulting from unprofitable maintenance of nonmail schedules in cases where it is found that the gross receipts from such schedules fail to meet the additional operating expenses occasioned by these operations.

I think this is a good bill. It may work some temporary hardship on one or two lines, and yet it may prove to be a blessing to them. The committee has worked hard, tried its best to bring out a bill that would protect the legitimate contractor and also the Government.

I trust, therefore, that the bill will have unanimous approval. [Applause.]

[Here the gavel fell.]

Mr. HAINES. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to insert several charts prepared by the Aviation Commission.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The matter referred to follows:

Financial results of total operations of domestic air mail contractors, October 1934

System	Route	Contract no.	Passenger revenue	Express revenue	All other operating revenue	Total commercial revenues	Total operating expenses	Total profit or loss before mail revenues	Mail revenue	Total operating profit or loss	Depreciation	Cash profit or loss
United Air Lines	Newark to Oakland	1	$284,426	$19,652	$7,688	$311,766	$526,205	*$214,439*	$165,680	*$48,759*	$63,164	$14,405
Do	Seattle to San Diego	11	85,794	2,396	1,379	89,569	155,938	*66,369*	43,761	*22,608*	20,157	*2,451*
Do	Salt Lake City to Seattle	12	18,482	735	147	19,364	67,934	*48,570*	34,900	*13,670*	9,527	*4,143*
Total			388,702	22,783	9,214	420,699	750,077	*329,378*	244,341	*85,037*	92,848	7,811
American Air Lines	Fort Worth to Los Angeles	4	26,266	1,224	1,004	28,494	63,240	*34,746*	27,259	*7,487*	12,617	5,130
Do	Newark to Chicago	7	78,508	2,589	606	81,703	153,771	*72,068*	31,767	*40,301*	26,747	*13,554*
Do	Boston to Newark	18	33,881	321	289	34,491	47,455	*12,964*	11,544	*1,420*	1,307	*113*
Do	Boston to Cleveland	21	8,027	380	150	8,557	33,914	*25,357*	8,936	*16,421*	5,952	*10,469*
Do	Cleveland to Nashville	22	13,211	708	78	13,997	30,329	*16,332*	7,921	*8,411*	6,451	*1,960*
Do	Newark to Fort Worth	23	13,611	1,157	595	15,363	61,489	*46,126*	14,767	*31,359*	13,060	*18,299*
Do	Washington to Chicago	25	14,998	871	205	16,074	41,331	*25,257*	11,337	*13,920*	2,849	*11,071*
Do	Chicago to Fort Worth	30	36,456	577	458	37,491	68,823	*31,332*	5,669	*25,663*	13,135	*12,528*
Do	Cleveland to Detroit (no mail)		6,581	48	25	6,654	15,559	*8,905*		*8,905*	3,185	*5,720*
Total			231,539	7,875	3,410	242,824	515,911	*273,087*	119,200	*153,887*	85,303	*68,584*
Transcontinental & Western Air.	Newark to Los Angeles	2	294,487	9,374	12,785	316,646	358,615	*41,969*	99,149	57,180	[1] 86,340	143,520
Eastern Air Lines	Newark to New Orleans	5	27,623	780	522	28,925	59,148	*30,223*	14,388	*15,835*	9,514	*6,321*
Do	Newark to Miami	6	61,574	2,301	1,678	65,553	122,658	*57,105*	41,308	*15,797*	20,556	4,759
Do	Chicago to Jacksonville	10		618	68	686	14,815	*14,129*	10,642	*3,487*	2,377	*1,110*
Total			89,197	3,699	2,268	95,164	196,621	*101,457*	66,338	*35,119*	32,447	*2,672*
Northwest Airlines	Chicago to Seattle	3	25,494	679	5,241	31,414	66,043	*34,629*	23,661	*10,968*	9,429	*1,539*

Financial results of total operations of domestic air mail contractors, October 1934—Continued

System	Route	Contract no.	Passenger revenue	Express revenue	All other operating revenue	Total commercial revenues	Total operating expenses	Total profit or loss before mail revenues	Mail revenue	Total operating profit or loss	Depreciation	Cash profit or loss
Hanford Airlines	Chicago to Pembina	16	$2,794	$350		$3,144	$20,860	*$17,716*	$13,385	*$4,331*	$1,582	*$2,749*
Do	St. Paul to Kansas City	26	3,163	236	$139	3,538	27,578	*24,040*	11,166	*12,874*	7,689	*5,185*
Total			5,957	586	139	6,682	48,438	*41,756*	24,551	*17,205*	9,271	*7,934*
Braniff Airways	Chicago to Dallas	9	4,002	1,597	1,615	7,214	21,796	*14,582*	13,025	*1,557*	2,860	1,303
Pennsylvania Airlines & Transport.	Washington to Milwaukee	32	25,444	245	549	26,238	57,094	*30,856*	5,156	*25,700*	10,494	*15,206*
Long & Harmon	Amarillo to Brownsville	15	5,060	112		5,172	22,599	*17,427*	13,209	*4,218*	2,483	*1,735*
Central Airlines	Washington to Detroit	14	3,643	133		3,776	32,251	*28,475*	16,169	*12,306*	6,702	*5,604*
Delta Airlines	Charleston to Dallas	24	5,117	26	2,368	7,511	22,048	*14,537*	15,034	497	3,384	3,881
Chicago & Southern Air Lines.	Chicago to New Orleans	8	3,260	159		3,419	17,728	*14,309*	9,470	*4,839*	1,373	*3,466*
Wyoming Air Service	Cheyenne to Pueblo	17	1,883	40	85	2,008	7,762	*5,754*	6,159	405	886	1,291
Do	Billings to Cheyenne	28	1,270	35	53	1,358	7,629	*6,271*	7,386	1,115	877	1,992
Total			3,153	75	138	3,366	15,391	*12,025*	13,545	1,520	1,763	3,283
General Air Lines	Salt Lake City to San Diego	13	8,962	612	747	10,321	36,822	*26,501*	11,263	*15,238*	[1] 7,287	*7,951*
Varney Speed Lines	Pueblo to El Paso	29	1,143	29		1,172	8,415	*7,243*	8,065	822	1,580	2,402
National Parks Airways	Salt Lake City to Great Falls	19	1,710	93	2,118	3,921	15,593	*11,672*	10,594	*1,078*	1,857	779
National Airways	Boston to Bangor and Burlington	27	6,349			6,349	12,301	*5,952*	6,768	816	859	1,675
Robertson Air Lines	New Orleans to Houston	20	1,377	3		1,380	5,287	*3,907*	3,322	*585*	609	24
National Airlines System	Jacksonville to St. Petersburg	31					1,067	*1,067*	861	*206*	74	*132*
Total			1,104,596	48,080	40,592	1,193,268	2,204,097	*1,010,829*	703,721	*307,108*	356,963	49,855

[1] Figures are those reported under the heading of "rentals", but are understood to consist almost entirely of items that may here be considered as depreciation.

NOTE.—Italic figures indicate loss.

Mileage statistics for operations of domestic air mail contractors, October 1934

System	Route	Contract no.	Revenue airplane miles				Multi-motor miles	Pound-miles		Seat-miles	
			Mail only	Mail and passengers	Passengers only	Total		Mail	Express and excess baggage	Operated	Occupied
United Air Lines	Newark to Oakland	1		$436,016	$428,628	$864,644	864,644	233,755,850	74,510,000	8,236,487	4,865,476
Do	Seattle to San Diego	11		131,282	141,984	273,266	273,266	23,786,280	13,209,100	2,752,600	1,614,700
Do	Salt Lake City to Seattle	12		104,700	9,370	114,070	114,070	20,089,840	3,403,200	1,142,400	340,400
Total				671,998	579,982	1,251,980	1,251,980	277,631,970	91,122,300	12,131,487	6,820,576
American Air Lines	Fort Worth to Los Angeles	4		81,777	1,682	83,459	83,459	13,664,640	4,381,000	1,001,500	481,700
Do	Newark to Chicago	7	$659	94,641	125,393	220,693	220,034	12,696,350	9,158,000	2,795,300	1,337,700
Do	Boston to Newark	18		34,632	30,068	64,700	64,700	2,599,620	1,287,100	886,300	513,700
Do	Boston to Cleveland	21		36,474	8,294	44,768	44,768	845,580	1,109,400	403,600	133,200
Do	Cleveland to Nashville	22	24,388	28,864		53,252	28,864	6,431,850	2,277,400	401,500	225,900
Do	Newark to Fort Worth	23	68,602	45,036	3,838	117,476	48,800	13,265,820	3,350,900	678,000	236,000
Do	Washington to Chicago	25		39,092	16,802	55,894	46,700	1,896,520	2,573,200	642,800	243,900
Do	Chicago to Fort Worth	30		70,864	61,501	132,365	30,500	4,502,670	3,304,300	1,173,900	674,100
Do	Cleveland to Detroit (no mail)				22,600	22,600	22,600		217,000	308,100	101,000
Total			93,649	431,380	270,178	795,207	590,425	55,903,050	27,658,300	8,291,000	3,947,200
Transcontinental & Western Air.	Newark to Los Angeles	2	161,671	251,498	237,728	650,897	490,810	147,082,730	45,870,000	6,715,800	4,937,814
Eastern Air Lines	Newark to New Orleans	5	318	75,408		75,726	70,141	10,389,370	3,415,700	1,094,400	484,000
Do	Newark to Miami	6	73,083	69,357	50,543	192,983	126,422	28,512,000	8,910,000	1,996,300	1,082,300
Do	Chicago to Jacksonville	10	56,008			56,008		7,392,370	1,054,200		
Total			129,409	144,765	50,543	324,717	196,563	46,293,740	13,379,900	3,090,700	1,566,300
Northwest Airlines	Chicago to Seattle	3	275	70,763	77,193	148,231	84,102	5,005,440	1,215,900	1,219,600	560,500
Hanford Airlines	Chicago to Pembina	16		68,323	3,944	72,267	22,537	5,753,920	609,900	346,720	78,203
Do	St. Paul to Kansas City	26		59,112		59,112	[1] 17,655	2,400,070	[1] 113,929	[1] 224,980	[1] 55,133
Total				127,435	3,944	131,379	40,192	8,153,990	723,829	571,700	133,336
Braniff Airlines	Chicago to Dallas	9	57,887		48,813	106,700		10,003,980	4,040,100	243,900	85,100
Pennsylvania Airline & Transport.	Washington to Milwaukee	32	15,468		66,666	82,134	66,666	191,280	1,209,000	727,700	371,500
Long & Harmon	Amarillo to Brownsville	15		66,898	8,878	75,776	34,612	4,664,640	210,900	463,700	165,100
Central Airlines	Washington to Detroit	14	659	67,278	7,579	75,516	74,857	4,675,930	919,600	598,900	55,100
Delta Airlines	Charleston to Dallas	24		60,632		60,632	60,632	3,142,190	336,300	437,400	101,900
Chicago & Southern Airlines	Chicago to New Orleans	8	360	53,757	189	54,306		3,196,200	680,900	215,800	58,100
Wyoming Air Service	Cheyenne to Pueblo	17	1,746	16,730	6,991	25,467		1,301,450	191,500	71,700	28,800
	Billings to Cheyenne	28		25,916	797	26,713		672,830	82,200	77,700	19,700
Total			1,746	42,646	7,788	52,180		1,974,280	273,700	149,400	48,500
General Air Lines	Salt Lake City to San Diego	13		46,928		46,928	46,928	8,566,230	2,612,800	523,400	168,500
Varney Speed Lines	Pueblo to El Paso	29		33,604		33,604		606,810	89,200	168,000	19,000
National Parks Airways	Salt Lake City to Great Falls	19		31,782		31,782		1,757,340	[2] 210,200	127,100	30,600
National Airways	Boston to Bangor to Burlington	27		22,941	4,182	27,123	27,123	267,600		280,800	63,400
Robertson Airlines	New Orleans to Houston	20		19,895		19,895		771,630	[2] 5,700	79,600	22,600
National Airlines System	Jacksonville to St. Petersburg	31	5,066			5,066		134,280			
Grand total			466,190	2,144,200	1,363,663	3,974,053	2,964,890	580,023,310	190,558,629	36,035,987	19,155,126

[1] Figures for September 1934; October 1934 data, not available.

[2] Express only.

Traffic, revenue, and expense factors for operations of domestic air mail contractors, October 1934

Route	Operator	Contract no.	Percent of total miles flown in multi-motor planes	Average passenger capacity of passenger airplanes	Average number of passengers carried per mile with passengers	Passenger load factor	Average mail load: Per mile flown with mail	Average mail load: Per total revenue miles flown	Average airplane load (mail, passenger, express)	Mail payments per—: Mail-pound-mile	Mail payments per—: Mile flown with mail	Mail payments per—: Total revenue-mile flown
						Percent	*Pounds*	*Pounds*	*Pounds*			
Newark to Los Angeles	T&WA	2	75.5	13.7	10.1	73.5	356	226	1,814	$0.0007	$0.240	$0.152
Boston to Newark	AA	18	100.0	13.7	7.9	58.0	75	40	1,648	.0044	.333	.178
Newark to Oakland	VAL	1	100.0	9.5	5.6	59.1	536	271	1,482	.0007	[1] .38	.192
Newark to New Orleans	EAL	5	92.6	14.5	6.4	44.2	137	137	1,461	.0014	.190	.190
Fort Worth to Los Angeles	AA	4	100.0	12.0	5.7	48.1	167	164	1,371	.0020	.333	.327
Seattle to San Diego	VAL	11	100.0	10.1	5.9	58.7	181	87	1,317	.0018	.333	.160
Newark to Miami	EAL	6	65.5	16.6	9.0	54.2	200	148	1,316	.0014	.290	.214
Newark to Chicago	AA	7	99.7	12.7	6.0	47.9	133	58	1,311	.0025	.333	.144
Chicago to Fort Worth	AA	30	23.1	8.9	5.1	57.4	64	34	1,078	.0013	.080	.043
Cleveland to Nashville	AA	22	54.3	13.9	7.8	56.3	121	121	1,012	.0012	.149	.149
Salt Lake City to San Diego	GAL	13	100.0	11.2	3.6	32.2	183	183	956	.0013	.240	.240
Washington to Chicago	AA	25	83.5	11.5	4.4	37.9	49	34	953	.0050	.290	.203
Washington to Milwaukee	PA&T	32	81.2	10.9	5.6	51.1	12	2	921	.0270	.333	.063
Cleveland to Detroit (no mail)	AA		100.0	13.6	4.4	32.8			903			
Salt Lake City to Seattle	VAL	12	100.0	10.0	2.9	29.8	192	176	803	.0017	.333	.306
Chicago to Seattle	NA	3	56.7	8.2	3.8	46.0	70	34	798	.0047	.333	.160
Boston to Cleveland	AA	21	100.0	9.0	3.0	33.0	23	19	639	.0106	.245	.200
Newark to Fort Worth	AA	23	41.5	13.9	4.8	34.8	117	113	543	.0011	.130	.125
Amarillo to Brownsville	L&H	15	45.7	6.1	2.2	35.6	70	62	500	.0028	.198	.174
Boston to Bangor to Burlington	NA	27	100.0	10.4	2.3	22.6	12	10	477	.0253	.295	.250
Charleston to Dallas	DAL	24	100.0	7.2	1.7	23.3	52	52	393	.0048	.248	.248
Chicago to Pembina	HAL	16	31.2	4.8	1.1	22.6	84	80	304	.0023	.195	.185
Chicago to Dallas	BA	9		5.0	1.7	34.9	173	94	291	.0013	.225	.122
Chicago to New Orleans	C & SAL	8		4.0	1.1	26.9	59	59	285	.0030	.175	.174
Cheyenne to Pueblo	WAS	17		3.0	1.2	40.2	70	51	285	.0047	.333	.242
New Orleans to Houston	RAL	20		4.0	1.1	28.4	39	39	266	.0043	.167	.167
Salt Lake City to Great Falls	NP	19		4.0	1.0	24.1	55	55	254	.0060	.333	.333
St. Paul to Kansas City	HAL	26	[2] 29.9	[2] 3.8	[1] .93	[2] 24.5	41	41	[2] 229	.0047	.189	.189
Washington to Detroit	CA	14	99.1	8.0	.7	9.2	69	62	220	.0035	.238	.214
Billings to Cheyenne	WAS	28		2.9	.7	25.4	26	26	176	.0110	.285	.276
Chicago to Jacksonville	EAL	10					132	132	151	.0014	.190	.190
Pueblo to El Paso	VSL	29	.0	5.0	.5	11.3	18	18	134	.0133	.240	.240
Jacksonville to St. Petersburg	NAS	31	.0	.0			27	27	27	.0064	.170	.170
Total			74.6	10.3	5.5	53.2	222	146	1,158	.0012	.270	.177

Route	Operator	Contract no.	Passengers revenue per mile with passengers	Revenue per total revenue mile: Passengers	Revenue per total revenue mile: Other commercial revenue	Revenue per total revenue mile: Total commercial revenue	Revenue per total revenue mile: Total revenue	Commercial revenue as percent of total revenue	Per total revenue mile: Total cost	Per total revenue mile: Total profit or loss
								Percent		
Newark to Los Angeles	T&WA	2	$0.602	$0.452	$0.034	$0.486	$0.638	76	$0.551	$0.087
Boston to Newark	AA	18	.524	.524	.009	.533	.711	75	.733	*.022*
Newark to Oakland	VAL	1	.329	.329	.031	.360	.552	65	.608	*.056*
Newark to New Orleans	EAL	5	.366	.365	.017	.382	.572	67	.781	*.209*
Fort Worth to Los Angeles	AA	4	.315	.315	.026	.341	.668	51	.757	*.089*
Seattle to San Diego	VAL	11	.314	.314	.014	.328	.488	67	.570	*.082*
Newark to Miami	EAL	6	.514	.319	.021	.340	.554	61	.636	*.082*
Newark to Chicago	AA	7	.357	.356	.014	.370	.514	73	.697	*.183*
Chicago to Fort Worth	AA	30	.275	.275	.008	.283	.326	87	.520	*.194*
Cleveland to Nashville	AA	22	.458	.248	.015	.263	.412	64	.570	*.158*
Salt Lake City to San Diego	GAL	13	.191	.191	.029	.220	.460	48	.785	*.325*
Washington to Chicago	AA	25	.268	.268	.020	.288	.491	59	.740	*.249*
Washington to Milwaukee	PA&T	32	.382	.310	.009	.319	.382	84	.695	*.313*
Cleveland to Detroit (no mail)	AA		.291	.291	.003	.294	.294	100	.688	*.394*
Salt Lake City to Seattle	VAL	12	.162	.162	.008	.170	.476	36	.595	*.119*
Chicago to Seattle	NA	3	.172	.172	.040	.212	.372	57	.445	*.073*
Boston to Cleveland	AA	21	.179	.179	.012	.191	.391	49	.758	*.367*
Newark to Fort Worth	AA	23	.278	.116	.015	.131	.256	51	.523	*.267*
Amarillo to Brownsville	L&H	15	.067	.067	.001	.068	.242	28	.298	*.056*
Boston to Bangor to Burlington	NA	27	.234	.234	.000	.234	.484	48	.454	.030
Charleston to Dallas	DAL	24	.084	.084	.040	.124	.372	33	.364	.008
Chicago to Pembina	HAL	16	.041	.041	.003	.044	.229	19	.289	*.014*
Chicago to Dallas	BA	9	.082	.038	.030	.068	.190	36	.204	*.089*
Chicago to New Orleans	C & SAL	8	.060	.060	.003	.063	.237	27	.326	.016
Cheyenne to Pueblo	WAS	17	.080	.074	.005	.079	.321	25	.305	*.030*
New Orleans to Houston	RAL	20	.069	.069	.000	.069	.236	29	.266	
Salt Lake City to Great Falls	NP	19	.054	.054	.070	.124	.457	27	.491	*.034*
St. Paul to Kansas City	HAL	26	.054	.054	.006	.060	.249	24	.467	*.218*
Washington to Detroit	CA	14	.049	.049	.001	.050	.264	19	.427	*.163*
Billings to Cheyenne	WAS	28	.048	.048	.003	.051	.327	16	.285	.042
Chicago to Jacksonville	EAL	10			.012	.012	.202	6	.264	*.062*
Pueblo to El Paso	VSL	29	.034	.034	.001	.035	.275	13	.250	.025
Jacksonville to St. Petersburg	NAS	31				.000	.170	0	.210	*.040*
Total			.315	.278	.022	.300	.477	63	.554	.077

[1] Anticipated rate of payment.
[2] Composite figure from combination of September and October 1934, data available.
[3] For September 1934.
NOTE.—Italic figures indicate loss.

The CHAIRMAN. All time has expired. Under the rule, the Clerk will read the bill by sections.

The Clerk read as follows:

Be it enacted, etc., That subsection (c) of section 3 of the act entitled "An act to revise air mail laws, and to establish a commission to make a report to the Congress recommending an aviation policy", approved June 12, 1934, as amended, is amended to read as follows:

"(c) If, in the opinion of the Postmaster General, the public interest requires it, he may grant an extension of any route, for a distance not in excess of 150 miles, but only one such extension shall be granted to any one person, and the rate of pay for such extension shall not be in excess of the rate fixed for the service thus extended."

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 2, line 2, after the word "rate", insert "per mile."

Mr. TABER. The Chairman, will the committee accept this amendment?

Mr. MEAD. Yes; I can see no objection to the amendment.

Mr. TABER. It makes the rate clear.

Mr. MEAD. The amendment is agreeable.

The CHAIRMAN. The question is on the amendment of the gentleman from New York [Mr. TABER].

The amendment was agreed to.

Mr. CULKIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have been somewhat amazed at the course this discussion has taken. It is the aim of a political party, of course, as it is the aim of an individual, to bury past mistakes. This appears to have been done most successfully in this case under the able and skillful direction of the distinguished chairman of the committee; but a political party cannot ignore successfully the past, and its past mistakes become an issue before the people when election time comes. In the case of air mail these contracts were canceled on the ground of fraud. Not a single prosecution has been entered into by the administration. The only change in the situation is that we have in the set-up the unique personality of Elliott Roosevelt, who is not a flyer and is not an outstanding executive. I am wondering if his personality, his family connections, have any connection with the penitential attitude of the Postmaster General and the members of the committee on the other side as to this situation.

Mr. CONNERY. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield.

Mr. CONNERY. The gentleman refers to Elliott Roosevelt. Why does the gentleman not refer to the Republican Roosevelt, the son of a former Republican President, who was connected with a shipping concern to which a Republican administration sold $42,000,000 worth of ships for $2,000,000 and then paid that shipping concern a subsidy, under Republican administration, of millions of dollars, in one instance paying $110,000 for carrying 1 pound of mail? What about referring to that Roosevelt?

Mr. CULKIN. I am not in sympathy with the practice or the situation the gentleman speaks of; but those men were not the sons of a President at the time of the transaction referred to. That makes the ethics of the situation vastly different.

Mr. CONNERY. He certainly is. The Roosevelt to whom I referred, who was connected with the shipping concern, is the son of a former Republican President.

Mr. CULKIN. There is a world of difference. An ex-President is like a dethroned King in standing and influence.

I am not suggesting any financial impropriety; I am merely expressing curiosity as to whether this pseudotechnical relation of the aviation industry with a member of the family of the distinguished President has any influence on the present attitude, the present reverential attitude of the committee toward these aviation companies which were formerly held in so low esteem.

I well remember, Mr. Chairman, when these contracts were canceled that that distinguished American citizen, Colonel Lindbergh, gave out a message to the country that this cancelation would wreck the aviation industry, an industry which he had done much to foster; and then it was given out to the American people by the White House that Lindbergh was seeking notoriety and publicity. Lindbergh since, of course, has been justified in his attitude; and the introduction of this bill writes the John Hancock of the administration upon his disapproval and his protest. This bill puts us back where we were when the cancelation occurred.

This administration committed its original sin when it canceled these contracts. If the contracts then were under unhappy auspices, they are not under any more happy auspices now. I concur in the suggestion of the gentleman from Minnesota that any subsidy should be tied up with personnel for use in time of need. This mistake, this grave mistake which killed 12 men of the Army Aviation Corps must not be repeated.

[Here the gavel fell.]

Mr. DOCKWEILER. I rise in opposition to the pro forma amendment.

Mr. Chairman, I am in favor of this bill. I was a member of the Committee on the Post Office and Post Roads when what I might call the first Democratic air mail act was passed. We realized at the time that in a few years following that we would have to make amendments to that act, and for that reason the Air Mail Act of 1934 provided for the creation of a committee to investigate these things that have been mentioned upon the floor this afternoon. As a result of that investigation this piece of legislation is out before you on the floor. Not only the committee of this House but also the commission that spent months investigating this situation has perhaps found out some of the facts that the gentleman from Minnesota speaks of, but that is all water under the bridge. Just because there have been misdoings on the part of the industry in the past is no justification for destroying what little subsidy there is in this bill for the aviation industry.

I regret very much, Mr. Chairman, that a son of our distinguished President is dragged into these discussions. A man can preface his remarks, of course, by saying that he does not mean to insinuate this or insinuate that, but all that is necessary is to mention the name of a son of the President on the floor and it is quite likely to be misconstrued if the tenor of a man's discourse is in opposition to a bill which that son might favor.

I would like to know, Mr. Chairman, whether the distinguished gentleman from New York is going to vote for this bill. If he is, then he must concur in the opinion and in the efforts of Mr. Elliott Roosevelt in trying to effect this legislation we have before us. He must think, too, that it is a good thing.

What should the son of a President do? Because the man who happens to be President has sons, are those sons to go off into the desert and become recluses during the time their father is President?

Mr. MAAS. Mr. Chairman, will the gentleman yield?

Mr. DOCKWEILER. Mr. Chairman, I decline to yield.

From what I read in the press and so far as I know, Mr. Elliott Roosevelt, still being a very young man, has devoted all of his time to aviation matters. If he is now vice president of the National Aviation Committee here in Washington, it is only a recent thing. Before that time he was out in the West, in my part of the country, interested entirely in aviation matters, even before his distinguished father became President of the United States.

Now, Mr. Chairman, must he stop his line of endeavor? Must he stop his ambition, must he stop being an aid to that great industry in this country and stop lending his advice and experience to that industry? No. Why, it is ridiculous to suppose that a President's son has to crawl away and become a nonentity during the time his father might be President of a country.

May I say that this particular bill provides a step forward. It is essential to the industry that all of its affairs be reviewed by the Interstate Commerce Commission. This is the very thing that the country wants to see passed. The mis-

takes which were made in the past will be brought out under the broad light of scrutiny by the Interstate Commerce Commission.

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, does the gentleman think there are no other jobs in the country which young Roosevelt can get besides lobbying in Washington on legislation before the administration of which his father is the head?

Mr. BULWINKLE. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from North Carolina.

Mr. BULWINKLE. I would like to know if the President's son, Elliott Roosevelt, ever appeared before the gentleman's committee?

Mr. MAAS. I am not on the Post Office Committee.

Mr. BULWINKLE. I am asking the gentleman if Elliott Roosevelt has appeared before any committee of this House?

Mr. MASS. I do not know. I am not a member of every committee of this House.

Mr. BULWINKLE. Has he lobbied in connection with any Member of this House?

Mr. MAAS. I do not yield further.

Mr. BULWINKLE. The gentleman made a charge.

Mr. MAAS. If the gentleman will ask a question, I will answer it; otherwise I decline to yield.

Mr. BULWINKLE. I have asked the gentleman three questions.

Mr. MAAS. I have answered them.

Mr. BULWINKLE. The gentleman does not know?

Mr. MAAS. I know that the representatives of the chamber of commerce of which he is vice president have appeared before the committees of the Congress on this legislation.

Mr. BULWINKLE. Will the gentleman yield further?

Mr. MAAS. I do not yield further, Mr. Chairman.

Mr. FORD of California. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from California.

Mr. FORD of California. Does the gentleman know that former President Hoover's son was mixed up in aviation in a certain capacity and nobody criticized that?

Mr. MAAS. I think that was improper myself, but may I say, he was not lobbying here in Washington. He was not officially before the departments of the Government. Mr. Elliott Roosevelt's position requires him to deal directly with the Government departments for his constituents, who are the air mail contractors. I also call attention to the fact that he got that job after the contracts were canceled. Elliott Roosevelt was not with the Aeronautical Chamber of Commerce when his father became President.

Mr. FORD of California. How about Senator Fess's son?

Mr. MAAS. I do not approve of that either. I think it is all wrong.

Mr. FORD of California. May I ask the gentleman one more question in reference to the loss of life after the cancelation of the air mail contracts. Were there not just as many individuals killed in private aviation during that period as there were soldiers carrying the mail?

Mr. MAAS. Absolutely not. There was no justification for the murder of those 12 or 14 Army pilots, for that is what it was—murder. Those officers were ordered to carry the mail when there was no necessity for such action. We have turned the air-mail contracts right back to the same people who were carrying them when the contracts were canceled, only under different names. The same stockholders and same officials are still carrying the mails over the same routes. There never was justification for turning over to the Army the flying of the mail at any time. They made the Army carry the mail with inferior equipment, without training and without giving them proper experience for such work. Those Army men did a heroic job, and they did one, in fact, of the finest jobs ever done in aviation, but nevertheless it was absolute murder for the sake of political expediency. [Applause.]

Mr. FORD of California. An airplane fell just out of Salt Lake City at that time. This plane was the finest product of the particular airplane manufacturer. Seven people were killed. May I ask the gentleman if that was murder?

Mr. MAAS. That was one instance. There were some 12 Army planes that crashed. They sent these boys out in Army pursuit planes. In the commercial planes they had two-way radio. They had a pilot and copilot. The men were trained as copilots for years before they became pilots, and were thoroughly familiar with the territory over which they were flying. They had some chance for their lives. These young lieutenants were sent out and knew nothing about the country over which they were flying, under all kinds of weather conditions, and they did not have proper radio facilities to receive weather reports while in the air.

Mr. MICHENER. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Michigan.

Mr. MICHENER. The gentleman is himself a flyer, and as such he understands flying technique?

Mr. MAAS. I know a little bit about the matter. If I could not fly better, however, than I can talk, I would not be alive today, I fear.

Mr. CONNERY. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Massachusetts.

Mr. CONNERY. Was it not the Army that flew the mail under President Harding?

Mr. MAAS. Yes; but they did not fly at night.

Mr. CONNERY. But they had old crates, old machines. Why should not President Roosevelt believe that the Army today could equal the record made previously?

Mr. MAAS. I think the President was misinformed.

Mr. CONNERY. They did it under President Harding. They should be able to do it today.

Mr. MAAS. In the early days they flew only when the weather was good, when the sun was out. They did not fly at night. These boys were killed at night, flying in all kinds of weather that they knew nothing about in advance.

Mr. DOBBINS. Will the gentleman yield?

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

Mr. DOBBINS. Have we any assurance that our enemies are going to fly only in fair weather?

Mr. MAAS. Well, I will just say to the gentleman that the enemy is not flying in that kind of weather, either. [Laughter and applause.]

[Here the gavel fell.]

The Clerk read as follows:

SEC. 3. Subsection (f) of such section is amended to read as follows:

"(f) The Postmaster General shall not award contracts for air mail routes or extend such routes in excess of an aggregate of 32,000 miles, and shall not establish schedules for air-mail transportation on such routes and extensions in excess of an annual aggregate of 45,000,000 airplane-miles. Subject to the foregoing limitation, the Postmaster General shall prescribe the number and time of departure of all air mail schedules, and he may utilize therefor any scheduled passenger or express flight of the contractor between the terminals or over a portion of any route."

Mr. COCHRAN. Mr. Chairman, I move to strike out the last word for the purpose of asking a question. I notice this section limits the mileage as to which the Postmaster General can award contracts. I would like to ask the chairman of the committee whether this section is going to interfere with the establishment of service on various routes throughout the country where lights are being placed by the Department of Commerce. For instance, from St. Louis through Missouri and Oklahoma to Fort Worth, Tex., they are completing the lighting of that route in a few days. Will this section of the bill interfere in any way with the letting of the contract which, I understand, the Postmaster General desires to make?

Mr. MEAD. No; but this section will permit the letting of the contract, because it allows for an increase of 3,000 air mail miles.

Mr. COCHRAN. This will help rather than hinder the efforts of our city to get this service.

Mr. MEAD. Yes; you are correct.

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield to me, so that I may ask a question of the chairman of the committee?

Mr. COCHRAN. I yield.

Mr. MARTIN of Colorado. The gentleman will recall that I introduced a bill to increase the route mileage from 29,000 to 35,000, and I notice that the committee has reported 32,000. Was this the result of the committee's action or the Department's action?

Mr. MEAD. The Department informed us this would be adequate for all of the services they have in mind at this time. It would be adequate so far as this year's legislation is concerned.

Mr. MARTIN of Colorado. Do I understand, though, that no new extension can be made if it is under 500 miles in length?

Mr. MEAD. No; that is not so. An extension can be granted on an existing line if it is not more than 150 miles in length.

This refers to an extension. A new line offered for bidding may be let up to 3,000 miles, 3,000 miles being the limit permitted for the extension of the Air Mail Service by this bill.

Mr. MARTIN of Colorado. I may say to the gentleman I had a particular situation in mind of a desired extension of 400 miles from the end of an existing line.

Mr. MEAD. That would have to be let as a new contract.

Mr. MARTIN of Colorado. Is there anything in the bill that disqualifies that length of existing line?

Mr. MEAD. No; that will be permitted under this bill.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. JOHNSON of Oklahoma. I am not quite clear what the effect of the terms of the bill would have relative to short air lines. Suppose, for example, a small line that does not have an air mail contract, yet it has operated successfully for 2 years or longer but is not 500 miles in length—would it be possible for it to receive consideration under this bill?

Mr. MEAD. Under such circumstances, I may say to the gentleman, the Post Office Department would have to advertise for bids. If the line in question had an air mail contract, an extension up to 150 miles could be granted by the Department, but in view of the fact that it has no contract, the Department would have to advertise for bids. They have the authority to do this because we give them the right to increase the air mail mileage by 3,000 miles.

Mr. JOHNSON of Oklahoma. I may make myself a little clearer by stating that I have in mind a line known as the "Reed Air Line", which operated from Oklahoma City to Wichita Falls for more than 2 years without any kind of air mail contract. I went with certain members of the Oklahoma and Texas delegations to the Post Office Department and asked for an air mail contract for this line. The distance, as I remember it, is about 150 miles in length. This line offered to carry the mail for 10 cents a mile, not 54 cents a mile or 44 cents a mile, but 10 cents a mile, and although it had made a record of operating over 2 years without injury to a single passenger, this short line was never able to get a mail contract. I want to know if a short line like this would be able to get a contract when this bill is passed, without having to meet a lot of unreasonable and impossible restrictions?

Mr. MEAD. Yes; they would be able to secure a contract, provided the Department advertised for bids, and their bid was accepted.

Mr. McFARLANE. Mr. Chairman, why cannot we secure an air-mail extension from Oklahoma City to Wichita Falls, Tex.? The gentleman from Oklahoma [Mr. JOHNSON] and the entire delegation from Oklahoma, as well as one of our Senators from Texas and Oklahoma, and myself, called on Mr. Wadsworth of the Second Assistant's department and presented all the facts as outlined by the gentleman from Oklahoma and tried to secure consideration for an extension from Oklahoma City, through Lawton, into Wichita Falls. They were running a passenger line regularly twice a day and were trying to get an extension of the Air Mail Service through that section, where it was badly needed. It was shown that Mr. Reed had offered to carry 160 pounds of air mail each way daily for only 10 cents per mile, and that this revenue would be sufficient to justify the extension of this route, and yet we had the statement, in substance, from Mr. Wadsworth, "If we were to grant such a request as that it would revolutionize air mail travel." This was the statement he made to us in committee and this was over a year ago and down to this good minute we have never been able to get any consideration by the Post Office Department of this extension and we do not have air mail now.

I cannot understand for the life of me what kind of showing it is necessary to make to the Post Office Department to get air mail service down in this section of the country.

Here is a section of the country that needs air mail, that believes in it and is sold on it, and the passenger service alone has kept the route going there for more than 2 years, and with a little help we could continue the service, but the high-handed authorities of the Department down here have failed and refused to give our section of the country a square deal.

What kind of showing, Mr. MEAD, do we have to make to secure this extension, is my question?

Mr. MEAD. I will simply say to the gentleman that we have extended the mileage and the Department has the authority to advertise for bids wherever they deem it necessary.

Mr. McFARLANE. What kind of a showing have you got to make to convince these "bureaucrats" down there that we should be entitled to this service to get them to admit that something is necessary?

Mr. MEAD. I can only say to the gentleman that in a legislative way we have complied with any request that could come from the gentleman for an extension of the service; in other words, we granted the extension of service subject to the will of the Department.

Mr. McFARLANE. Then, Mr. Chairman, I shall present an amendment and offer it to this measure in the hope that we may be able to write into the law a simple provision which will prohibit the Department from making unreasonable requirements, such as night-flying equipment and certain minimum cruising-speed requirements, as well as other technical requirements not applicable to short daylight extensions such as this route, which requirements only tend to make it impossible for the small independent bidder to secure a Government air mail contract. I trust that when this amendment is offered the committee will allow it to be considered on its merits, for I am sure that if this is done we will receive the approval of this body on this proposition. Mr. Reed, who has operated this passenger line, has flown this same route for more than 2 years without an accident or without being grounded. He has first-class equipment, equipment that has proven satisfactory to the people of our section in the passenger service he has rendered. He is a very careful pilot, and I am sure is well qualified in every way to render the Government honest, efficient service at the lowest possible cost. The fact that he has offered to carry the mail over this route for 10 cents per mile shows his willingness to serve the Government in this regard.

The Clerk read as follows:

SEC. 4. Subsection (a) of section 6 of such act of June 12, 1934, as amended, is amended to read as follows:

"SEC. 6. (a) The Interstate Commerce Commission is hereby empowered and directed, after notice and hearing, to fix and determine by order, as soon as practicable and from time to time, the fair and reasonable rates of compensation for the transportation of air mail by airplane and the service connected therewith over each air mail route, and over each section thereof covered by a separate contract, prescribing the method or methods by weight or space, or both, or otherwise, for ascertaining such rates of compensation, and to publish the same, which shall continue in force until changed by the said Commission after due notice and hearing. In fixing and determining such rates, if it shall be contended or alleged by the holder of an air mail contract that the rate of compensation in force for the service involved is insufficient, the burden of establishing such insufficiency and the extent thereof

shall be assumed by him. In no case shall the rates fixed and determined by the said Commission hereunder exceed by more than 20 per centum the limits prescribed in section 3 (a) of this act."

Mr. MAAS. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 3, line 16, after the word "him", strike out the period and insert: "*Provided further*, That no increase in the rate of any holder of any contract let or extended under this act shall be granted by the Interstate Commerce Commission nor paid by the Postmaster General, until the Commission has made a searching audit and investigation of the books, accounts, and records of such holder of any air mail contract or extension, which audit shall include any concern, corporation, or individual heretofore engaged in transporting mail from whom the air mail contract holder purchased equipment, of any nature whatsoever, goodwill or hired employees who were in the employ of such concern, corporation, or individual during which time such concern, corporation, or individual was carrying mail for the United States.

"Such audit shall include an examination of accounting practices in transport aviation, a determination of the actual cost of operation, and the justification of reserves set up for accidents, depreciation, and all other purposes for which reserves are established; the salaries paid to all officers, employees, attorneys, and their actual duties. The Commission shall upon the completion of such audit immediately report same to Congress."

The CHAIRMAN. The Chair will call the attention of the gentleman to the fact that there is no proviso in the section; therefore the word "further" should be eliminated.

Mr. MAAS. Mr. Chairman, I will say that I did not have a copy of this bill before me when I prepared the amendment, but in the original bill there was a proviso. I ask unanimous consent to strike out the word "further."

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent to eliminate the word "further." Without objection, it is so ordered.

Mr. MAAS. Mr. Chairman, this amendment simply provides that the Interstate Commerce Commission, which is now to have authority to raise or lower rates, shall make an audit and investigation of the accounts of the air mail contractors to determine the actual cost of the operation before any increase shall be granted. We have spent hundreds of millions of dollars for subsidy allegedly for the benefit of national defense. We have no report to Congress as to what benefits the country or the defenses have received from these subsidies. I am an ardent supporter of and believe in an air mail subsidy. I yield to no man in a desire to assist the air mail transportation of this country. I want to see every dollar appropriated for this purpose used for this purpose, and this purpose only, and not for the payment of exorbitant salaries or for companies writing off depreciated equipment at unreasonable rates.

No operator who has nothing to conceal will object to the audit. If there is objection to it, it is prima facie evidence that there is something to conceal. The Interstate Commerce Commission has no basis for this rate making. At the present time we are dependent solely on their books; the Commission has no authority to go beyond their books and examine into the actual facts and costs of operation.

Mr. ROMJUE. Mr. Chairman, will the gentleman yield?

Mr. MAAS. Yes.

Mr. ROMJUE. I am not sure that I understand the purpose of the gentleman's amendment. After the audit is made, does the amendment contemplate that before it could be adopted or applied by the Commission it would have to be reported back to the Congress?

Mr. MAAS. No, it does not; because I believe some of the rates must be raised immediately. All the amendment provides is that whenever a rate is to be increased, that first the Interstate Commerce Commission must make a proper audit of the books of that company. They can then order the rates increased or decreased, but when the audit is completed they shall send it to Congress.

Mr. ROMJUE. They can do that without first reporting it back to Congress?

Mr. MAAS. Yes; so that from time to time we will have the information to enable us to find out whether this is the correct way of increasing the rates. Possibly we should not delegate this power to the Interstate Commerce Commission. Such reports will serve two purposes. It will let Congress judge as to whether the Interstate Commerce Commission is doing a good job of rate making, and it will provide a foundation for future legislation in regard to the subsidy policy.

Mr. MEAD. Mr. Chairman, will the gentleman yield?

Mr. MAAS. Yes.

Mr. MEAD. Does not the gentleman believe that, in view of the fact that our committee investigated the industry, that the Senate committee investigated the industry, that the Post Office Department, under existing law, must investigate the industry, and that the Interstate Commerce Commission will likewise investigate the industry, it is pretty well investigated?

Mr. MAAS. No; I do not. Every time we get an investigation up to the point where it gets interesting, it stops.

Mr. MEAD. Then the gentleman is not satisfied that we have thoroughly investigated the industry.

Mr. MAAS. If it has been properly investigated, no proper report has been made to this House or to the country. I want to see a businesslike method set up for fixing these rates. I cannot see why the gentleman should have any objection to this amendment. If these companies have their houses in order they cannot object to a proper audit. I say to the gentleman that all these auditors do now when they go out is to examine the books. They do not examine the financial practices of these concerns in their write-offs and in their depreciation or their setting up of reserves and their bonuses and their lobbyist fees.

Mr. DOBBINS. Mr. Chairman, will the gentleman yield?

Mr. MAAS. Yes.

Mr. DOBBINS. Has the gentleman seen the report of the Interstate Commerce Commission setting forth the results of its survey of this industry?

Mr. MAAS. Yes; I have. I do not believe it is adequate. It is because of my dissatisfaction with the methods employed and the limitation of those methods that I have offered this amendment.

Mr. DOBBINS. What limitation upon their methods does the gentleman refer to?

Mr. MAAS. They do not go into the kind of financial practices of these concerns in their write-offs and in the setting up of their reserves. They do not check up to find out what they are doing. They have been building up huge reserves that they do not need, and then voting them as bonuses to themselves, usually secretly.

Mr. DOBBINS. The gentleman has not disclosed in his remarks the fact that nearly a year before he became excited about the matter, in the Air Mail Act of 1934, four specific, strict limitations designed to protect the Government against paying excessive rates of compensation were written into the Air Mail Act, and will remain there after the adoption of the pending measure.

It first appears in clause (b) of section 6 of the Air Mail Act of 1934, and I might suggest to the gentleman that this clause was suggested by the distinguished father of the young man he has mentioned here this afternoon. It reads:

The Interstate Commerce Commission is hereby directed, at least once in every calendar year from the date of letting of any contract, to review the rates of compensation being paid to the holder of such contract, in order to be assured that no unreasonable profit is resulting or accruing therefrom. In determining what may constitute an unreasonable profit, the said Commission shall take into consideration all forms of gross income derived from the operation of airplanes over the route affected.

Another provision of the act limits the annual salaries paid to any officers of any air mail line company to $17,500.

Another provision prohibits holding companies and the domination of these air mail contractors by great holding corporations.

Another provision empowers the Interstate Commerce Commission to exercise the same powers that were already delegated to the Post Office Department, to inquire into every form of revenue and the accounting methods of the air line operators.

Another provision requires that—

(e) In fixing and determining the fair and reasonable rates of compensation for air mail transportation, the Commission shall give consideration to the amount of air mail so carried, the facilities supplied by the carrier and its revenues and profits from all sources, and from a consideration of these and other material elements shall fix and establish rates for each route which, in connection with the rates fixed by it for all other routes, shall be designed to keep the aggregate cost of the transportation of air mail on and after July 1, 1938, within the limits of the anticipated postal revenue therefrom.

If that should be done it would reduce the cost of transportation to not more than half what it is now.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. DOBBINS. I yield to the distinguished leader of the minority.

Mr. SNELL. I never heard this amendment until I heard it read, but as I listened to what the gentleman read from the present law, it seems to me the amendment which has been offered is along the same line, but perhaps may go a little more into detail. What is there in the amendment that the gentleman himself could object to? What words?

Mr. DOBBINS. The amendment itself is simply a repetition of the safeguards that are already thrown about the operation of this service, which are designed to prevent excessive rates and which are clauses which have been carefully considered in committee and not hastily drawn in the House where they cannot be well considered. As I heard them read, they seem to be nothing more than a repetition of safeguards which have been repeated almost ad nauseaum in the law as it reads today.

Mr. SNELL. If there is nothing more than what is already in the law, why has the gentleman any objection to the amendment?

Mr. DOBBINS. Because I cannot see any sense of inserting a needless repetition in the bill simply on the excuse that it is already in the law.

Mr. SNELL. It simply goes more into detail.

Mr. DOBBINS. The substance of it is in the law. The explanation which the gentleman has given on the floor as the reason for offering the pending amendment is offensive in the extreme, because it intimates that lobbyists, including a son of the President himself, have been before committees of Congress lobbying for this law; and it is an absolute falsehood. The son of the President has never been before my committee. As I most firmly believe, no member of the President's family has ever contacted a single Member of the House of Representatives upon this subject. I am most reliably informed that Elliott Roosevelt has never been in the Post Office Department or on Capitol Hill on any such mission, and I am convinced of the verity of that information. He is not engaged in any way in any business or activity that has to do with the carriage of air mail. It was at the instance of the President himself that these safeguards were put into this bill. These slights upon the Chief Executive and his family are unworthy of the gentlemen who give voice to them and are wholly unjustified. Anything that is inspired by a slight of that kind, I know that I for one shall never agree to incorporate in this bill. [Applause.]

Mr. Chairman, I ask that unanimous consent that all debate upon this section and all amendments thereto do now close.

Mr. TABER. Well, Mr. Chairman——

Mr. DOBBINS. Then, I move, Mr. Chairman, that all debate upon this section and all amendments thereto do now close.

The question was taken; and on a division (demanded by Mr. MAAS) there were ayes 94 and noes 40.

Mr. MAAS. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed Mr. MEAD and Mr. MAAS to act as tellers.

The Committee again divided; and the tellers reported there were ayes 116 and noes 35.

So the motion was agreed to.

Mr. TABER. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

I move that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. TABER. Mr. Chairman, I think the Committee ought to understand just what is before it, and it is for that purpose that I have obtained the floor. There is a provision in the law as it now stands requiring certain things to be done by the Postmaster General. There is a provision providing that the Postmaster General shall require persons holding air mail contracts to keep their books and accounts under regulations promulgated by the Postmaster General. The amendment offered by the gentleman from Minnesota [Mr. MAAS] is necessary if this bill is going to be any good, and it requires the Interstate Commerce Commission to go into this situation and make a searching audit and investigation of the books, accounts, and records of the holder of an air mail contract. That is the difference between the amendment proposed by the gentleman from Minnesota [Mr. MAAS] and the statute as it now reads. That is the reason we ought to pass this amendment and add it to the law, providing some protection to the Government of the United States in the operation of these air mail contracts and in the fixing of the rates. We ought to adopt the amendment, or else the bill will not accomplish the purpose of protecting the interests of the Government of the United States.

Mr. MEAD. Mr. Chairman, I rise in opposition to the motion. I do not believe the amendment offered by the gentleman from Minnesota [Mr. MAAS] is necessary. If the gentleman had been a Member of the last Congress, when the Air Mail Act was passed, he would realize that there is no industry in the United States that is so well regulated as is the case with the air mail industry. Holding companies are prohibited in this industry. No officer can be paid a salary or bonus in excess of $17,500 a year. Every company has been reorganized. The Interstate Commerce Commission has the power and authority to investigate this industry, and they will do so if necessary before they pass on rates. The Postmaster General also has the power to send auditors into the field and investigate the lines before passing on rates. The amendment offered by the gentleman from Minnesota is unnecessary and should not be adopted. The legislation he proposes was not considered by our committee, and until it is considered it should be rejected. I ask the House, therefore, to reject the amendment.

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

Mr. MEAD. Yes; I yield.

Mr. MAAS. The existing statutes do not permit the Interstate Commerce Commission to go into the financial affairs of the original companies that are now contract holders under another name. All they can examine is the books of the existing companies.

Mr. MEAD. Let me say to the gentleman that the original companies have been outlawed and the companies are now reorganized and standing on their own.

Mr. MAAS. The gentleman well knows that these companies are the same companies under other names.

[Here the gavel fell.]

The CHAIRMAN. The question is on the motion of the gentleman from New York [Mr. TABER].

The question was taken; and on a division (demanded by Mr. FITZPATRICK) there were—ayes 20, noes 84.

So the motion was rejected.

The CHAIRMAN. The question is on the amendment of the gentleman from Minnesota [Mr. MAAS].

The question was taken; and on a division (demanded by Mr. MAAS) there were—ayes 34, noes 84.

So the motion was rejected.

The Clerk read as follows:

SEC. 6. Subsection (e) of section 6 of such act is amended by adding at the end thereof a new sentence to read as follows: "In arriving at such determination the Commission shall disregard losses resulting, in the opinion of the Commission, from the unprofitable maintenance of nonmail schedules, in cases where the Commission may find that the gross receipts from such schedules fail to meet the additional operating expense occasioned thereby."

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we are about to read section 7, which deals with the prohibition upon those who are not citizens of the United States against the holding of an air mail contract.

I think this provision, insofar as it applies to an individual, is timely and correct. Insofar as it applies to partnerships and corporations, however, I am just wondering whether the committee sees the full implication of such a prohibition.

The desire to fly is just as old as man himself; it is not limited by international boundaries. Consequently the best minds and the best inventive genius of other countries have addressed themselves to the problem of flying no less than we have in the United States.

Let me point out what may easily happen under the language of section 7 as it now stands. One of the leading, if not the best pursuit and chassé planes which was used during the war by Germany was designed by Anthony Fokker, the Dutch inventor. I saw them often over there. They had self-compensating carburetors and many other advanced devices. When the armistice was signed we found some 1,200 or 1,300 Fokker airplanes on the other side of the line that were not being used because they did not have a supply of fuel. There might have been an extension of the war and a somewhat different result could the Germans have used those planes. When the war was over Anthony Fokker came to the United States of America and sought to address his inventive genius to the resources and to the matériel which was available in the United States of America.

Under the implications of this bill if some new device, some new invention, should be fabricated in one of the other countries of the world, and it was the desire of an airplane company in this country to avail itself of this invention, possibly by giving a block of stock to this man and making him a director in the company, this section would absolutely prohibit it in view of the fact that our transport companies are closely identified with the manufacturers of motors, fusilages, and other important units entering into the making of an airplane.

I ask the chairman of the committee whether this could not be cured by striking out of clauses 2 and 3 the words "is not" and inserting in lieu thereof wording to this effect: "That anyone being a partnership or association who attempts to bring in or retain in its membership an individual who has not filed a declaration of intention to become a citizen"? I believe this would cure the difficulty.

Mr. BACON. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. BACON. This section applies only to the carrying of air mail to foreign countries.

Mr. DIRKSEN. Quite true, which makes it all the more important.

Mr. BACON. It does not apply to continental United States. I announced my intention during the general debate of offering an amendment to strike out all of section 7.

Mr. DIRKSEN. I do not think it is necessary to go that far; the section can be left in the bill, but modified in the way I have indicated.

Mr. BACON. This is merely a restatement of existing law. The Secretary of State, Mr. Hull, has written a very strong letter asking that section 7 be stricken from the bill. At the request of the chairman of the committee, I am offering an amendment to strike out this portion of the bill, and he has assured me that his committee will accept my amendment.

Mr. DIRKSEN. That will be all right, but I would not have gone so far as to strike out the whole section. If the gentleman's amendment striking out the section is adopted, then my amendment would not apply.

Mr. BACON. Section 7 is unnecessary because it is an expression of existing law.

Mr. DIRKSEN. All I wanted to do was to bring the matter before the House, because I think it is very important.

Mr. BACON. The gentleman is quite correct.

[Here the gavel fell.]

The Clerk read as follows:

SEC. 7. Section 7 of such act is amended by adding at the end thereof a new subsection to read as follows:

"(e) No contract for the transportation of air mail under this act shall be held by any person who (1), if an individual, is not a citizen of the United States, or (2) being a partnership or association, admits to or retains in its membership an individual who is not a citizen of the United States, or (3) being a corporation, has any officer or director who is not a citizen of the United States, or (4) employs in its service, between terminals within the jurisdiction of the United States, a pilot or radio operator who is not a citizen of the United States. To effectuate the purpose of the foregoing restrictions, the acquisition of any interest, in the form of shares of stock or otherwise, in the business of a contractor for air mail transportation under this act, by any person disqualified by this subsection from holding an air mail contract, is hereby prohibited."

Mr. BACON. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BACON: On pages 4 and 5, strike out section 7.

Mr. BACON. Mr. Chairman, I do not want to take up the time of the Committee to any great extent to again explain the reason why this particular section should come out of the bill. During general debate I discussed the matter at some length. I may say, however, I am offering this amendment to support the Secretary of State, Mr. Hull, who has written a special letter to the Chairman of the Post Office Committee requesting that this section be eliminated from the bill. I am offering the amendment to strike out section 7, and I am informed the committee will accept it.

Mr. MEAD. Mr. Chairman, so far as I am concerned, we accept the amendment. The gentleman from Illinois [Mr. DOBBINS], who proposed it originally in committee, will also accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. BACON].

The amendment was agreed to.

The Clerk read as follows:

SEC. 9. Section 13 of such act is amended to read as follows:

"SEC. 13. It shall be a condition upon the holding of any air mail contract that compensation for pilots employed by the holder of such contract shall be paid at the rate established by the latest decision of the National Labor Board or its successor in authority. Compliance with any such decision that has heretofore been or may hereafter be rendered affecting the wages, working conditions, or relations of any employee of such holder shall likewise be required. This section shall not be construed as restricting the right of any such employees by collective bargaining to obtain higher rates of compensation or more favorable working conditions and relations."

Mr. MEAD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Committee amendment offered by Mr. MEAD: Page 6, line 4, before the word "pilots", insert the word "all."

Mr. MEAD. Mr. Chairman, I yield to the gentleman from Illinois [Mr. DOBBINS] to offer a substitute to the amendment.

Mr. DOBBINS. Mr. Chairman, I offer a substitute to the amendment, which I send to the desk.

The Clerk read as follows:

Substitute amendment proposed by Mr. DOBBINS in lieu of the committee amendment to section 9 of H. R. 6511, as proposed by Mr. MEAD: On page 6, strike out all of lines 3 to 10, inclusive, and the remainder of the word "required" appearing in line 11 and insert in lieu thereof the following:

"SEC. 13. It shall be a condition upon the holding of any air mail contract that the rate of compensation and the working conditions and relations for all pilots and other employees of the holder of such contract shall conform to decisions of the National Labor Board, or its successor in authority, notwithstanding any limitation as to the period of its effectiveness included in any such decision heretofore rendered."

Mr. DOBBINS. Mr. Chairman, the purpose of this amendment is in no way hostile to the purpose of the committee amendment. It is offered individually by reason of the fact that a defect in the law as written and drafted came to our attention after the last meeting of the committee. The language of the act as it now reads would not include radio operators, who are becoming increasingly important as one class of employees of the air line operators.

Another clarification the amendment proposes is to make it conclusive that the decision of the National Labor Board, rendered in May of last year, establishing the rate of pay and the working conditions for pilots, shall be continued after the 1-year limitation that was included in that decision. The decision established a 1-year limitation by reason of the fact, as announced by the Board, that legislation was pending upon the question, and they wished to make only a

temporary decision. This amendment as worded continues the effect of that decision until there is another decision of the National Labor Board changing its effect.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Illinois [Mr. DOBBINS] to the amendment offered by the gentleman from New York [Mr. MEAD].

The substitute to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment as amended by the substitute.

The amendment as amended was agreed to.

The Clerk read as follows:

SEC. 10. Section 15, as amended, of such act is amended to read as follows:

"SEC. 15. After June 30, 1935, no person holding a contract or contracts for carrying air mail on a primary route shall be awarded or hold any contract for carrying air mail on any other primary route, nor on more than three additional routes other than primary routes. In case that one person holds several contracts covering different sections of one air mail route as designated by the Postmaster General, such several contracts shall be counted as one contract for the purpose of the preceding sentence. It shall be unlawful for air mail contractors, competing in parallel routes, to merge or to enter into any agreement, express or implied, which may result in common control or ownership. After June 30, 1935, no air mail contractor shall be allowed to maintain passenger or express service off the line of his air mail route which in any way competes with passenger or express service available upon another air mail route."

Mr. MEAD. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. MEAD: Page 7, line 7, after the word "route", strike out the period and the quotation marks and insert in lieu thereof a comma and the following: "except that off-line competitive service which has been regularly maintained for at least 4 months next preceding July 1, 1935, may be continued if restricted to the number of trips and to the stops scheduled and in effect on March 1, 1935.

"Upon application of the Postmaster General or of any interested air mail contractor, setting forth that the general transport business of earnings upon an air mail route are being adversely affected by any alleged unfair practice of another air transport operator, or by any competitive air transport service other than that supplied by an air mail contractor on the line of his prescribed air mail route, or by any service inaugurated after March 1, 1935, through the scheduling of competitive nonmail flights over an air mail route, the Interstate Commerce Commission shall, after giving reasonable notice to the person complained of, inquire fully into the subject matter of the allegations; and if the Commission shall find such practice or competition or any part thereof to be unfair, or that such competitive service in whole or in part is not reasonably required in the interest of public convenience and necessity, and if the Commission shall further find that in either case the receipts or expenses of an air mail contractor are so affected thereby as to tend to increase the cost of air mail transportation, then it shall order such practice or competitive service, or both, as the case may be, discontinued or restricted in accordance with such findings, and the respondent named in the order shall comply therewith within a reasonable time to be fixed in such order."

Mr. MEAD. Mr. Chairman, I believe this amendment requires some explanation. It was considered by our committee and approved without a dissenting vote.

First of all it regulates off-line operations, and in order that you might become familiar with the meaning of the term, may I explain that an "off-line" operation is an operation whereby an air line contractor conducts passenger and express business off the line on which he holds an air mail contract.

As a further illustration of off-line flying, we have operating between Washington and Milwaukee, the Pennsylvania Air Lines. They have an air mail contract from Detroit over Lake Michigan to Milwaukee. They have no air mail contract from Detroit to Washington, but they operate a passenger and express line between Detroit and Washington. The operation between Detroit and Washington is called an off-line operation. It is in competition with a contractor who holds an air mail contract.

Under the original bill considered by our committee, off-line operations were prohibited. Not only those that might come into existence in the future, but those in existence at this time were deprived of their air mail contract if they did not give up their off-line operations.

Many Members of the Congress urged the committee to consider a modification of this provision, and so the committee drafted this proposed amendment. As a result of this amendment, those off-line operations in existence on March 1, 1935, may be referred to the Interstate Commerce Commission for a decision. If the Interstate Commerce Commission finds it is a fair operation and in the public interest, the Commission may continue the operation even though it be in competition with an air mail operation.

This amendment offers the best solution of a vexing question, although it was the original intention of the committee to eliminate all off-line operations on the theory that if there is a demand for such service the Post Office Department ought to call for bids and let a contract. In the case of Pennsylvania and, again, in the case of the Transcontinental and Western Air flying between Pittsburgh, Chicago, and Indianapolis, where they formerly had an air mail contract and where the companies were pioneer operators before their contracts were canceled, we felt they had a justifiable right to continue that operation; therefore we changed the bill and gave to the Interstate Commerce Commission discretion in such cases.

There are 9 off-line operations in the Air Mail Service, 8 within the States and 1 in Hawaii. Many of them are in competition with air mail contractors. Some of them are unnecessary because there are three services serving the same territory. Some of them should be abandoned. If the United States is going to subsidize aviation and it subsidizes a particular line in a certain territory, that contractor should not go over into another territory where the United States is subsidizing an air mail service and compete with that particular contractor to his injury and at the expense of the United States Treasury.

So in turning this matter over to the Interstate Commerce Commission we felt we ought to eliminate off-line operations in the future and that we ought to minimize those now in existence.

[Here the gavel fell.]

Mr. WADSWORTH. Mr. Chairman, the real object of my rising is to give the gentleman from New York, the chairman of the committee, a further opportunity to discuss this provision from the standpoint of national policy.

I can see the point made by the gentleman to the effect that it might be the duty of the Government of the United States to protect an air mail contractor from competition arising from another air mail contractor, not, however, in the carrying of mail but in the carrying of passengers and express, and as I gather it, the language in this bill, modified to an extent and a very slight extent by the amendment offered by the chairman of the committee, is intended to prevent competition between these companies to a degree any more acute than exists today.

I am trying to look toward the future. I confess to a very high degree of ignorance of this general problem, but I hesitate very much, indeed, to see a provision go into a statute of the United States which, in effect, will prevent competition, as I read it, between these companies with respect to the carrying of passengers and express. They cannot compete with respect to the carrying of the mail because the mail contracts are let, line by line, and the restrictions are in the law as to how many contracts one company may have, but I try to visualize the development of commercial aviation, and I wonder if it is time, as yet, to write into the statute that no one of these men may establish a passenger and express business which in any way competes with another one of them. This is going pretty far. This means there will be no new lines unless the establishers of the new lines at the same time get a mail contract.

Mr. DOBBINS. Mr. Chairman, will the gentleman yield before he gets away from that thought?

Mr. WADSWORTH. I yield.

Mr. DOBBINS. The gentleman has before him the bill without the amendment. The amendment explained by the chairman of the committee modifies that language.

Mr. WADSWORTH. Yes; it leaves this in the discretion of the Interstate Commerce Commission.

Mr. DOBBINS. Not exactly in the discretion, but it authorizes the Interstate Commerce Commission to prohibit competitive service which it finds to be either unfair or unnecessary. May I ask the gentleman if he would be in favor of continuing service which is either unfair or unecessary?

Mr. WADSWORTH. If it is unfair, of course, I would be in favor of abandoning it or prohibiting it, but I am wondering what kind of competition is unnecessary in this country.

Mr. DOBBINS. It is not a question of unnecessary competition.

Mr. WADSWORTH. Where would we get if we are going to draw that line?

Mr. DOBBINS. May I add that it is service which is unnecessary in the public interest that is prohibited.

Mr. WADSWORTH. What sort of service—mail service?

Mr. DOBBINS. All air service which competes with the Air Mail Service.

Mr. WADSWORTH. Are we to understand that the passenger service and express service are to be regarded as competitive with mail service?

Mr. DOBBINS. If it runs along the line of an air mail contractor who relies upon passenger service to supplement his air mail revenue.

Mr. WADSWORTH. Let us assume there is some startling, new invention in the aviation field, some extraordinary motor, some new fuel, or some device that bids fair to revolutionize flying, making it much cheaper and much safer. What encouragement will the inventor or those who are willing to back him up receive if they meet in the statutes of the United States a provision that unless they can show their competition is necessary they never can go into the passenger and express business?

Mr. MEAD. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield. I confess I am groping somewhat but this seems to me to be important.

Mr. MEAD. I wish to say to the gentleman that I am in hearty accord with his general statement with regard to competition.

But you must remember that we are keeping all these airplanes afloat by money that is taken out of the United States Treasury.

Mr. WADSWORTH. You do not keep the off lines afloat.

Mr. MEAD. The off lines would not be in the air if it was not for the fact that they have the air mail contract; they are flying off the line to take away the revenue of the other contractors.

Mr. MAAS. Mr. Chairman, I rise to oppose the amendment. I have the highest regard for the Chairman of the Post Office Committee [Mr. MEAD], who I know wants to accomplish the success of the air mail. After all, the support of the subsidy is for the development of the industry. The whole philosophy behind it is a subsidy which will enable the industry to get on its feet so that eventually we will not have to subsidize the air mail at all.

I am fearful that if we adopt this provision and force the situation to a point where it eliminates competition that we never will get out of subsidizing the air mail. Under this amendment no outsider will be allowed to compete. The occasion may arise where an independent operator seeks to provide passenger and express service. Take someone just coming into this business. This provision would permit the Interstate Commerce Commission to put such a concern or individual out of business entirely. That will discourage the type of competition that we are seeking to build up through the method of a subsidy. I am wondering if the chairman cannot find a better way to protect the holder of air mail contracts without shutting their lines out of competition. I know that he has given a great deal of thought and study to the question. It seems to me that we are in this position: We are subsidizing the aviation industry to aid in building it up. On the other hand, we are prohibiting the very competition that will develop and expand the industry. Whenever competition has been eliminated, progress and further development stood still. The greatest era of aviation development was during the period of most competition.

Mr. MEAD. The Post Office Department has the authority to advertise for bids, thereby continuing competition wherever there is a demand for additional service. For instance, we now have three large companies in competition with each other serving the territory between New York and Chicago. The Post Office Department could advertise for bids for another company to compete for that service. This amendment, however, will prevent any one of these companies from moving into the territory of another and depriving him of passenger and express business unless it is approved by the Interstate Commerce Commission.

Mr. DONDERO. Will the gentleman yield?

Mr. MEAD. I yield.

Mr. DONDERO. Take these old-line companies that possess air mail contracts; will they be affected by this amendment?

Mr. MEAD. Yes; they will.

Mr. DONDERO. Suppose they carry express between Detroit and Washington but only mail between Detroit and Milwaukee?

Mr. MEAD. This amendment will cover that particular operation.

Mr. MAAS. You are going to freeze the situation to a point where only air mail contractors are permitted to be operators in this country of any kind of air transportation.

Mr. MEAD. We are going to freeze the situation so far as future off-line operating competing with air mail operators are concerned, unless otherwise allowed by the Commission.

Mr. MAAS. You do not limit the restrictions to air mail contractors.

Mr. MEAD. We do not eliminate them. We refer those off-line operations to the Interstate Commerce Commission. We thought that was better than to eliminate them entirely. Competition and service can be maintained by advertising for new services with new bids. This has been done in the past, and when we are through financing this industry, when we are through paying millions of dollars out of the Treasury, then I shall be glad to join with the gentleman in allowing them to run off their lines.

Mr. MAAS. You are shutting out the independent who does not have an air mail contract at all.

Mr. MEAD. Every independent and old-line contractor, as well, had an excellent opportunity to bid on an air mail contract. They were all given a contract in some section of the United States.

Mr. MAAS. Why do you not limit it to those who hold any air mail contract anywhere in the country?

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DOBBINS. Mr. Chairman, I rise in support of the amendment offered by the distinguished Chairman of the Post Office Committee.

Mr. MAPES. Mr. Chairman, before the gentleman starts, will he yield for a question?

Mr. DOBBINS. Surely.

Mr. MAPES. Take the illustration which the gentleman from New York [Mr. MEAD] gave of the three lines operating between here and New York, three competing companies carrying the mail. Is there anything in this bill which would prohibit any independent line from establishing a service between Washington and New York to carry passengers and express business?

Mr. DOBBINS. There is nothing in this bill, Mr. Chairman, which prohibits any independent contractor from starting any service anywhere that he chooses, but if he does that——

Mr. MAPES. Provided he does not have an air mail contract somewhere?

Mr. DOBBINS. The gentleman will pardon me. I did not finish the answer, and I think I should, otherwise it might not be understood. If that service which he establishes operates to decrease the revenues of an air line contractor through its competition with it, and moreover it is unfairly competitive, unfair in its nature, or is not necessary in the public interest, then the injured air mail contractor can appeal to the Interstate Commerce Commission to in-

quire into the necessity and convenience of the competing service thus established and into the fairness.

Mr. MAPES. Will the gentleman yield further?

Mr. DOBBINS. Yes.

Mr. MAPES. Does the gentleman's answer apply only to the so-called "off-line" operation or does it apply as well to a company which has no contract to carry the mail anywhere?

Mr. DOBBINS. No; my reply refers only to the companies which have no contract to carry the mail.

Mr. MAPES. So any number of companies could operate between Washington and New York to carry passengers and express, provided they have no contract anywhere to carry the mail.

Mr. DOBBINS. No; that is not correct. If the gentleman will permit me to go on with my statement I think he will understand. If a new company establishes service along the line of an air mail contract, then that air mail contractor can ask the Interstate Commerce Commission to inquire into the public convenience and necessity of the new service, and if the Interstate Commerce Commission shall find that the new service is not required in the public convenience and necessity and finds in addition to that that its operation tends to decrease the revenue of the air mail contractor, so as to make the service of the latter cost the United States any more, then the Interstate Commerce Commission can order that unnecessary service to discontinue. And that word "unnecessary" is not used as understood by the gentleman from New York [Mr. WADSWORTH]. He referred to it as "unnecessary competition." That is not the language. It is a question of its being unnecessary in the public interest just as any public utility must establish its reasonableness and necessity.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. DOBBINS. Yes; I yield to the gentleman from New York.

Mr. FITZPATRICK. If the amendment is not adopted and we pass the bill as it is now, they cannot make any appeal to the Commission at all.

Mr. DOBBINS. No. There is nobody to appeal to, and we would have this cutthroat competition, which must necessarily increase the amount we are paying for carrying the mail.

Mr. DUNN of Pennsylvania and Mr. RANDOLPH rose.

Mr. DOBBINS. I yield first to the gentleman from Pennsylvania.

Mr. DUNN of Pennsylvania. I received a telegram today from Pittsburgh stating that if this bill in its present form is enacted it would put out of employment several people. I do not want to support any kind of legislation that will put anybody out of employment. However, my good friend from New York [Mr. MEAD] read the telegram and assures me that the amendment that he is offering will take care of that situation.

Mr. DOBBINS. I understand this amendment when formulated was satisfactory to the present operators, and after the amendment was agreed to by them they came and asked for a further liberalization of the amendment, which would allow them to increase the service over present limits, and that was not favored by our committee.

Mr. RANDOLPH. Will the distinguished gentleman yield?

Mr. DOBBINS. I yield to my friend from West Virginia.

Mr. RANDOLPH. You have spoken of the cutthroat competition that might arise in the air transport system of this country, with which I am in full accord. There has been too much of this cutthroat competition in the railroad industry, has there not, through the years?

Mr. DOBBINS. Yes.

Mr. RANDOLPH. By the paralleling of lines and services?

Mr. DOBBINS. Yes; in some few instances.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. DOBBINS] has expired.

Mr. DOBBINS. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment proposed by Mr. DOBBINS to the committee amendment proposed by Mr. MEAD: In the committee amendment, following the date "July 1, 1935", strike out the remainder of the sentence and substitute therefor the following: "And such seasonal schedules as may have been regularly maintained during the year prior to July 1, 1935, may be continued if restricted to the number of schedules and to the stops scheduled and in effect during such period or season."

Mr. DOBBINS. Mr. Chairman, the effect of this amendment upon the committee amendment is not only to permit the continuance of that service which shall have been in operation beginning on March 1 of this year and extending to July 1, but also to permit existing operators to maintain during the ensuing year, in seasons when there shall be demand for greater service, that greater service to the extent it has been maintained during the present fiscal year. I understand it is perfectly agreeable to the chairman of the committee.

While I am on my feet I would like to make one other announcement with reference to the effect of this law, in response to a number of inquiries that have come to me from Members on the floor. That is, that any new service which may be required in the future will be let as the result of competitive bidding, and this law requires that during the term of all new contracts there shall be no increase in the rates of compensation paid therefor. That is distinguished from the regulations in former laws which limited those who might bid for new service, so as to practically shut out any competition. It was required in a former law that anyone who bid upon a mail contract must have had 6 months' experience in operating the service over that particular line, which practically meant there was no competition, and that only one operator could operate over that service.

Mr. WADSWORTH. Will the gentleman yield?

Mr. DOBBINS. Yes.

Mr. WADSWORTH. May I ask the gentleman with respect to his amendment to the committee amendment, as I recall its reading, it would forbid any of those off-line competitive services or operators in existence prior to July 1, 1935, or 4 months prior to that time, to hereafter increase the number of stops on their line? Do I understand by that that if a line is in existence today and this amendment becomes law, say, the line operates from Washington to Savannah——

Mr. DOBBINS. Alongside an air mail line.

Mr. WADSWORTH. Yes; but up to this time it has never stopped at Charleston; under this provision it shall not ever be permitted to stop at Charleston?

Mr. DOBBINS. It shall not if that stop competes with an air mail line and therefore depletes the revenues of the air mail line.

Mr. WADSWORTH. Does the amendment say that?

Mr. DOBBINS. Yes; it says "competition", and that is what it must do in order to compete, as I understand the term.

Mr. WADSWORTH. Then it freezes every line now operating under its present schedule and present stops?

Mr. DOBBINS. On off-line service by air mail contractors only.

Mr. CHURCH. Will the gentleman yield?

Mr. DOBBINS. I yield.

Mr. CHURCH. The chairman of the committee said that the present industry was for the amendment and the amendment to the amendment. As I understand, a new carrier has no chance here at all. It is just a monopoly for the present carriers? In other words, if we have a line out of Chicago and they have a certain number of stops, a new carrier cannot come in at all and bid?

Mr. DOBBINS. Oh, no; it does not forbid that at all. It simply permits an inquiry by the Interstate Commerce Commission to determine upon the fairness of that new service and whether it is reasonably necessary in the public interest. If it is, they may continue it.

Mr. ENGEL. Will the gentleman yield?

Mr. DOBBINS. I yield to my colleague on the committee.

Mr. ENGEL. With reference to the word "schedule" replacing the word "trips", as I understand that, they could operate as many planes on the same schedule as they wanted?

Mr. DOBBINS. Yes. If they have such a demand for their service as to require additional planes on the same schedule, they may operate more than one.

Mr. ENGEL. And that is why it was changed from "trip" to "schedule"?

Mr. DOBBINS. That is the reason.

Mr. ENGEL. I want to say that the manager of the Pennsylvania Air Line phoned me from Pittsburgh Saturday morning, and I read the amendment to him and interpreted it in that way, and while it is not perfectly satisfactory, he was satisfied with it, he said.

Mr. MEAD. Will the gentleman yield?

Mr. DOBBINS. I yield.

Mr. MEAD. Some of the Members seem to be much concerned with new companies, so-called "independent operators." There are at the present time many applications for new air mail services, all of which would be permitted by this amendment if we could get companies qualified to bid and if the Department was willing to advertise for these new services. I have in mind a new line from Toronto, Buffalo, Harrisburg, and Washington. Postmaster General Brown wanted to establish such a line several years ago. Under this bill there will be ample added mileage for this line and for many similar lines. All we need and all we seem to lack are the air line operators to bid on these new extensions. So we do not have to worry about independent companies; there is a big field ahead for them under this legislation. We are not destroying fair competition nor are we developing or protecting a monopoly.

Mr. TABER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, under this amendment and the amendment offered by the gentleman from New York, the language, as I read it, seems to indicate that the Interstate Commerce Commission could wipe out of existence an existing line, provided an application to the Interstate Commerce Commission were made by the Postmaster General or by the mail-carrying contractor. It seems to me this would be ridiculous. I think if we are going to adopt this amendment of the gentleman from New York that at least we should safeguard it—and they should want to safeguard it—so as not to permit such a thing happening.

As to the matter of changing the exception as done by the amendment of the gentleman from Illinois, I do not see any particular objection; but in the body of the language that follows his language, which would permit the abolishment of an existing route, and this ought to be safeguarded against absolutely.

Mr. DOBBINS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. DOBBINS. The gentleman recognizes, of course, that it could not be abolished unless its services were shown to be unnecessary and not in the public interest or that the company was unfairly operated.

Mr. TABER. Perhaps that is so; but if you are going to permit the Postmaster General to let new contracts where routes already run on a passenger and express service and then let the new contractor come before the Commission and say that because he cannot get the passenger and express business away from the other fellow he cannot make money and that the other fellow's business constitutes unfair competition, the Interstate Commerce Commission is practically obliged to wipe out the original contractor. Now, I do not like that way of doing business.

Mr. DOBBINS. Mr. Chairman, will the gentleman yield further?

Mr. TABER. I yield.

Mr. DOBBINS. Is not the gentleman in sympathy with the Post Office Department in seeking to get the cost of Air Mail Service down just as much as it can?

Mr. TABER. Yes; but not through the destruction of existing flying routes and companies carrying passengers and everything else; and I think this language to which I have referred is absolutely dangerous.

Mr. MAAS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. MAAS. Is there not a very grave danger where an air mail contractor is protected against competition for passenger and freight business that he no longer will do anything to make his company progressive, because he does not need new equipment, because he does not need to keep abreast of the times, for the reason that he is protected against competition in his passenger and freight business?

Mr. TABER. That is true, of course.

[Here the gavel fell.]

Mr. WEARIN. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I do not intend to take the time of the House at this late hour. In the consideration of this question matters of interest have been brought up here with reference to the carrying of the mail and the operation of the lines, and also the carrying of the mail by the Army Air Corps that need discussion in a little greater detail. With this thought in mind I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. WEARIN. I have been somewhat amused at many of the statements made today in regard to the canceling of the air mail contracts. The bill under consideration is being used, of course, as a vehicle for injecting some partisan attacks into the RECORD. At one point in the deliberations I asked a Member to yield, to no avail, that I might correct an inference to the effect that the Army sustained more loss of life in carrying the mail than private companies, which, of course, the facts do not indicate. I shall avail myself of this opportunity to bring them to the attention of the House.

The authority to cancel the contracts in the first place is no longer questioned but an effort has been made today, as before, to discredit the Army Air Corps because of some accidents that occurred while carrying the mail. The statement has been made repeatedly that 12 men lost their lives while the Army came to the rescue of the Government and that the same was legalized murder. Commercial and private lines of various types sustained innumerable accidents during the same period, resulting in at least 100 deaths and many injuries. Why not talk about those as being legalized murder on the part of private-profit concerns? Why, one commercial line alone killed 12 in two shots within a few days while the Army was flying the mail.

On page 8537 of the CONGRESSIONAL RECORD, Seventy-third Congress, second session, I listed the names of 197 people who were killed in aircraft accidents from July 1, 1932 to June 30, 1933, but to hear some of the Members of this body talk one would think the Army holds exclusive rights to all crack-ups. It is curious to me to note that the same people have little if anything to say when 73 men go down to their death with the *Akron*, fed into the jaws of a great concern that wants to be financed with taxpayers' money. Not a word was uttered when a heroic radio operator was lost in the crash of the *Macon*. Whose voice was lifted in the cry of legalized murder when human beings were jerked from the ground while aiding in the launching of one of those dirigibles and allowed to dangle from the ropes suspended underneath until they fell hundreds of feet to the earth, their bodies crushed to a bleeding mass of flesh and bones? We could call the roll of those who were lost on the *Shenandoah* and continue on and on.

It is evident from the above facts that the opposition is considering only one side of the question. I would suggest that some of our noble crusaders whose real interest is the welfare of the Air Trust go after the commercial air lines and dirigible builders about their accidents and loss of life.

The charge has been made that a great crime was committed on the part of the administration because the Army lost 12 men while carrying the mail but to my knowledge no

one, not even the lady from Massachusetts [Mrs. ROGERS], had a word to say about the fact that the Army lost 15 flyers during the month of June 1933, an ideal time for flying, in the ordinary transaction of duty. It is evident from this and other facts that casualties occur under all circumstances and the deaths previously mentioned cannot necessarily be attributed to the carrying of the mail.

To further substantiate the fact that the Air Corps has its troubles in the transaction of its duties regardless of what they may be I call to your attention the fact that 63 men were killed from March 18, 1933, through March 7, 1934, in Army planes. I inserted the names of the individuals and the dates of the accidents on page 8537 of the CONGRESSIONAL RECORD, Seventy-third Congress, second session, and therefore will not ask permission to reprint them at this time.

The above indicates that according to the law of averages equally as many men if not more would probably have been lost in flying the same Army planes in the line of duty as were lost in the remarkably successful demonstration of the ability of the Army to carry the mail.

If this were not true, and the charge of Republican forces that the men were lost because of improper and inadequate equipment, then we had better look into the purchase of aeronautical equipment for the Army that occurred during the administrations of Harding, Coolidge, and Hoover, because we certainly spent enough money to secure the proper type. In taking that position the minority automatically condemns their own administrations. Of course, I am inclined to think myself that the sale of planes and flying equipment to the Army during that 12-year period ought to be investigated. It is probable that inferior aircraft were forced upon the Government by the Air Trust when superior and cheaper equipment could have been secured from independent manufacturers.

Detailed charges to that effect associating former Senator Hiram Bingham and the White House itself with an Air Trust lobby were made by Thomas L. Hill, president of the American Society for the Promotion of Aviation, in a letter to Senator T. H. Caraway that appeared in Air Transportation on November 9, 1929, published at 34 North Crystal Street, East Stroudsburg, Pa. The exhibits mentioned therein have evidently been conveniently lost and the matter dropped. A part of these facts appeared in connection with my remarks on page 8536 of the CONGRESSIONAL RECORD, Seventy-third Congress, second session.

When the organized "ballyhooers" started all this racket about the administration's effort to clean out the foulness of corruption that surrounded the letting of air mail contracts during administrations preceding that of President Roosevelt they spent a tremendous sum of money for propaganda. I have in my files literally dozens of copies of editorials and news articles from various papers that were sent out to Members of Congress in an effort to warp their judgment and place the President and the Postmaster General in a false light. A lot of the stuff came into my office in envelops bearing the return address of the Transcontinental & Western Air Corporation. What business, other than an ulterior one, did they have in aiding in such a campaign? If their efforts, along with those of the minority on this floor, to imply that the Air Corps had as many accidents as it did, which were less than commercial lines over the same period, because of faulty equipment, then let us find out who sold that stuff to the Harding, Coolidge, and Hoover administrations and why they bought it. It should be evident to the public that some Members of this House have carried this question so far they are sinking down into their own mire.

I would say to all those who seem to be so concerned over the welfare of certain commercial air lines carrying the mail at the time the contracts were canceled, and are today screening their interest in them by lamenting the loss of 12 Army flyers, should remember that we have lost more than that in the Air Corps in less than 30 days while in the ordinary line of duty, so the casualties might have been equally as great had the same number of men been performing other duties. The minority should also remember that commercial and private carriers occasioned the loss of at least 100 lives during the period that the Army carried the mail with a loss of 12.

It is evident from the above facts that the Army that carried the mail so successfully in the beginning proved equal to the task in the spring of 1934, when the administration started its crusade to clean out the graft that had crept into the business under the administraion of President Roosevelt's predecessor with a surprisingly low cost of human life as compared with casualties in private lines.

The CHAIRMAN. The question is on the amendment of the gentleman from Illinois to the amendment offered by the gentleman from New York [Mr. MEAD].

The amendment was adopted.

Mr. TABER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment by Mr. TABER to the amendment by Mr. MEAD: After the word "service" in the seventh line, insert "established after the passage of this act."

Mr. TABER. Mr. Chairman, the amendment offered by the gentleman from New York [Mr. MEAD] provides this:

Upon application of the Postmaster General or any interested air mail contractor setting forth that the general transport business or earnings upon an air mail route are being adversely affected by any alleged unfair practice of another air transport operator or by any competitive air transport service other than that supplied by an air-mail contractor on the line of his prescribed air mail route.

I have tried to limit that situation so that no air mail operator who had a line established prior to the passage of this act could be wiped out by the operation of the contractor or the Postmaster General going to the Interstate Commerce Commission and saying that it was unfair competition because he was operating and preventing the contractor from making a living. I do not believe we ought to wipe out our air service by this bill; we ought to help protect it. I hope this amendment will be adopted.

The CHAIRMAN. The question is on the amendment of the gentleman from New York [Mr. TABER] to the amendment of the gentleman from New York [Mr. MEAD].

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 20, noes 71.

So the amendment to the amendment was rejected.

The Clerk read as follows:

Amendment offered by Mr. NICHOLS to the committee amendment: At the close of the committee amendment add the following: "*Provided*, That nothing herein shall prohibit any person, firm, or corporation from establishing a new line for passenger and express service."

Mr. NICHOLS. Mr. Chairman, if I did not misunderstand the chairman of the committee, a moment ago he stated that there were at this time probably a hundred applications pending for lines to carry passengers and express, and that the committee amendment would not in any way interfere with them. If this be the case, then surely the committee will not object to my amendment.

So far as the development of air mail is concerned, had it not been for the development of air travel first through the carrying of passengers and express we never would have gotten to the present stage of the Air Mail Service.

The transportation of mail by air grew out of the transportation of passengers. If that has caused aviation to grow to its present state, I am interested in seeing that we will not stop anyone in the future who wants to invest his own money and go into an enterprise carrying passengers and express the same as they have in the past. If this does not interfere with the committee amendment, then let us clarify the language, which to some of us is a little confusing, and say just what the gentlemen of the committee say the effect of their amendment will be. Let us put into this amendment language to mean just what they say it means.

[Here the gavel fell.]

Mr. MEAD. Mr. Chairman, I rise in opposition to the amendment, for the reason that we have established an orderly method whereby new services may come into the air-

mail field and also into the express and passenger field. We have, by reason of our experiences in the past, decided on the amendment which has just been adopted, and by the adoption of that amendment, I believe, this amendment is out of order, because we permit the operation of all such services in the future as are deemed necessary. We permit of the inauguration of all new services where they are fair and in the public interest, and I believe that our proposal opens up a wide avenue for the development and expansion of this industry.

Mr. Chairman, as I said a moment ago, we have adopted an orderly procedure to follow. The committee amendment was based upon our experiences of the past. It is a fair compromise arrived at after many conferences with Members of Congress on both sides of the aisle and from all over the United States. I do not feel that we ought to open up the question again by the insertion of an amendment that may be somewhat confusing in connection with the amendment just adopted.

Mr. Chairman, I want to stress this point. If we are operating an Air Mail Service and paying for the service out of the Treasury of the United States, and the service could not live without the subsidy it receives from the Government, it is unfair to increase the rate paid to a subsidized contractor just because some other contractor moves over into his territory and takes away some of his passenger and express business. Several years ago we had the experience of a subsidized contractor carrying mail, express, and passengers between Miami and New York City. An independent operator carried express and passengers between New York and Washington, which was the best revenue-producing territory on the line. The result necessitated the continuation of a higher subsidy paid out of the Treasury of the United States. We should not permit one operator to go over into another operator's field and operate only where the revenues are high and then refuse to give service where the revenues are not as productive as they are in the field he chooses to serve.

The air mail contractors, the Aeronautical Chamber of Commerce, the Post Office Department, and the Members of Congress who have come to us for a solution of this problem are satisfied with our amendment, and I hope it will be left as it is. In my judgment it is better as it is than if we tamper with it by inserting other amendments at this time.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment to the amendment.

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. MEAD] as amended.

The amendment as amended was agreed to.

Mr. McFARLANE. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. McFARLANE: "That the Postal Department, on secondary routes, shall not require flying equipment or a cruising speed in excess of 100 miles per hour for extension of existing or new air mail routes of less than 175 miles in length."

Mr. DOBBINS. Mr. Chairman, I raise a point of order against the amendment.

The CHAIRMAN. The gentleman will state the point of order.

Mr. DOBBINS. Mr. Chairman, the amendment is not clear. There is nothing to indicate in what part of the law the amendment should be inserted.

Mr. McFARLANE. Mr. Chairman, this adds a new section to the end of the bill, and applies only to secondary routes.

The CHAIRMAN. The Chair will hear the gentleman from Texas on the germaneness of the amendment.

Mr. McFARLANE. Mr. Chairman, I think the amendment is germane for the reason it deals with the subject matter of the bill. It is a new section dealing with secondary routes only and contains a proper limitation under that head.

The CHAIRMAN. The Chair is ready to rule.

The amendment offered by the gentleman from Texas [Mr. McFARLANE] is not germane and the Chair therefore sustains the point of order.

Under the rule the Committee automatically rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BLANTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6511) to amend the air laws and to authorize the extension of the Air Mail Service, reported the same back to the House with sundry amendments adopted by the Committee.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. MAAS. Mr. Speaker, I ask for a separate vote on the Mead amendment to section 10.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put the other amendments in gross.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Page 7, line 7, after the word "route", strike out the period and the quotation marks and insert in lieu thereof a comma and the following:

"Except that off-line-competitive service which has been regularly maintained for at least 4 months next preceding July 1, 1935, may be continued if restricted to the number of trips and to the stops scheduled and in effect on March 1, 1935.

"Upon application of the Postmaster General or of any interested air mail contractor, setting forth that the general transport business of earnings upon an air mail route are being adversely affected by any alleged unfair practice of another air-transport operator, or by any competitive air-transport service other than that supplied by an air mail contractor on the line of his prescribed air mail route, or by any service inaugurated after March 1, 1935, through the scheduling of competitive nonmail flights over an air mail route, the Interstate Commerce Commission shall, after giving reasonable notice to the person complained of, inquire fully into the subject matter of the allegations; and if the Commission shall find such practice or competition or any part thereof to be unfair, or that such competitive service in whole or in part is not reasonably required in the interest of public convenience and necessity, and if the Commission shall further find that in either case the receipts or expenses of air mail contractor are so affected thereby as to tend to increase the cost of air mail transportation, then it shall order such practice or competitive service, or both, as the case may be, discontinued or restricted in accordance with such findings, and the respondent named in the order shall comply therewith within a reasonable time to be fixed in such order."

Mr. MEAD (interrupting the reading of the amendment). Mr. Speaker, I ask unanimous consent that the further reading of the amendment be dispensed with.

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

There was no objection.

The amendment was agreed to.

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

A motion to reconsider was laid on the table.

THE WORK-RELIEF BILL

Mr. O'CONNOR, from the Committee on Rules, submitted the following privileged report for printing in the RECORD:

House Resolution 174

Resolved, That immediately upon the adoption of this resolution the joint resolution (H. J. Res. 117), with Senate amendments thereto, be, and the same is hereby, taken from the Speaker's table; that the Senate amendments be, and they are hereby, disagreed to by the House; that the conference requested by the Senate on the disagreeing votes of the two Houses on the said joint resolution be, and hereby is, agreed to by the House; that the Speaker shall immediately appoint managers on the part of the House without intervening motion; and that the managers on the part of the House are hereby given specific authority to agree, with or without amendment, or disagree to any amendment of the Senate to the said joint resolution notwithstanding the provisions of clause 2 of rule XX.

FORT FREDERICA AS A NATIONAL SHRINE

Mr. DEEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. DEEN. Mr. Speaker, on January 28 I introduced H. R. 4875, a bill to provide for the establishment of a national monument at Fort Frederica, St. Simon Island, Ga., to be known as the "Fort Frederica National Shrine."

Section 1 of the bill authorizes and directs the Secretary of the Interior to acquire on behalf of the Government of the United States, by gift or purchase, the site of Fort Frederica, consisting of approximately 50 acres.

Section 2 of the bill authorizes the Director of the National Park Service to supervise, control, manage, and preserve the property for the benefit and enjoyment of all the people of the United States.

Section 3 (a) of the bill authorizes the Secretary of the Interior to rebuild Fort Frederica, to erect monuments, to improve the condition of the burial grounds, to erect buildings, build roads on the property, to mark with tablets or monuments historic points within the boundaries of the property. The Secretary is also authorized to maintain in a suitable building a museum for relics, records, and so forth, pertaining to Fort Frederica. He is authorized to accept articles, relics, and records which may be offered as additions to the museum.

Section 3 (b) permits any State or political subdivision thereof to erect monuments or place tablets therein, with, of course, the approval of the Secretary of the Interior.

Section 4 authorizes the necessary appropriation for carrying out the provisions of this act.

Mr. Speaker, in the consideration of the merits of the legislation which I propose, I want to call attention to the historical significance of the proposition. The story of Fort Frederica, St. Simon Island, Ga., is an interesting one, as it epitomizes an important chapter in the early history of our country.

James Edward Oglethorpe, after traveling 4,000 miles from England, with 35 families, numbering about 120 people, consisting of farmers, bricklayers, and carpenters, and with the loss of only 2 infants during the 60 days' journey, anchored just outside of Charleston, S. C., on January 17, 1733. He and his men were warmly greeted by Governor Johnson of South Carolina. After surveying the lands in the interior south of the Savannah River, which lands were claimed by Spain, he selected a site for his colony on Yamacraw Bluff, near the mouth of the Savannah River. On February 11, 1733, Oglethorpe and his men arrived on the selected site, and the next day, February 12, the town of Savannah, Ga., was laid off. Houses were constructed, treaties were made with the Indians, and Georgia, the thirteenth Colony and youngest of the original thirteen, was settled.

Historians have declared, and correctly so, that there were two motives for the settlement of Georgia. First, that imprisoned debtors of England might be freed from their bondage by coming to America and establishing a new colony. Second, there were threatening and impending dangers to South Carolina and the other Colonies, precipitated by Spanish invasions and attacks from Cuba and Florida. In selecting his men from among prisoners in England, Mr. Oglethorpe used discretion in bringing to America only those men who had previously received military training and who were capable of becoming skillful soldiers.

Shortly after his settlement at Savannah, Ga., Mr. Oglethorpe received greetings from the Governor of South Carolina, with the following gifts: 100 head of breeding cattle, 5 bulls, 20 breeding sows, and 4 boars; also 20 barrels of good and merchantable rice. Mr. Thomas Penn, proprietor of Pennsylvania, sent 100 English pounds and said he was engaged in collecting larger sums. Governor Belcher, of Massachusetts, wrote Mr. Oglethorpe, warmly congratulating him and inviting him to visit Boston.

One hundred and sixty-eight years previous to the settlement of Georgia, St. Augustine, Fla., had been settled by the Spanish, who had increased their strongholds along the Atlantic coast as far north as Port Royal, S. C. Spanish missions and military posts dotted the coast for several hundred miles. The Governors of Cuba and Florida were making every possible effort to hold the lands claimed by Spain, and to gain all the additional territory possible. The Spanish had settled the "golden isles of Guale", which included St. Simon Island, Jekyll, Sapeloe, St. Catherine, Ossabaw, and Cumberland Islands. These famous islands, which for more than 3 centuries have been marked with historic fame and significance, were treasured most highly by the Spanish.

In 1736, 3 years after settling the Colony of Georgia, Mr. Oglethorpe visited the "golden isles of Guale", and he and his men laid off and built the town and fort of Frederica on the northern side of the Frederica River, selecting, of course, the most strategic point and place on St. Simon Island. Six years later, in 1742, the Spanish realizing their possessions were being jeopardized, sent a fleet of 51 ships and 5,000 men from Habana to St. Simon Island. They landed in St. Simon Island Sound, and defeated Mr. Oglethorpe's men in a naval engagement. Oglethorpe and his men retreated to Fort Frederica and prepared for the final battle as the Spanish pressed their way forward through the interior toward Fort Frederica.

A short distance from the fort, Oglethorpe's men had hidden themselves—560 men in all—in the underbrush. When the Spanish approached, Oglethorpe's men fired, and for hours one of the bloodiest and most decisive battles of the world was waged. Of the 5,000 Spanish, practically everyone was either killed, wounded, or captured. The marshes and streams ran red with the blood of the Spanish dead. The victory for the English was hailed throughout the Colonies as the greatest of all victories for the English in North America. Immediately thereafter the battle was known as "The Battle of Bloody Marsh." This famous battle, fought July 7, 1742, has been regarded by historians as one of the most significant and decisive battles in American history. With Georgia settled and fast becoming a thriving colony, with the Spanish defeated at Bloody Marsh and driven back south of the St. Marys River, the long-disputed question of whether North America would ultimately be an English- or Spanish-speaking nation was settled once and for all. This battle, won by the English, assured America of Shakespeare's language and of a complete English background.

Fort Frederica, named by Oglethorpe, in honor of Frederic, Prince of Wales and son of George II, King of England, was the greatest English fortification ever built in America. Mr. Oglethorpe, having been successful with his colony of Georgia and victorious in his defeat of the Spanish at Bloody Marsh, was praised by the trustees of the Colony, who paid him great tribute, and he was honored with the title of "General."

Fort Frederica having fulfilled the purpose of its existence by serving as a base for defense against Spanish invasions and attacks, and the Battle of Bloody Marsh having been won by Oglethorpe, the English soldiers were disbanded and were given tracts and grants of land in the vicinity of the fort. The Scottish Highlanders from Darien, Ga., who had assisted Mr. Oglethorpe in his victory against the Spanish were also the recipients of gifts and other considerations.

By 1754 the town and Fort of Frederica were rapidly declining and decaying, and despite efforts on the part of local citizens, the old fort today stands in a ruinous and dilapidated condition. The Daughters of the American Revolution own the fort and a small tract of land on which the fort is located. The members of the local chapter of the D. A. R. deserve the commendation and praise of all American citizens for their philanthropic efforts to preserve and maintain the historic traditions of Fort Frederica, as well as the old fort itself. The fort and its walls, which were built of tabby, a mixture of burned shells, sand, and water, treasures a glorious history second to none in the United States.

Mr. Speaker, in 1934 I visited Fort Frederica and reviewed the many interesting historic points connected with it. The walls are all destroyed. The fort proper stands as it was

built by Oglethorpe and his men, except of course in a most dilapidated condition. An old cannon lies on top of the fort. The English and Spanish burial grounds are in a thrown-away field. On leaving the fort, I was convinced that unless we as Americans today have a little more regard and respect for our ancestry, that we are likely to raise up future generations who will have little or no regard for us.

I can think of many reasons why the Federal Government should establish Fort Frederica as a national shrine, with suitable monuments, markings, museum, buildings, and so forth. Certainly every patriotic and liberty-loving American cherishes in his or her heart an opportunity to pay tribute to our heroic dead—to those who fought so gallantly in the Battle of Bloody March and who sleep beneath the tranquil shade of the trees which sheltered them from the enemy's fire.

There are many interesting and highly illuminating incidents and facts connected with the history of Fort Frederica, St. Simon Island, Ga. Time will permit me to mention only a few of them.

In 1794 Congress authorized the first appropriation for our Navy. Six vessels were to be built. The *Constitution* was to be built at Boston, the *President* at New York, the *United States* at Philadelphia, the *Chesapeake* at Norfolk, the *Constellation* at Baltimore, and the *Congress* at Portsmouth, N. H.

Hon. John Barry, first commodore of the United States Navy, searched the entire Atlantic coast for materials suitable for construction of the vessels. He contracted for 50,000 feet of live oak timbers on St. Simon Island, Ga. The timbers for the *Constitution*, commonly known as "Old Ironsides", were cut on St. Simon Island and loaded at Gascoigne Bluff. The vessel was built and launched at Boston in 1797. On December 18, 1794, Commodore Barry addressed a letter to the Secretary of War as follows:

> Every pains was taken to procure the most durable wood (the live oak of Georgia). The building of vessels of live oak will certainly be a great saving to the United States, as we are well satisfied (barring accidents) that their frames will be perfectly sound half a century hence and may last for a much longer period.

In 1828 *Old Ironsides*, which won its sobriquet in a battle with the *Guerriere* in the War of 1812, was pronounced unsafe by the War Department. A poem written by Oliver Wendell Holmes and entitled "Old Ironsides" aroused public sentiment so greatly that the old vessel was saved for posterity. In 1878 the vessel carried exhibits from the United States to the Universal Exposition of Paris. In 1927–31 the vessel was rebuilt for the fourth time, and is an exact replica of the original ship. On December 12, 1931, the old vessel, after cruising along the Atlantic coast for hundreds of miles, arrived in Brunswick, Ga., and was welcomed by thousands of citizens, just 134 years after the vessel had embarked from Boston, where it was built. Much of the original live-oak timber remains in the ship today.

Hon. Thomas Butler King, for many years owner of the famous King's Retreat Plantation on St. Simon Island, was a distinguished Member of Congress from 1839–43 and from 1845–49. He was Chairman of the Naval Affairs Committee of the House of Representatives, and was presented a vase and walking cane carved from the timbers of *Old Ironsides*.

St. Simon Island, with its related and historic connection with Fort Frederica, is inseparable from the foundation and framework of our American Government. The great Navy of the United States, of which we are justly proud, is therefore closely identified with this historic spot on the American Continent. Under the wise leadership of the distinguished gentleman from Georgia, the Honorable CARL VINSON, Chairman of the House Naval Affairs Committee, who is charged with the responsibility of directing appropriations for the Navy, we should have little or no fear but that this great arm of our Government, the Navy Department, will be amply provided for.

It was near Fort Frederica that John and Charles Wesley established Methodism in America. The famous oak under which John Wesley preached still stands. Christ Church is near the old fort, and hundreds of famous Americans are buried in the church cemetery. It was near the fort where Charles Wesley spent a great deal of his time writing many of his 4,000 sacred hymns. The famous Button Gwinnett, one of the signers of the Declaration of Independence, Governor of Georgia in 1777, and whose signature is the most valuable of all signatures in existence today, once owned St. Catherine Island, one of the "Golden Isles of Guale", only a short distance from Fort Frederica. There are only 37 known signatures of Button Gwinnett in existence and recently one of them sold for $52,000.

At Darien, Ga., a few miles from Fort Frederica, the largest bank south of Philadelphia was established and capitalized at $1,000,000. The first bank in Macon, Ga., was a branch of the bank at Darien.

Aaron Burr, who had murdered Alexander Hamilton, fled southward; and while sentiment was running high against him as a fugitive from justice, he took refuge at Cannons Point in 1804, a short distance from Fort Frederica. Aaron Burr was very fond of a daughter he had left behind and was deeply in love with his sweetheart; frequent letters written to them indicated his love and admiration for the people and surroundings at Cannons Point.

The distinguished Audubon, noted ornithologist, while traveling throughout the colonies in search of information preparatory to his writings, spent considerable time at a retreat near Fort Frederica.

The famous sea-island cotton was grown originally in America on lands that are a part of St. Simon Island at Hampton Point.

Fannie Kemble, English actress of wide-spread fame, spent the winter of 1838–39 a short distance from Fort Frederica. The charm and natural beauty of her surroundings while a visitor there were frequently reflected in her work. After hearing one of her readings the poet, Henry W. Longfellow, wrote a sonnet, which he addressed to her, as follows:

> O precious evening! All too swiftly sped
> O happy poet! By critics vexed!
> How must thy listening spirit now rejoice
> To be interpreted by such a voice!

America's first hunting club was organized in 1827 a few mile from Fort Frederica. A strict code of ethics and rules was adopted and observed by the members. Gen. Charles R. Floyd was elected president of the club. Gen. John Floyd, father of Charles R. Floyd, was representative and senator in the Georgia State Assembly, Member of Congress, brigadier general of the First Brigade, and major general of the Georgia Militia. On the northern point of Sea Island, which is a part of St. Simon Island, on a marble shaft erected by the Federal Government that marks the resting place of the heroic soldier and gentleman is this tribute:

> To the memory of Gen. Charles R. Floyd, a gallant soldier and a devoted friend. A true patriot, called upon by his country as a military man, he was distinguished by his ability, promptness, and courage. A poet, musician, and painter. He was one of those rare men who possesses the power of excelling in whatever they undertake. In him to will was to accomplish.

It was Gen. Charles R. Floyd's daughter who married Mr. W. G. McAdoo and became the mother of Hon. WILLIAM GIBBS MCADOO, a former Secretary of the Treasury and now a distinguished Member of the United States Senate from the State of California.

At St. Marys, Ga., about an hour's ride from Fort Frederica, is Georgia's second oldest church, with which an interesting event is connected. When Florida was a province of Spain St. Marys, Ga., was headquarters for smugglers of gin, rum, and so forth. The illicit traffic of Spanish smugglers greatly terrified the citizens of St. Marys. At midnight a group of smugglers sneaked into the village, looked over the lay of the land, and went to the home of the Presbyterian minister, took his horse out of the stable, tied him down with ropes, and placed the animal on top of the church. The neighing of the horse quickly attracted the guards, as well as every citizen in the village, and while the people were lowering the animal from the church belfry the smugglers unloaded their rum, gin, and so forth, and left before arousing suspicion.

Within a few miles of Fort Frederica is the historic and famous old Midway Church. A group of Puritans coming to Massachusetts in 1630 became dissatisfied and moved to

South Carolina. Later their descendants moved to Georgia and in 1754 settled in a community which they called Dorchester. At no time has the membership of the church exceeded 150 persons, while the total membership has been only 752 members in all. Reading the roll of the membership of this church is somewhat like unfolding the scroll of honor and reading the names of America's foremost heroes and heroines. In addition to 1 governor, 1 United States Senator, 2 generals of the Revolutionary War, ancestors of Woodrow Wilson and Theodore Roosevelt are buried in the church cemetery, containing less than 2 acres of ground, but enclosed with 6-foot walls and iron gates.

The famous Sea Island Beach, on which is located the beautiful, magnificent, and stately Cloister Hotel, with hundreds of America's foremost men and women as part-time residents, is owned by the Honorable Howard E. Coffin, both of New York City and Sea Island Beach, Ga. In addition to the most modern beautification program initiated by Mr. Coffin in connection with his famous Sea Island Beach resort, he has been a leader in establishing and maintaining hunting preserves which are second to none in the United States. In a short period of years Mr. Coffin has brought world fame to many of the historic spots in Glynn County, Ga., and has immortalized points of interest near Fort Frederica.

Within a few minutes' drive of Fort Frederica are modern recreational parks, golf courses, yacht clubs, and many other interesting resorts too numerous to mention.

Within a 20 minutes' drive of Fort Frederica is the historic and beautiful city of Brunswick, Ga., with its prosperous and happy population of around 20,000 citizens and its more than 100,000 annual visitors. In 1771, at Savannah, Ga., capital of the Province of Georgia, the city of Brunswick was planned, with its streets and beautiful parks named. A survey was promptly made and this modern mecca for weary-worn travelers came into existence. The city was named in honor of George III, King of England, who was a member of the house of Hanover, which in turn means Brunswick. In the city of Brunswick is the large and stately Oglethorpe Hotel, lovers' oak, Lanier's Oak, the Marshes of Glynn, Gloucester Street, which was named for a member of the King's Cabinet; Newcastle Street, named for the Duke of Newcastle, with various other streets and parks named in honor of distinguished officials of the English Government at that time. In population Brunswick is Georgia's second coastal city, but in friendliness, progressiveness, culture, and historical significance she is second to none in the State of Georgia or in the United States.

The citizens of Brunswick and Glynn County, Ga., are interested in the preservation of the history and tradition of Fort Frederica for the benefit and enjoyment of all the people of the United States.

Mr. Speaker, the Department of the Interior and the National Park Service have under consideration the proposition which I propose, and I appeal to my colleagues to approve H. R. 4875 when the measure is considered by the committee having jurisdiction and reported to the floor of the House. I am anxious that this legislation, which represents the major part of my legislative program at this session of the Congress, be enacted forthwith.

For the heroic dead who followed Gen. James Edward Oglethorpe in the "Battle of Bloody Marsh" and who sleep beneath the tranquil shade of the trees under which they were crowned victors, whose names and noble deeds have not been on the tongues of orators and in halls of fame, we can do nothing more than erect monuments to their memory, and certainly we should do nothing less.

CONSCRIPT THE WAR LORDS

Mr. REILLY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. REILLY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial entitled "Conscript the War Lords", by Mr. Charles E. Broughton, editor of the Sheboygan Press.

Mr. Broughton is one of the leading newspaper editors in the State of Wisconsin. He wields a trenchant pen, and this particular editorial is remarkable for its clarity of expression and its subject, which is of vital interest at this time, not only to the people of the United States but also to the other nations of the world.

The editorial is as follows:

[From the Sheboygan (Wis.) Press, Mar. 19, 1935]

CONSCRIPT THE WAR LORDS

A world burdened by war debts, many of them renounced, stands in terror before the efforts being made by foreign powers to engage in another great conflict.

Germany charges bad faith on the part of other European nations and issues a proclamation for universal military conscription. The President of Russia declares that war may break at any moment. France and Italy, holding dominant positions in the European situation, are looking for opportunities to get into the king row on the war checkerboard.

While we had our disarmament conferences on paper, no real progress has been made, and the European nations who participated went back and continued mobilization of their standing armies and voted extensive appropriations for war equipment.

The Associated Press has made a survey, and gives the war strength of the leading European powers as follows:

	Standing Army	Mobilizable Army	Airplanes
France	586,250	2,500,000	3,000
England	450,000	1,500,000	1,128
Italy	700,000	1,500,000	1,640
Russia	700,000	[1] 6,000,000	[1] 1,000
Germany	[1] 500,000	[1] 1,500,000	
Poland	280,000	1,500,000	
Jugoslavia	110,000	1,000,000	600
Czechoslovakia	100,000	1,000,000	546

[1] Approximation.

If war is declared among the European nations, every effort will be made to involve the United States. How well we can recall those stirring scenes of 1914 and war years that followed when people were repeatedly told that this was a war to end all wars.

No sooner was the armistice signed than the allied nations, with France as the leader, started to humiliate the defeated. Ever since the war France has been privileged to build up a great militaristic machine. The Germans now see an opportunity and under Adolf Hitler they propose to scrap treaties and agreements in this new order wherein universal conscription has been ordered.

It must be a pathetic hour for parents who still mourn the loss of their sons in the World War. Conscription means preparing for another ordeal and one which, if carried out, may undermine our so-called "civilization." The Hitler proclamation declares that while Germany had reduced its arms and military equipment other nations had failed to keep their part of the agreement. Germany in the proclamation further states that in rearming, "We are aiming to preserve peace for ourselves and the rest of Europe."

While we are a long way removed from Europe, still there is no such a thing as a war abroad without danger of this Nation being drawn into the conflict. While the United States was not invaded and did not suffer any of the loss of property, still we made our contribution in the flower of American manhood. Another war, if carried out on proportions such as the one of 1914–18 would not only bankrupt, but reduce the races to a point where barbarians might dominate the world. When we hear of warring tribes we are prone to ask if the civilized races of the world are in reality any more civilized than the uneducated savages of the jungles.

A day of reckoning is due the rulers of the world who think in terms of war rather than of peace, who have little or no regard for the man power of their nations except to utilize it as warriors.

All of this war preparation can be placed to the credit of those individuals, munitions manufacturers and the like, who have invented and designed machinery for the destruction of human beings. If this war gets under way it is our earnest hope that here in the United States we will conscript those who breed war and compel them to face the destructive implements of war they have invented, on the field of battle.

The nations of the world haven't yet learned their lesson. In the old days secret alliances were breeders of war. Today bad faith on the part of those who ought to realize what war means has brought us to a point where war clouds are menacing. We are still maintaining hospitals in all the nations of the world for the maimed and wounded of the World War. Sightless eyes plead for peace, and yet rulers fail to heed. If another war is waged no one can predict the outcome. We will have no need for universities, churches, or the like, for a maddened throng will raise its cry for revenge and more revenge.

Laws for international peace will be mere scraps of paper, meaningless in their application, and all this comes because we cry out for supremacy one over the other. We vote huge sums for armament, increasing armament only to find that another nation takes similar steps. We are approaching the precipice and cannot see it because we have but one object in view—a war of destruction.

We have labored for years in an endeavor to conserve and build up the resources that were impoverished during the World War, and all the time one nation has been vying with the other for military supremacy. Let us hope that this new move on the part of Germany for universal conscription will invite a conference that will eliminate some of the breeders of war. If a European war is declared, the rulers of the nations must assume the responsibility for a conflict that will overthrow what we have so proudly boasted of as a civilization of progress. Someone has said that it might be well to put civilization to a test. Such a test would have only one disastrous result—the killing and maiming of the youth of nations.

If we could reach the heart of the individual, if we could make the youth understand that armed conflicts breed sorrow, if we could get our lawmakers to a point where they would tax the munitions manufacturers out of existence, if we could make these munitions manufacturers operate their own destructive machinery from the sky on the fields of battle, there would be a ray of hope for peace. If we could get these great monied men who stand ready to loan and finance wars, to throw their ill-gotten gains into a hopper to prevent the misery of men fighting one another, we would see the prospects of peace.

If warring nations were unable to finance, there would be no wars; and if the citizens of all the nations, who eventually must do the fighting, were to rise in joint protest, the rule of reason would supplant avarice.

The United States, with all its resources, if brought into another war, would be so burdened that the backs of her citizens would not only be bent through taxation for a hundred years but added to this would be the loss of human life, perhaps invasion of our own fireside, destruction not only at ports of entry but from the skies above.

It is well for us to paint the gloomiest picture that we can, for war holds nothing in promise except misery and suffering. Wars are fought by individuals, not by rulers. If these rulers and these great war lords want war, let them lead the armies. If these munitions manfacturers want war, let them be conscripted and put into the front ranks. If this is to be a war of elimination, let the breeders of war do the fighting. If every munitions manufacturer in the world could be offered as a sacrifice, this in reality would be a war to end all wars.

The last one failed because of the profits that came out of the war. When you kill the profits you kill war. From the dawn of our so-called "civilization" wars have been fought to acquire territory and for other equally unholy principles. This does not mean that both sides were wrong, but it means that greed played a part in every war. Trace our own wars back. Unjust taxation made it necessary for the United States to throw off the yoke and become a free and independent nation. So we could go on and recount war after war at home and abroad; each started over a greedy desire for gain.

Every son who must shoulder a gun does so at the command of higher officials, and everyone who makes the supreme sacrifice does it for the glory of his country. Right or wrong, he must fight. Rather than stimulate or encourage war, let us look beneath the surface and think of the suffering and heartaches and the aftermath. Homes are made desolate, and for a quarter or a half century disabled soldiers are living examples. The manhood is forced to go into the front-line trenches while those who make wars look on through colored glasses. They are distant observers, outside the pale of danger. Let us build in the hearts of men a sentiment for peace, and increase the depression and smokeless chimneys for the munitions manufacturers.

C. E. BROUGHTON, *Editor*.

MR. HOOVER, FORMER PRESIDENT, ENDEAVORS TO GALVANIZE INTO LIFE THE REPUBLICAN PARTY

Mr. HILDEBRANDT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. HILDEBRANDT. Mr. Speaker, the effort of former President Herbert Hoover to galvanize into life the nearly paralyzed reactionary element of the Republican Party would be ludicrous if it were not tragic.

Ludicrous because an average person with an average sense of humor cannot fail to be amused when a statesman of the prominence of Mr. Hoover seriously seeks to rally the demoralized and defeated forces of Toryism around the tattered banner that an indignant citizenship in the last election nearly tore into shreds. It is difficult to conceive of an able man in this period of history believing that enthusiasm can be aroused for a program of unmitigated reaction. Yet that is exactly what Mr. Hoover apparently imagines. He undoubtedly honestly thinks a nation that since 1932 has made a little progress away from universal bankruptcy and destitution, will heartily acclaim the proposal to rush back to the brink of destruction. He has as clear a conception of the situation as the Queen of France, who thought the hungry mob, clamoring for bread, should have eaten cake.

Tragic because Mr. Hoover, whose experience and standing could make him a factor of tremendous influence and helpfulness in the task of assuring economic security to all the people, is stubbornly fighting the forces of advancement. He may as well try to resist the stars in their courses as to try to stop the march of social justice. The tragedy of it is not that he or any other ultra conservative can prevent us from going forward, but that they can unquestionably make the process harder, thereby tending to cause trouble and even violence that could be averted.

What is needed today is not obstinate resistance to the forward movement but intelligent cooperation. It is gratifying that there are so many progressive Republicans who, instead of clinging to policies that belong to the dead past, have joined hands with progressive Republicans, members of the Farmer-Labor Party, of the Progressive Party, and even of the Socialist Party. It is always disappointing to see men of talent and influence persist in defending what Under Secretary of Agriculture Tugwell has so well characterized "economic cannibalism."

When I think of the bitter days of the Hoover administration, when South Dakota farmers sold oats for 5 cents a bushel, milling wheat for from 15 to 25 cents, barley for 14 cents, and corn for 8 cents and less, I have no fear that the farmers or the workers or the small business men who have been equally exploited will listen to the ex-President's plausibly worded appeal. I am sure that Mr. Hoover's fine phraseology will fall on deaf ears when it is heard by the farmer near Garden City, S. Dak., who had to sell 900 bushels of barley at 14 and 15 cents a bushel to pay his taxes, and on equally deaf ears among millions of others. America has not forgotten the misery of the time when Mr. Hoover's blindly reactionary program nearly hurled us into the abyss of bloody revolution. It has not forgotten and it will never forget.

Whether we desire to do so or not, we cannot go back. Impersonal social forces are urging us onward. Social control in order to prevent the rich, the greedy, and the powerful from exploiting the producers is inevitable. I am one of those Democrats who believe we have accomplished only a fraction of what should be done. I am not always convinced of the wisdom of steps that have so far been taken for the purpose of social control. In some cases I think other steps should be substituted. Generally speaking, it is my conviction that no mistake will be made in transferring from private ownership the resources that all citizens must use in order to have what President Roosevelt has called the "more abundant life."

No party can gain popular support today by championing government of, by, and for Wall Street. Even my own party could not retain control if it should espouse such a course of action. Its hope lies in fearless combat for economic as well as political democracy. The Republican Party, still led by Mr. Hoover, opposing real democracy, has a future that is utterly blank and without hope.

RAILROAD GRADE CROSSING ELIMINATION IN OHIO

Mr. THOM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing some correspondence I have had on grade-crossing elimination.

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

There was no objection.

Mr. THOM. Mr. Speaker, under leave to extend my remarks I desire to reproduce correspondence between L. A. Boulay, State engineer of the P. W. A. for Ohio, Thomas H. McDonald, Director of the Bureau of Public Roads, United States Department of Agriculture, and myself concerning railroad grade crossing elimination in the State of Ohio as a major undertaking under the public-works relief program about to be inaugurated:

HOUSE OF REPRESENTATIVES,
Washington, D. C., February 5, 1935.

Mr. L. A. BOULAY,
State Engineer, Public Works Administration,
Columbus, Ohio.

DEAR MR. BOULAY: I thank you for your letter of January 28 listing the projects in Ohio approved by the Public Works Admin-

istration up to date as a means of reducing unemployment and congratulate you on your achievement.

Without reflecting one bit on the type of project which has been undertaken under your administration in the past, I do hope that if you are called upon by Federal authorities to suggest a program for absorbing unemployment in Ohio under the new $4,000,000,000 grant about to be voted the President, you will see fit to stress the value of grade-crossing elimination. I am fairly certain that you will be invited to submit your ideas to Washington. Hence this letter.

I believe the people are generally in sympathy with a program within reasonable financial limits that substitutes relief work for the dole, but they will be disappointed, as I shall be also, if any of the new money is expended for makeshift jobs and not solely for improvements that will insure solid assets to the country. The more I think about it, the eliminating of the grade crossing, causing as it did 34,000 deaths and 93,000 injury cases since 1917, will contribute more to the safety and well-being of the American people than any other conceivable improvement. These dangerous grade crossings usually lie on highways in close proximity to cities where there are large pools of unemployed. There are in the country 240,000 grade crossings on class I railroads. Some Eastern States have largely eliminated their most hazardous crossings, but there has not been a whole lot of progress in this direction in Ohio. The flexible program of the President, fortunately, will make it possible to treat the unemployment problem in each State in the way that seems best to produce the most results in any particular State. He may, therefore, designate grade-crossing elimination in one State, such as Ohio, and omit it in another—a thing that could not have been done if Congress had bound him down by specific rules in allotting projects.

Unless this work is done under this grant, it is not likely that the railroads themselves, on account of their financial condition, will be able to do much improvement of this kind for many years to come, and in the meantime accidents and deaths will continue. It would be expected, of course, that the railroads would join somewhat in bearing the financial burden, especially if loans can be granted to the railroads from the relief fund. The urge upon the part of the railroad companies will be stronger because of the present developments toward lighter and faster trains.

If you have not already done so, I wish you could assemble information as to the number of hazardous crossings in Ohio that could with good reason be removed under such a program and be prepared to submit this information to Washington.

Very truly yours,

WILLIAM R. THOM.

To this letter the following reply was received from Mr. Boulay in his capacity as State engineer of the P. W. A. for Ohio:

FEDERAL EMERGENCY ADMINISTRATION OF PUBLIC WORKS,
Columbus, Ohio, February 18, 1935.

Hon. W. R. THOM,
House of Representatives, Washington, D. C.

DEAR SIR: We reply to your letter of February 5, in which you give us your ideas about grade crossings in Ohio. We agree with you that grade-crossing eliminations are most necessary, but at the same time I appreciate that there are so many it would be impossible to eliminate all of them.

In the work that we are doing at the present time, which is securing an inventory of projects suggested by the different public bodies, we naturally find a great number of grade crossings, and the greater number of these are crossings which would have to be done in cooperation with the State Highway Department.

Mr. J. W. Berkey, the bridge engineer of the State of Ohio, has made an exhaustive study of grade crossings in Ohio, and in connection with this study has held numerous conferences with the railroads. His report is now in the hands of Mr. Thomas H. McDonald, of the Bureau of Public Roads, and will no doubt be used in connection with the new program. It is much more voluminous than we could hope to obtain within the limited time we have to collect the inventory that we are now working on.

As you are interested in this phase of the public-works program. I believe some valuable information could be obtained by taking the matter up with Mr. McDonald, of the Bureau of Public Roads, as he now possesses the exhaustive report made by Mr. Berkey on this question.

Very truly yours,

L. A. BOULAY,
State Engineer, P. W. A.

Details of the proposed railroad grade-crossing eliminations program under consideration for Ohio are contained in the following letter from Thomas McDonald, Director of the Bureau of Public Roads, Department of Agriculture, written in reply to an inquiry made of him in conformity with the above suggestion of Mr. Boulay:

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF PUBLIC ROADS,
Washington, D. C., March 22, 1935.

Hon. WILLIAM R. THOM,
House of Representatives.

MY DEAR MR. THOM: This will acknowledge receipt of your letter of March 18, concerning the construction of possible highway-railroad grade separation structures in the State of Ohio.

In an endeavor to supply the Public Works Administration with data for possible consideration in connection with a future public-works program, the various State highway departments were asked by the Bureau in October of last year for information concerning the volume of desirable railroad grade-crossing separation work which could be advertised for contract within periods of 30, 60, or 90 days after the availability of funds.

Data submitted by the State highway department listed a total of approximately 127 grade separation crossings in the State which could be advantageously eliminated. They were divided among the railroads as follows:

New York Central	16
Pennsylvania	23
Baltimore & Ohio	14
New York, Chicago & St. Louis	11
Erie	12
Chesapeake & Ohio	22
Detroit, Toledo & Ironton	1
Norfolk & Western	11
Akron, Canton & Youngstown	1
Wabash	11
Toledo terminal	2
Wheeling & Lake Erie	3

These proposed grade-crossing elimination projects are located in 57 of the 88 counties in the State. Crossings are proposed for elimination in Stark, Tuscarawas, and Wayne Counties in your congressional district, involving 3 elimination projects with the Pennsylvania, 2 with the Baltimore & Ohio, and 1 with the Wheeling & Lake Erie Railroad.

The estimated total cost of the 127 proposed projects is approximately $29,845,000. You understand, of course, that these data are tentative in nature. We are advised that essentially the same data as mentioned above were also submitted to the State engineer of the Public Works Administration for Ohio.

Very truly yours,

THOMAS MCDONALD, *Chief of Bureau.*

Mr. MEAD. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the pending bill today may have 5 legislative days within which to revise and extend their own remarks in the RECORD.

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

There was no objection.

Mr. MEAD. Mr. Speaker, information has been requested as to the effect of the decision of the Interstate Commerce Commission on the cost of the Air Mail Service, and in reply I submit the following table giving such data:

Effect of decision of Interstate Commerce Commission on annual cost of service authorized Feb. 15, 1935

Route	Contractor	Termini	Annual mileage authorized	Annual mileage, 95 percent performance	Present rates (cents)	Annual cost, 95 percent performance	Prescribed rates (cents)	Annual cost at prescribed rate, 95 percent performance	Increase in cost per annum
1	United Air Lines Transport Corporation.	Newark-Oakland	5,891,100	5,596,545	[1] 33⅓	$2,135,863.20	31	[2] $2,238,618.00	[2] $102,754.80
11	do	Seattle-San Diego	1,604,540	1,524,313	33⅓	508,104.33	29	442,050.77	[3] 66,053.56
12	do	Salt Lake City-Seattle	1,264,360	1,201,142	33⅓	400,380.67	33⅓	400,380.67	
	Total		8,760,000	8,322,000	36.582	3,044,348.20		3,081,049.44	36,701.24
4	American Airlines, Inc.	Fort Worth-Los Angeles	1,934,500	1,837,775	33⅓	612,591.67	26	477,821.50	[3] 134,770.17
7	do	Newark-Chicago	1,158,145	1,100,238	33⅓	366,746.00	33⅓	366,746.00	
18	do	Boston-Newark	460,630	437,598	33⅓	145,866.00	32	140,031.36	[3] 5,834.64
21	do	Boston-Cleveland	448,950	426,502	24½	104,492.99	32	136,480.64	31,987.65
22	do	Cleveland-Nashville	684,740	650,503	14⅞	96,762.32	28	182,140.84	85,378.52

[1] And 22 cents, plus excess.
[2] Based on an average load of 605 pounds and rate of 40 cents.
[3] Indicates decrease.

Effect of decision of Interstate Commerce Commission on annual cost of service authorized Feb. 15, 1935—Continued

Route	Contractor	Termini	Annual mileage authorized	Annual mileage, 95 percent performance	Present rates (cents)	Annual cost, 95 percent performance	Prescribed rates (cents)	Annual cost at prescribed rate, 95 percent performance	Increase in cost per annum
23	do	Newark-Fort Worth	1,923,376	1,827,207	13	$237,536.91	26	$475,073.82	$237,536.91
25	do	Washington-Chicago	497,860	472,967	29	137,160.43	33½	157,655.67	20,495.24
30	do	Chicago-Fort Worth	869,065	825,612	8	66,048.96	28	231,171.36	165,122.40
	Total		7,977,266	7,578,402	23.319	1,767,205.28	28.596	2,167,121.19	399,915.91
3	Northwest Airlines, Inc	Fargo-Seattle	1,859,310	1,766,344	33½	588,781.33	25	441,586.00	[3] 147,195.33
16	do	Chicago-Pembina	1,247,455	1,185,082	19.6	232,276.07	21	248,867.22	16,591.15
	Total		3,106,765	2,951,426	27.819	821,057.40	23.394	690,453.22	[3] 130,604.18
5	North American Aviation, Inc	Newark-New Orleans	1,833,760	1,742,072	19	330,993.68	25	435,518.00	104,524.32
6	do	Newark-Miami	1,746,160	1,658,852	29	481,067.08	26	431,301.52	[3] 49,765.56
10	do	Chicago-Jacksonville	1,359,260	1,291,297	19	245,346.43	27	348,650.19	103,303.76
	Total		4,939,180	4,692,221	22.535	1,057,407.19	25.904	1,215,469.71	158,062.52
9	Braniff Airways, Inc	Chicago-Dallas	992,070	942,463	22½	212,054.85	28	263,890.48	51,835.63
15	do	Amarillo-Brownsville	787,670	748,286	19¾	147,786.48	27	202,037.22	54,250.74
	Total		1,779,740	1,690,752	21.283	359,841.33	27.557	465,927.70	106,086.37
17	Wyoming Air Service, Inc	Cheyenne-Pueblo	217,540	206,663	33⅓	68,887.67	32	66,132.16	[3] 2,755.51
28	do	Billings-Cheyenne	305,140	289,883	28½	82,616.66	29	84,066.07	1,449.41
	Total		522,680	496,546	30,512	151,504.33	30.249	150,198.23	[3] 1,306.10
2	Transcontinental & Western Air, Inc.	Newark-Los Angeles	5,695,460	5,410,687	[1] 24	1,298,564.88	28.6	[4] 1,547,456.48	[4] 248,891.60
8	Chicago & Southern Air Lines, Inc.	Chicago-New Orleans	1,215,015	1,154,264	17½	201,936.20	30	346,279.20	144,283.40
13	Western Air Express Corporation	Salt Lake City-San Diego	968,188	919,779	24	220,746.96	33⅓	306,593.00	85,846.04
14	Central Airlines, Inc	Washington-Detroit	961,408	913,338	[1] 23.8	212,518.58	33⅓	304,446.00	91,927.42
19	National Parks Airways, Inc	Great Falls-Salt Lake City	377,410	358,540	33⅓	119,513.33	33⅓	119,513.33	
20	Wedell-Williams Air Service Corporation.	New Orleans-Houston	241,630	229,548	16.7	38,334.52	31	71,159.88	32,825.36
24	Delta Air Corporation	Charleston-Fort Worth	1,233,552	1,171,874	24.8	290,624.75	28	328,124.72	37,499.97
26	Hanfords Tri-State Airlines, Inc	St. Paul-Kansas City	740,220	703,209	18.9	132,906.50	32	225,026.88	92,120.38
27	National Airways, Inc	Boston-Bangor-Burlington	292,730	278,094	29½	82,037.73	33⅓	92,698.00	10,660.27
29	Varney Air Transport, Inc	Pueblo-El Paso	394,930	375,184	24	90,044.16	29	108,803.36	18,759.20
31	G. T. Baker	Jacksonville-St. Petersburg	192,720	183,084	17	31,124.28	[5] 17	31,124.28	
32	Pennsylvania Airlines & Transport Co.	Detroit-Milwaukee	190,165	180,657	33⅓	60,219.00	33⅓	60,219.00	
33	Inter-Island Airways, Ltd	Honolulu-Hilo-Lihue	201,960	191,862	19½	37,413.09	[5] 19½	37,413.09	
	Total		12,705,388	12,070,120	23.331	2,816,043.98	29.842	3,578,857.22	762,812.24
	Grand total		39,791,019	37,801,467	26.5	10,017,407.71		11,349,076.71	1,331,669.00

[1] And 22 cents, plus excess.
[3] Indicates decrease.
[4] Based on an average load ranging from 301 to 400 pounds and rate of 28.6 cents.
[5] Rates not in issue.

ANTILYNCHING BILL NOW PENDING SHALL BE PASSED

Mr. BEITER. Mr. Speaker, I ask unanimous consent to extend my remarks on the Costigan-Wagner antilynching bill.

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

There was no objection.

Mr. BEITER. Mr. Speaker, on Tuesday, March 12, the Senate Judiciary Committee reported unanimously the Costigan-Wagner bill. It is the antilynching bill, making mob murders Federal offenses and holding counties financially liable for them.

My colleague Congressman MEAD, whose intimate and personal acquaintance I have enjoyed for some years, has introduced a similar bill in the House.

There have been a number of other bills introduced by Members representing districts in practically every section of the country, so that in no sense can this matter be considered as a sectional measure. It applies alike to all parts of the country.

The Costigan-Wagner bill is backed by organizations with membership of more than 40,000,000 citizens. The bill is one which, of course, is familiar to every Member. It is a measure which has been discussed in newspapers, in political gatherings, in church congregations, by men and by women; and serious citizens, thoughtful citizens, East and West, South and North, have thought more or less deeply, more or less intelligently, over the questions which are necessarily involved in the bill.

Mr. Speaker, if there is any one thing which is distinctly a blot upon our boasted civilization, it is the crime of lynching. I am aware that there are many unspeakable crimes committed which cause red-blooded men and women to cry for immediate vengeance, and that the desire to prevent the appearance in court of victims of these outrages is one of the reasons given by citizens of this country for taking the law into their hands and themselves violating the fundamental law of the land. If we are to admit that crimes of whatever character are to be punished by individuals without submitting the case to the judge or jury, as guaranteed by the constitution of every State in the Union and by the Constitution of the United States, then we are indeed striking at the very foundations of law and order.

Every outburst of this character in defiance of the orderly procedure of the courts is a blow at right and justice and in violation of the fundamental principles of government. It begets a contempt for law and breeds a disposition upon the part of those inflamed by passion, even on account of minor offenses, to commit murder under the guise of wreaking vengeance for the protection of society. If we admit this principle, how can any one of us or our families be safe? It is perfectly evident that drastic measures must be taken in order to prevent the recurrence of these crimes, and the Costigan-Wagner bill seems to offer an effective means for their prevention and to inflict penalties upon communities which do not afford adequate protection to their citizens against the fury of mobs.

There are many good reasons why I shall vote for the antilynching bill. I will enumerate some of them in just a few words:

First. Lynching is murder and cannot be justified on any grounds.

Second. The decision of the average mob, or, if you please, a gathering of citizens with inflamed minds for the purpose

of taking the law in their own hands, is never safe. Many times we have read of these disgraceful decisions and proceedings of a mob, and would anyone of us care to subscribe to the justice or righteousness of its acts?

Third. It has been conclusively shown that in the States of the Union where antilynching laws have been adopted lynching has greatly decreased, and because of certain specific provisions of the Costigan-Wagner bill the legislation, if enacted, will cause county officials to be more inclined to do their duty.

Fourth. Where any State, through the laxity of its officials, allows this practice to continue it should be the duty of the Federal Government to see that the fourteenth amendment is enforced by national legislation.

Fifth. There should be no distinction in race or creed in this country so far as the administration of the country's laws is concerned.

The bill which Senators COSTIGAN and WAGNER have introduced does not deprive the States of their original responsibility or capacity for law enforcement. On the contrary, it gives them added incentives to do their duty. It imposes a fine not exceeding $5,000, or imprisonment not exceeding 5 years, or both, upon any State or local officer whose neglectfulness either encourages mob violence or tends to discourage the apprehension of the culprits who participate therein. It enables the family of a victim to recover substantial damages from the county within whose borders the outrage occurred. Whenever local conditions militate against the zealous prosecution of suspected offenders the Federal court in the district is vested with authority to try and punish in accordance with State law.

A nation that will not guarantee a judicial hearing to every citizen is unfaithful to its pledge to its highest duty. Mob law must be ended. Every man in America, rich or poor, white or black, is entitled to a trial in court. As far as I can bring it about, every man in America shall have such a trial. The equal protection of the laws is the very foundation of this Republic.

Mr. Speaker, President Roosevelt said in his message to Congress, "Crimes of organized banditry, cold-blooded shooting, lynching, and kidnaping have threatened our security", thereby inferring that this type of legislation is endorsed by him and is by no means sectional in its application. There is hardly any section of our country that has not at times been the scene of these crimes, and the victims of these crimes are not confined to those of any race or color. The Costigan-Wagner bill is broad in its application and is designed and will tend to prevent the commission of those crimes against any and all classes of citizens in every part of our country.

The only way to impress respect for human rights is through general respect for law and for legal institutions constituted to uphold it. In the Costigan-Wagner antilynching bill is the logical answer to the problem of organized sectional barbarianism.

WAR DEPARTMENT APPROPRIATION BILL

Mr. PARKS submitted the following conference report on the bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 9, 19, 24, 27, 30, and 34.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 6, 13, 14, 15, 16, 18, 23, and 33, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$87,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "seven retired officers on active duty, $9,600"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$161,063,594"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$160,778,594"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$297,155"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$10,549,104"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$500,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$4,452,304"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,000,000"; and the Senate agree to the same.

On amendments numbered 7, 10, 17, 25, 26, 28, and 32 the committee of conference have been unable to agree.

TILMAN B. PARKS,
THOMAS L. BLANTON,
THOS. S. MCMILLAN,
J. BUELL SNYDER,
JOHN F. DOCKWEILER,
CHESTER C. BOLTON,
D. LANE POWERS,
Managers on the part of the House.

ROYAL S. COPELAND,
CARL HAYDEN,
MORRIS SHEPPARD,
PETER NORBECK,
JOHN G. TOWNSEND, JR.,
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. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

On amendment no. 1: Appropriates $200,000, as proposed by the Senate, instead of $180,000, as proposed by the House, for contingent expenses of the War Department proper at Washington.

On amendment no. 2: Appropriates $87,000 for contingencies, Military Intelligence Division, instead of $46,000, as proposed by the House, and $107,000, as proposed by the Senate, the amount agreed upon being intended more nearly to equalize the maintenance allowances of military and naval attachés.

On amendment no. 3: Appropriates $446,744 for field exercises, as proposed by the Senate, instead of $350,465, as proposed by the House, the increase being compensated for by a reduction in the appropriation "Travel of the Army."

On amendment no. 4: Corrects the text of the appropriation "Welfare of enlisted men."

On amendments nos. 5, 6, 8, 9, 11, and 12: Relating to "Pay, etc., of the Army." Limits flying pay to not exceeding five medical officers, as proposed by the House; strikes out, as proposed by the Senate, the clause making the additional appropriation for increasing the enlisted strength of the Regular Army available for objects of expenditure embraced by appropriations other than "Pay, etc., of the Army", and makes a direct appropriation of $20,000,000 on account of such increase in enlisted strength, as proposed by the Senate, instead of an indefinite appropriation, as proposed by the House; provides for the employment of 7 retired officers on active duty instead of 5, as proposed by the House, and 85, as proposed by the Senate; appropriates $6,238,656 for rental allowances, as proposed by the House, instead of $6,299,516, as proposed by the Senate, and corrects totals.

On amendments nos. 13 and 14, relating to "Travel of the Army": Reduces the appropriation from $3,095,630, proposed by the House, to $2,999,321, as proposed by the Senate, the amount of the reduction being transferred to the appropriation "Field exercises", and broadens the proposal of the House with respect to using other appropriations for traveling expenses when approved by the Director of the Bureau of the Budget.

On amendment no. 15: Appropriates $50,000 for expenses of courts martial, as proposed by the Senate, instead of $35,000, as proposed by the House.

On amendment no. 16: Appropriates $4,450,221 for clothing and equipage, as proposed by the Senate, instead of $4,388,423, as proposed by the House.

On amendments nos. 18 and 19, relating to Army transportation: Permits the use of 390 modernized class B trucks, as proposed by the Senate, instead of 267 of such trucks, as proposed by the House, and strikes out the Senate proposal to permit the use, at the discretion of the Secretary of War, of any motor-propelled vehicle procured prior to January 1, 1920.

On amendment no. 20: Appropriates $297,155 for the purchase of 1,500 horses for the Army, instead of $222,155 for the purchase of 1,000 horses, as proposed by the House, and $372,155 for the purchase of 2,000 horses, as proposed by the Senate.

On amendment no. 21: Appropriates $10,549,104 under the head of "Barracks and Quarters and Other Buildings and Utilities", instead of $10,049,104, as proposed by the House, and $11,094,104, as proposed by the Senate.

On amendments nos. 22 to 24, both inclusive, relating to the National Guard: Makes a direct appropriation of $500,000 for increasing the enlisted strength of the National Guard, instead of an indefinite appropriation, to be expended at the discretion of the President, as proposed by the House, and a direct appropriation of $2,500,000, as proposed by the Senate, and strikes out the Senate proposal designed to require that a portion of the increase in the enlisted strength of the National Guard be used for establishing a National Guard air squadron in the State of Mississippi.

On amendment no. 27, relating to the Organized Reserves: Appropriates $6,372,178, as proposed by the House, instead of $8,258,428, as proposed by the Senate.

On amendments nos. 29 and 30, relating to the Reserve Officers' Training Corps: Appropriates $4,452,304 instead of $3,452,304, as proposed by the House, and $4,896,078, as proposed by the Senate, and strikes out the proposal of the Senate to raise the ban on the maintenance of an additional number of mounted, motor transport, or tank units.

On amendment no. 31: Appropriates $2,000,000 for training approximately 30,000 C. M. T. C. trainees, instead of $1,000,000 for training approximately 14,000, as proposed by the House, and $2,560,000 for training approximately 37,500, as proposed by the Senate.

On amendments nos. 33 and 34, relating to rivers and harbors: Provides for including illustrations in printed reports of stream surveys, as proposed by the Senate, and appropriates $34,057,270, as proposed by the House, instead of $27,057,270, as proposed by the Senate.

Disagreements

The committee of conference have not agreed upon the following amendments of the Senate:

No. 7: Relating to increasing the enlisted strength of the Regular Army.

No. 10: Relating to rental and subsistence allowances of officers.

No. 17: Relating to laundry charges.

No. 25: Limiting the number of National Guard units.

No. 26: Relating to traveling expenses of dependents of Regular Army personnel traveling in connection with the Organized Reserves.

No. 28: Relating to training retired and disabled officers of the Officers' Reserve Corps.

No. 32: Relating to the extension of Vicksburg National Cemetery.

TILMAN B. PARKS,
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J. BUELL SNYDER,
JOHN F. DOCKWEILER,
CHESTER C. BOLTON,
D. LANE POWERS,
Managers on the part of the House.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. BACON, for 3 days, on account of illness in family.

To Mr. FARLEY, for 5 days, on account of important business.

Mr. DUNN of Pennsylvania. Mr. Speaker, I ask unanimous consent that I may have leave of absence for a few days to attend to some legislative matters in Pennsylvania.

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

There was no objection.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 24. Joint resolution to authorize the acceptance on behalf of the United States of the bequest of the late Charlotte Taylor of the city of St. Petersburg, State of Florida, for the benefit of Walter Reed General Hospital.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 20 minutes p. m.) the House adjourned until tomorrow, Tuesday, March 26, 1935, at 12 o'clock noon.

COMMITTEE HEARING

COMMITTEE ON MERCHANT MARINE AND FISHERIES

(Tuesday, Mar. 26, 10 a. m.)

Committee will hold hearings on the President's message (Doc. No. 119) to consider the subsidy and merchant marine matters generally.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

274. A letter from the Acting Secretary of War transmitting draft of a proposed bill for the relief of Maj. Edwin F. Ely, Finance Department, Capt. Reyburn Engles, Quartermaster Corps, and others; to the Committee on Claims.

275. A letter from the Secretary of the Navy transmitting draft of a proposed bill authorizing the Secretary of the Navy to accept on behalf of the United States a bequest of certain personal property of the late Dr. Malcolm Storer of Boston, Mass.; to the Committee on Naval Affairs.

276. A letter from the Chairman of the Joint Committee on Internal Revenue Taxation transmitting report of refunds and credits of internal-revenue taxes for the calendar year 1933 (H. Doc. No. 145); to the Committee on Ways and Means and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DEROUEN: Committee on the Public Lands. H. R. 3019. A bill to amend sections 1, 3, and 15 of "An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration, to provide for their orderly use, improvement, and development, to stabilize the livestock industry dependent upon the public range, and for other purposes", approved June 28, 1934 (48 Stat. 1269); with amendment (Rept. No. 479). Referred to the Committee of the Whole House on the state of the Union.

Mr. CARTWRIGHT: Committee on Roads. Senate Joint Resolution 43. Joint resolution for the establishment of a commission for the construction of a Washington-Lincoln Memorial Gettysburg Boulevard connecting the present Lincoln Memorial in the city of Washington with the battlefield of Gettysburg in the State of Pennsylvania; with amendment (Rept. No. 480). Referred to the Committee of the Whole House on the state of the Union.

Mr. LAMBETH: Committee on Printing. H. R. 6836. A bill to provide for the printing and distribution of Government publications to the National Archives Establishment; with amendment (Rept. No. 481). Referred to the Committee of the Whole House on the state of the Union.

Mr. RYAN: Committee on Indian Affairs. H. R. 2046. A bill to compensate the Chippewa Indians of Minnesota for lands set aside by treaties for their future homes and later patented to the State of Minnesota under the Swamp Land Act; without amendment (Rept. No. 482). Referred to the Committee of the Whole House on the state of the Union.

Mr. BUCK: Committee on Ways and Means. House Joint Resolution 174. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the

California-Pacific International Exposition, San Diego, Calif., to be admitted without payment of tariff, and for other purposes; without amendment (Rept. No. 483). 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. HARTER: Committee on Claims. H. R. 1031. A bill for the relief of Charles C. Schilling; without amendment (Rept. No. 477). 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. 6851) for the relief of George Preston Thomas; Committee on Military Affairs discharged, and referred to the Committee on Naval Affairs.

A bill (H. R. 6941) granting a pension to Clarence N. Garrett; Committee on Invalid Pensions 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. AYERS: A bill (H. R. 6976) to amend the Agricultural Adjustment Act with respect to flaxseed, and for other purposes; to the Committee on Agriculture.

By Mr. BUCKLER of Minnesota: A bill (H. R. 6977) to amend the Agricultural Adjustment Act with respect to flaxseed, and for other purposes; to the Committee on Agriculture.

By Mr. CELLER (by request): A bill (H. R. 6978) to reclassify the salaries of employees in the custodial service of the Post Office Department of the United States; to the Committee on the Post Office and Post Roads.

By Mr. CRAWFORD: A bill (H. R. 6979) to prohibit secret cash rebates; rebates given in form of merchandise, whether in form of that sold or otherwise; advertising allowances in form of cash or merchandise, whether in form of that sold or otherwise; and rebates in form of freight allowances in any form whatsoever, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. JENKINS of Ohio: A bill (H. R. 6980) to amend subsection (e) of section 3 of the National Industrial Recovery Act; to the Committee on Ways and Means.

By Mr. JONES: A bill (H. R. 6981) to provide for research into basic laws and principles relating to agriculture; to the Committee on Agriculture.

By Mr. MILLER: A bill (H. R. 6982) to amend section 80 of chapter 9 of an act to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898; to the Committee on the Judiciary.

By Mr. TAYLOR of South Carolina: A bill (H. R. 6983) to provide for the transfer of certain land in the city of Anderson, S. C., to such city; to the Committee on Public Buildings and Grounds.

By Mr. WELCH: A bill (H. R. 6984) to confer to certain persons who served in the Quartermaster Corps or under the jurisdiction of the Quartermaster General during the War with Spain, the Philippine Insurrection, or the China Relief Expedition the benefits of hospitalization and the privileges of the soldiers' homes; to the Committee on Pensions.

By Mr. WITHROW: A bill (H. R. 6985) for the relief of dairy farmers, and for other purposes; to the Committee on Agriculture.

By Mr. BUCK: A bill (H. R. 6986) to authorize the Secretary of War to proceed with the construction of certain public works, and for other purposes; to the Committee on Military Affairs.

By Mr. DEROUEN: A bill (H. R. 6987) authorizing the State of Louisiana and the State of Texas to construct, maintain, and operate a free highway bridge across the Sabine River at or near a point where Louisiana Highway No. 7 meets Texas Highway No. 87; to the Committee on Interstate and Foreign Commerce.

By Mr. DIES: A bill (H. R. 6988) authorizing the State of Louisiana and the State of Texas to construct, maintain, and operate a free highway bridge across the Sabine River at or near a point where Louisiana Highway No. 21 meets Texas Highway No. 45; to the Committee on Interstate and Foreign Commerce.

By Mr. MEAD: A bill (H. R. 6989) to provide for the appointment and promotion of substitute postal employees, and for other purposes; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 6990) to fix the hours of duty of postal employees, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. SMITH of Virginia: A bill (H. R. 6991) to amend section 4488 of the Revised Statutes of the United States, as amended; to the Committee on Merchant Marine and Fisheries.

By Mr. WOOD: A bill (H. R. 6992) to amend the District of Columbia Teachers' Salary Act, approved June 4, 1924, as amended, with respect to salaries of teachers and principals in vocational schools; to the Committee on the District of Columbia.

By Mr. CONNERY: A bill (H. R. 6993) to protect American labor, to insure employment opportunities for America's workers, to increase the purchasing power of America's farmers, to provide markets for the products of America's workers and America's farmers, to relieve the distress created through the entry into American markets of articles, goods, or commodities, the products of foreign workers, at total landed costs (including the payment of tariff duties, if any), which are less than the costs of production of similar or comparable articles, goods, or commodities, the products of America's workers and America's farmers; to the Committee on Ways and Means.

By Mr. GREEN: A bill (H. R. 6994) to authorize the prompt deportation of habitual criminals and habitual aliens, to guard against the separation from their families of certain law-abiding aliens, to deport direct-action Communists, to further restrict immigration into the United States, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. SMITH of Washington: A bill (H. R. 6995) granting pensions to veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection, their widows and dependents, and for other purposes; to the Committee on Pensions.

By Mr. HAINES: A bill (H. R. 6996) to amend the act approved June 16, 1934, entitled "An act to provide relief to Government contractors whose costs of performance were increased as a result of compliance with the act approved June 16, 1933, and for other purposes"; to the Committee on the Judiciary.

By Mr. KELLER: A bill (H. R. 6997) authorizing the State of Illinois and the State of Missouri to construct, maintain, and operate a free highway bridge across the Mississippi River between Kaskaskia Island, Ill., and St. Marys, Mo.; to the Committee on Interstate and Foreign Commerce.

By Mr. WOOD: A bill (H. R. 6998) to promote the public health, safety, and welfare by providing for the elimination of insanitary and dangerous housing conditions, to relieve congested areas, to aid in the construction and supervision of low-rental dwelling accommodations, and to further national industrial recovery through the employment of labor and materials; to the Committee on Ways and Means.

By Mr. COLDEN: Resolution (H. Res. 173) to change the designation of the Committee on the Disposition of Useless Executive Papers to the Committee on the Disposition of Executive Papers; to the Committee on Rules.

By Mr. O'CONNOR: Resolution (H. Res. 174) pertaining to House Joint Resolution 117; to the Committee on Rules.

By Mr. MAVERICK: Joint resolution (H. J. Res. 227) to recognize April 6, 1935, as Army Day; to the Committee on the Judiciary.

By Mr. LEHLBACH: Joint resolution (H. J. Res. 228) to provide for the leasing of the port terminals owned by the Government and under the control of the United States Shipping Board Bureau to the various States or municipalities in which they are located; to the Committee on Merchant Marine and Fisheries.

Also, joint resolution (H. J. Res. 229) to provide for the leasing of the port terminals owned by the Government and under the control of the United States Department of War to the various States or municipalities in which they are located; to the Committee on Military Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California regarding legislation for the deportation of undesirable aliens; to the Committee on Immigration and Naturalization.

Also, memorial of the Legislature of the State of California regarding the deportation of aliens who are dependent upon public relief; to the Committee on Immigration and Naturalization.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BACON: A bill (H. R. 6999) for the relief of Frank Rottkamp; to the Committee on Claims.

By Mr. CARTER: A bill (H. R. 7000) for the relief of Joseph V. Higgins; to the Committee on Claims.

By Mr. CHANDLER: A bill (H. R. 7001) for the relief of Alice Markham Kavanaugh; to the Committee on Claims.

By Mr. COLE of New York: A bill (H. R. 7002) granting an increase of pension to Elizabeth Clark; to the Committee on Invalid Pensions.

By Mr. CONNERY: A bill (H. R. 7003) for the relief of Thomas Joseph Farrell; to the Committee on Naval Affairs.

By Mr. CRAWFORD: A bill (H. R. 7004) granting a pension to Orvilla Finton; to the Committee on Invalid Pensions.

By Mr. CULKIN: A bill (H. R. 7005) granting an increase of pension to Sarah J. Allen; to the Committee on Invalid Pensions.

By Mr. DUFFEY of Ohio: A bill (H. R. 7006) granting an increase of pension to Mary Welever; to the Committee on Invalid Pensions.

By Mr. DUNN of Pennsylvania: A bill (H. R. 7007) granting an increase of pension to Bruce R. Vaughn; to the Committee on Pensions.

By Mr. GASQUE: A bill (H. R. 7008) granting a pension to Agnes M. Wasdin; to the Committee on Pensions.

By Mr. HESS: A bill (H. R. 7009) to correct the military record of Edward Delaney; to the Committee on Military Affairs.

By Mr. JOHNSON of West Virginia: A bill (H. R. 7010) for the relief of James L. Barnett; to the Committee on Claims.

By Mr. LUCAS: A bill (H. R. 7011) granting an increase of pension to Gus Cook; to the Committee on Pensions.

By Mr. McCLELLAN: A bill (H. R. 7012) for the relief of the city of Fordyce, Dallas County, Ark.; to the Committee on Claims.

By Mr. MURDOCK: A bill (H. R. 7013) placing John A. McAlister, Jr., on the retired list of the Army as a lieutenant colonel; to the Committee on Military Affairs.

By Mr. THOMASON: A bill (H. R. 7014) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to Marie McGourty; to the Committee on Claims.

By Mr. UNDERWOOD: A bill (H. R. 7015) granting a pension to Stella V. Martin Oyler; to the Committee on Pensions.

Also, a bill (H. R. 7016) granting an increase of pension to Eliza Cook; to the Committee on Invalid Pensions.

PETITIONS, ETC.

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

5462. By Mr. BLAND: Petition of three citizens of Bridges, Va., favoring passage of a uniform Federal old-age pension law that must be adopted by the States before any Federal aid or relief is available; to the Committee on Ways and Means.

5463. By Mr. BOYLAN: Resolution adopted by the New York State Shorthand Reporters' Association, expressing its whole-hearted sympathy with and support of Senate bill 1452 and House bill 4886, providing for the employment of skilled shorthand reporters in the executive branch of the Government, etc.; to the Committee on Expenditures in the Executive Departments.

5464. Also, memorial from the Senate of the State of New York, that the Secretary of the Interior Mr. Ickes be, and he is hereby, memorialized to appropriate funds for slum clearance and better housing in the city of New York and New York State, etc.; to the Committee on Banking and Currency.

5465. Also, resolution adopted by the New York State Society of Professional Engineers assembled at Albany, N. Y., on March 2, 1935, urging Federal department of public works; to the Committee on Appropriations.

5466. Also, resolution adopted by the New York local branch of the Catholic Verein of America, St. John Catholic Club, 418 West Fiftieth Street, New York City, regarding conditions in Mexico; to the Committee on Foreign Affairs.

5467. By Mr. BUCKLER of Minnesota: Petition of Paul C. Solberg and about 105 other citizens of or near Fosston, Minn., praying for the passage into law of the Townsend old-age pension plan; to the Committee on Ways and Means.

5468. Also, petition of Earl Geil, secretary, and other members of the central committee of the Farmer-Labor Association of Beltrami County, Minn., praying for consideration and passage into law of the Townsend old-age pension plan; to the Committee on Ways and Means.

5469. By Mr. CONNERY: Resolution of the General Court of Massachusetts, memorializing Congress in favor of the immediate cash payment of the adjusted-service certificates of veterans of the World War; to the Committee on Ways and Means.

5470. Also, resolution of the General Court of Massachusetts, favoring the adoption by the Senate of the United States of a resolution now pending before it relative to religious persecution in Mexico; to the Committee on Foreign Affairs.

5471. Also, resolution of the City Council of the City of Salem, Mass., memorializing the Congress to enact the resolution providing for the President of the United States to proclaim October 11 of each year as General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

5472. By Mr. COSTELLO: Resolution of the Santa Monica Junior Chamber of Commerce, urging the reenactment of the present excise tax on copper; to the Committee on Ways and Means.

5473. Also, resolution of the Los Angeles Junior Chamber of Commerce, urging the reenactment of the present excise tax on copper; to the Committee on Ways and Means.

5474. By Mr. CULKIN: Petition of the Scandinavian Woman's Christian Temperance Union, consisting of 132 members, urging that hearings be held on House bills 2999 and 4757; to the Committee on Interstate and Foreign Commerce.

5475. Also, petition of the New York State Society of Professional Engineers, New York City, urging the creation of a Cabinet office of public works; to the Committee on the Judiciary.

5476. Also, petition of the New York State Society of Professional Engineers, New York City, urging the preservation of existing State and municipal agencies; to the Committee on Interstate and Foreign Commerce.

5477. Also, petition of the New York State Senate, urging that funds be appropriated by Secretary of the Interior Ickes for slum clearance and better housing in New York City; to the Committee on Banking and Currency.

5478. By Mr. DEROUEN: Petition of citizens of the town of Jennings, Jefferson Davis Parish, La., regarding House bill 5423, urging opposition to the measure; to the Committee on Interstate and Foreign Commerce.

5479. By Mr. FITZPATRICK: Petition signed by Francis Bernachi, of 95 Ash Street, Yonkers, and a number of other residents of Yonkers and Bronx County, N. Y., urging the passage of House bill 5445, to fill vacancies in the Postal Service; to the Committee on the Post Office and Post Roads.

5480. By Mr. FOCHT: Petition of C. B. Klingler and numerous other residents of Middlecreek, a part of the Eighteenth Congressional District of Pennsylvania, urging support of House bill 2856, the Pope plan for direct Federal old-age pensions; to the Committee on Ways and Means.

5481. By Mr. GOODWIN: Petition of the New York State Society of Professional Engineers, urging the preservation against loss of employment the existing civil-service personnel of State or municipal agencies receiving Federal loans or grants; to the Committee on the Civil Service.

5482. Also, petition of the New York State Society of Professional Engineers, Inc., urging the creation of a Cabinet office of public works to be presided over by a professional engineer; to the Committee on Ways and Means.

5483. By Mr. HOEPPEL: Petition of the City Council of Monrovia, Calif., urging Congress to pass the Townsend old-age pension bill; to the Committee on Ways and Means.

5484. Also, petition of Division No. 1 of the Ancient Order of Hibernians, urging Congress to take such steps as may be necessary to protest to the Government of Mexico the action complained of and to demand that the Federal Government of Mexico repudiate the conduct of Mexican officials toward freedom of worship, freedom of the press, and the rights of assembly and education; to the Committee on Foreign Affairs.

5485. By Mr. JOHNSON of Texas: Memorial of Alexander Sprunt & Son, Inc., of Houston, Tex., favoring House bill 6452; to the Committee on the Post Office and Post Roads.

5486. Also, memorial of F. C. Paul, Corsicana, Tex., favoring House bill 6452; to the Committee on the Post Office and Post Roads.

5487. Also, memorial of S. J. Vaughan, Jr., of Hillsboro, Tex,. favoring House bill 6653; to the Committee on Insular Affairs.

5488. By Mr. KIMBALL: Petition of citizens of Eaton County, Mich., requesting enactment into law of the Frazier-Lemke refinancing bill, providing for refinancing of debts on American farms; to the Committee on Banking and Currency.

5489. By Mr. LUCAS: Petition of William F. Lambert and 39 other citizens of Timewell, Ill., favoring old-age-pension legislation; to the Committee on Ways and Means.

5490. By Mr. LUCKEY: Memorial of the House of Representatives of the State of Nebraska, memorializing the Congress of the United States to enact no livestock processing taxes; to the Committee on Agriculture.

5491. Also, petition of the Nebraska State Senate, petitioning the Congress of the United States to promote, initiate, and support any legislation for the purpose of requiring all motor-vehicle fuels to contain ethyl alcohol in a volume of not less than 10 percent of the mixture; to the Committee on Agriculture.

5492. By Mr. McLAUGHLIN: Petition in the nature of a memorial, memorializing Congress, the Department of the Interior, and the National Park Service to create a national-park area in the North Platte Valley, extending from Bridgeport, Nebr., to and including Guernsey Lake, Wyo., and to acquire such historic landmarks, sites, and structures as are pertinent to the history of the Oregon, Mormon, and California trails, with particular reference to the acquisition, preservation, and restoration of Old Fort Laramie and its maintenance as a historical museum; to the Committee on the Public Lands.

5493. Also, petition requesting the proper authorities of the Federal Government to limit the employment of labor in connection with, and the placing of rehabilitation farmsteads to, persons who are citizens of Nebraska; to the Committee on the Judiciary.

5494. Also, petition urging the Congress of the United States to expedite passage of the legislation that will make the Federal seed loan immediately available, and to secure the adoption of such departmental procedure as will make the seed loan available without delay; to the Committee on Agriculture.

5495. Also, petition requesting the proper authorities of the Federal Government to limit the employment of labor in connection with and the placing on rehabilitation farmsteads to persons who are citizens of Nebraska; to the Committee on the Judiciary.

5496. Also, petition of the City Council of the City of Omaha, Nebr., declaring its opposition to that part of House bill 5423, which, if enacted into law, would divest this council of the power to regulate such sale and use of electrical energy and place such power in a Federal commission sitting in Washington, D. C.; to the Committee on Interstate and Foreign Commerce.

5497. By Mr. MEAD: Petition of the New York State Society of Professional Engineers, requesting that a Cabinet office be created for the Federal Department of Public Works; to the Committee on the Judiciary.

5498. By Mr. MERRITT of New York: Petition of the Town Hall Club of New York City, protesting against the McCormack-Dickstein proposals to Congress to enact alien and sedition legislation, which, if enacted, would deny free discussion and organization and abrogate the civil liberties on which American democracy is based, etc.; to the Committee on Immigration and Naturalization.

5499. Also, petition of the Town Hall Club of New York City, calling upon the President of the United States, on the Congress, and on the Agriculture Adjustment Administration to take immediate steps to eradicate the abuses which now prevail under the system of share cropping; to the Committee on Agriculture.

5500. Also, petition of the Town Hall Club, New York City, protesting against the Navy appropriation bill, calling for approximately $500,000,000, as an unwarranted burden on American taxpayers; to the Committee on Appropriations.

5501. Also, petition headed by Albert B. Mitchell, of 9 Sun Street, Elmont, Long Island, N. Y., and 60 additional citizens of Elmont, New York City, and the Bronx, opposing the Wheeler-Rayburn public-utility bills; to the Committee on Interstate and Foreign Commerce.

5502. By Mr. MITCHELL of Tennessee: House Joint Resolution No. 9 of the Tennessee Legislature, favoring the passage of House bill 3660, known as the "Woodrum bill", to grant the consent of Congress to the several States to levy and collect taxes on gasoline and other motor-vehicle fuels when sold on United States military and other reservations; to the Committee on Interstate and Foreign Commerce.

5503. Also, Senate Joint Resolution No. 25 of the Tennessee Legislature, favoring enactment of Senate bill 2897, introduced by the Honorable PAT HARRISON, Senator from Mississippi, at the second session of the Seventy-third Congress, an act to regulate interstate commerce by granting the consent of Congress to taxation by the several States of certain interstate sales; to the Committee on Interstate and Foreign Commerce.

5504. Also, House Joint Resolution No. 12 of the Tennessee Legislature, petitioning Congress to enact appropriate legislation to control and regulate the butter exchanges of the principal markets of the Nation, to adopt uniform standards and grades of the United States Department of Agriculture, and to stabilize the daily market quotations for exchange or open-market sales of butter; to the Committee on Agriculture.

5505. Also, House Joint Resolution No. 20 of the Tennessee Legislature, protesting against discrimination in freight rates against the South; to the Committee on Interstate and Foreign Commerce.

5506. Also, House Joint Resolution No. 15 of the Tennessee Legislature, favoring the immediate payment of the soldiers'

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

5507. Also, resolution of the Andrew Jackson Post, No. 1291, Veterans of Foreign Wars, in session at Nashville, Tenn.; to the Committee on Ways and Means.

5508. Also, House Joint Resolution No. 7 of the Tennessee Legislature, favoring old-age-pension act; to the Committee on Ways and Means.

5509. By Mr. MURDOCK: Memorial of the Utah State Legislature, memorializing the Congress of the United States of America for the purpose of opposing passage of House bill 3263, which bill has for its objective the repeal of the long- and short-haul provisions of section 4 of the Interstate Commerce Act, or any other bills that may be introduced in the Congress having for their objective the repealing or modification of the said long- and short-haul provisions of section 4 of the Interstate Commerce Act; to the Committee on Interstate and Foreign Commerce.

5510. By Mr. PFEIFER: Concurrent Resolution No. 97 of the Senate of the State of New York, Albany, requesting that Secretary Ickes be memorialized to appropriate funds for slum clearance and better housing in the State of New York, particularly in the city of New York; to the Committee on Banking and Currency.

5511. Also, telegram of C. Frederick Wall, president Wall Rope Works, Inc., New York, concerning House bill 6653; to the Committee on Labor.

5512. Also, telegram of the Endicott Johnson Corporation, Endicott, N. Y., urging continuance of the National Recovery Administration for another 2-year period, as advocated by the President; to the Committee on Appropriations.

5513. Also, petition of the Eagle Pencil Co., Inc., New York, concerning the Black bill (S. 87); to the Committee on Labor.

5514. Also, petition of the Long Island Chamber of Commerce, New York, opposing the public-utility holding company legislation now before Congress; to the Committee on Interstate and Foreign Commerce.

5515. Also, petition of Loose-Wiles Biscuit Co., Long Island City, N. Y., concerning the Wagner bill (S. 1958); to the Committee on Labor.

5516. Also, petition of the Dewar Manufacturing Co., Brooklyn, N. Y., concerning the Wagner labor-union bill; to the Committee on Labor.

5517. By Mr. RICH: Petition of citizens of Port Allegany, Pa., favoring House bill 2999; to the Committee on Interstate and Foreign Commerce.

5518. By Mr. RUDD: Petition of J. E. B. Stuart, Manhasset, Long Island, N. Y., and four other citizens, concerning the Rayburn-Wheeler public-utility holding companies legislation; to the Committee on Interstate and Foreign Commerce.

5519. By Mr. ROGERS of Oklahoma: Petition headed by M. Gales, of Pewee Valley, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5520. Also, petition headed by J. W. Vinzant, of Lacon, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5521. Also, petition headed by F. M. King, of Grovetown, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5522. Also, petition headed by Samuel Baldwin, of Dorchester, Va., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5523. Also, petition headed by C. A. McGowin, of Evergreen, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5524. Also, petition headed by J. J. Allison, of Smiley, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5525. Also, petition headed by Lawrence Harper, of Benton, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5526. Also, petition of Mose Price and numerous other citizens of Lyerly and Holland, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5527. Also, petition headed by M. Mitchell, of Bragg City, Mo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5528. Also, petition headed by S. Grant, of Wayne County, in the State of Michigan, favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5529. Also, petition headed by Frank Gardner, of Chicago, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5530. Also, petition headed by M. Chetton, of Columbus, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5531. Also, petition headed by James Clarkston, of Oberlin, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5532. Also, petition headed by Marion Henry, of Huntsville, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5533. Also, petition headed by M. Earnest, of Parrish, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5534. Also, petition headed by James McKinley, of Louisville, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5535. Also, petition headed by L. Dodd, of Nauvoo, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5536. Also, petition headed by J. M. Corbitt, of Henshaw, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5537. Also, petition headed by C. Russell, of Carlyle, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5538. Also, petition headed by John W. Fountain, of Pineville, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5539. Also, petition headed by Moses W. Smart, of Memphis, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5540. Also, petition headed by Richard Nicholas, of New Orleans, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5541. Also, petition headed by E. Kelly, of Longwood, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5542. Also, petition headed by E. Hall, of Eldorado, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5543. Also, petition headed by Reuben Kimbrough, of Doddsville, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5544. Also, petition headed by Wesley Fransaw, of Moscow, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5545. Also, petition headed by D. A. Williams, of Shelbyville, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5546. Also, petition headed by M. Hearington, of Blaine, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5547. Also, petition headed by James Wrigley, of Moorhead, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5548. Also, petition headed by M. Barns, of Sunflower, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5549. Also, petition headed by Albert Layman, of Knoxville, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5550. Also, petition headed by L. Ragland, of Water Valley, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5551. Also, petition headed by F. Alsobrook, of Memphis, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of $30 to $50 a month; to the Committee on Ways and Means.

5552. By Mr. RUDD: Petition of C. Frederick Wall, president Wall Rope Works, Inc., New York City, concerning House bill 6653; to the Committee on Insular Affairs.

5553. Also, petition of Ignatius K. Werwinski, favoring the passage of the bill making October 11 General Pulaski Memorial Day; to the Committee on the District of Columbia.

5554. Also, petition of the New York State Shorthand Reporters Association, concerning Senate bill 1452 and House bill 4886, providing for the employment of skilled shorthand reporters in the executive branch of the Government, and Senate bill 1453 and House bill 4887, to create a board of shorthand reporting; to the Committee on Expenditures in the Executive Departments.

5555. By Mr. SADOWSKI: Petition of the Abraham Lincoln Society, Detroit, Mich., endorsing House bill 2827; to the Committee on Labor.

5556. Also, petition of the House of Representatives, State of Michigan, asking that a Veterans' Administration hospital be established in the Detroit area; to the Committee on World War Veterans' Legislation.

5557. Also, petition of the Slovenic-Croatian Union of Calumet, Mich., asking that sufficient tariff or embargo be placed on imported copper; to the Committee on Ways and Means.

5558. Also, petition of the American-Yugoslav Educational League, Calumet, Mich., asking that ample tariff or embargo be placed on imported copper; to the Committee on Ways and Means.

5559. Also, petition of the Slovak Evangelical Union, No. 218, Detroit, Mich., endorsing House bill 2827; to the Committee on Labor.

5560. Also, petition of the Common Council of the City of Detroit, Mich., asking that a veterans' hospital be established in the Detroit area; to the Committee on World War Veterans' Legislation.

5561. Also, petition of Group 2754 of the Polish National Alliance, asking that October 11 of each year be set aside as General Pulaski Memorial Day; to the Committee on the Judiciary.

5562. Also, petition of the Guild of Engineers and Architects of Michigan, endorsing the work-relief bill with the prevailing wage amendment; to the Committee on Appropriations.

5563. Also, petition of the Czeck Slovak organization, Detroit, Mich., endorsing House bill 2827; to the Committee on Labor.

5564. Also, petition of Lodge No. 121 of the Slovene National Benefit Society, Detroit, Mich., endorsing House bill 2827; to the Committee on Labor.

5565. Also, petition of All Saint's Society, P. S. U., Detroit, Mich., endorsing House bill 2827; to the Committee on Labor.

5566. Also, petition of Branch 2067, International Workers Order, Detroit, Mich., endorsing House bill 2827; to the Committee on Labor.

5567. Also, petition of Zibena 180, Detroit, Mich., endorsing House bill 2827; to the Committee on Labor.

5568. Also, petition of the Evangelical Slovak Women's Union, Detroit, Mich., endorsing House bill 2827; to the Committee on Labor.

5569. Also, petition of the International Workers' Order, of Detroit, Mich., endorsing House bill 2827; to the Committee on Labor.

5570. Also, petition of the Slovak Gymnastic Ladies' Union, of Detroit, Mich., endorsing House bill 2827; to the Committee on Labor.

5571. Also, House Concurrent Resolution No. 43 of the Michigan State Legislature, asking that Congress provide a grant of $100,000 to construct a relief drainage canal to relieve the Sebewaing River Basin of its water burden; to the Committee on Military Affairs.

5572. Also, petition of the United Racial Groups of America, favoring old-age-pension legislation to include noncitizens as well as citizens, provided noncitizens have been residents not less than 10 years; to the Committee on Ways and Means.

5573. Also, petition of the Roosevelt Post, No. 130, of the American Legion, asking that money be appropriated for a veterans' hospital in the Detroit area; to the Committee on World War Veterans' Legislation.

5574. Also, petition of the Detroit Federation of Post Office Clerks, Local 295, endorsing House bill 4340; to the Committee on Immigration and Naturalization.

5575. Also, petition of the Hudson Local Union No. 2, Associated Automobile Workers of America, endorsing House bill 4340; to the Committee on Immigration and Naturalization.

5576. Also, petition of the National Slovak Society, Assembly No. 716, Detroit, Mich., endorsing House bill 2827; to the Committee on Labor.

5577. By Mr. SAUTHOFF: Joint resolution of the State of Wisconsin, urging Congress to enact tariffs to protect the agricultural industry; to the Committee on Ways and Means.

5578. Also, joint resolution of the State of Wisconsin, relating to a protective tariff on barley and barley malt; to the Committee on Ways and Means.

5579. By Mr. STUBBS: Petition of the four Townsend Clubs of Porterville, Calif., of which Mountford C. Lowrey is chairman of their advisory board, condemning the delay in action on the Townsend old-age-pension plan; to the Committee on Ways and Means.

5580. By Mr. TRUAX: Petition of the Mahoning Valley Lodge, No. 177, by their secretary, John Bulger, of Niles, Ohio, urging support of Wagner labor-disputes bill in original form; to the Committee on Labor.

5581. Also, petition of the Dover Lodge, No. 168, consisting of 800 members and headed by Ernest W. Bishop, urging full support of Wagner labor bill; to the Committee on Labor.

5582. Also, petition of Trumbull Lodge, No. 73, Amalgamated Association of Iron, Steel, and Tin Workers, by their president, Harry Wines, requesting support of the Wagner labor-disputes bill; to the Committee on Labor.

5583. Also, petition of 147 members of Methodist Episcopal Bible Class of Napoleon, Ohio, by their president, George Bockerman, urging support of Patman bonus bill; to the Committee on Ways and Means.

5584. Also, petition of R. W. Lorr and other citizens of Toledo, Ohio, urging support of the Townsend recovery plan; to the Committee on Ways and Means.

5585. By Mr. TURNER: Petition of Edith Clerk, of Lawrenceburg, Tenn., requesting Congress to pass a uniform Federal old-age-pension law that must be adopted by the States before any Federal aid or relief is available; to the Committee on Ways and Means.

5586. By the SPEAKER: Petition of the city of Monterey Park, Calif.; to the Committee on the Judiciary.

5587. Also, petition of James Yearsley; to the Committee on the Judiciary.

5588. By Mr. COFFEE: Petition of the Nebraska House of Representatives, protesting against imposition of a processing tax on livestock; to the Committee on Agriculture.

SENATE

TUESDAY, MARCH 26, 1935

(Legislative day of Wednesday, Mar. 13, 1935)

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

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the Journal of the proceedings of the calendar day Saturday, March 23, 1935, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed a bill (H. R. 6511) to amend the air mail laws and to authorize the extension of the Air Mail Service, in which it requested the concurrence of the Senate.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled joint resolution (S. J. Res. 24) to authorize the acceptance on behalf of the United States of the bequest of the late Charlotte Taylor, of the city of St. Petersburg, State of Florida, for the benefit of Walter Reed General Hospital, and it was signed by the Vice President.

TWENTIETH PLENARY ASSEMBLY, INTERNATIONAL PARLIAMENTARY CONFERENCE ON COMMERCE

Mr. ROBINSON. I present a communication from the Secretary of State, with memoranda attached, and ask that the communication and memoranda be printed in the RECORD and referred to the Committee on Foreign Relations.

There being no objection, the communication from the Secretary of State, with the attached memoranda, was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, March 25, 1935.

The VICE PRESIDENT,
United States Senate.

MY DEAR MR. VICE PRESIDENT: There is transmitted herewith for your information and consideration a copy of a despatch dated February 21, 1935, from the American Embassy at Brussels, and its enclosure, a translation of an invitation from the secretary general of the International Parliamentary Conference on Commerce for this Government to be represented at the Twentieth Plenary Assembly which will be held in London on October 1, 1935. The agenda mentioned in the secretary general's letter will be forwarded to you as soon as it is received.

Invitations for the congress to be represented at the eighteenth Conference in Rome in 1933 and at the nineteenth Conference in Belgrade in 1934 have been previously transmitted by the Department, and in the present instance I should be pleased to receive an indication of the views of the Senate with regard to this invitation in order that an appropriate reply may be made to the secretary general of the Conference.

The invitation has also been referred to the Speaker of the House of Representatives.

Very sincerely yours,

CORDELL HULL.

BRUSSELS, *February 21, 1935.*

Subject: International Parliamentary Conference on Commerce.

The Honorable the SECRETARY OF STATE,
Washington.

SIR: I have the honor to refer to the Department's instruction no. 108 of August 6, 1934, and to enclose a copy and translation of a letter addressed to the Ambassador by Mr. Eugene Baie, secretary general of the International Parliamentary Conference on Commerce, inviting participation by the American Government in the Twentieth Plenary Assembly of the Conference, which will convene at Westminster Palace in London on October 1, 1935.

Ordinarily the Embassy requests nongovernmental organizations of this sort to convey their invitations through the Belgian Ministry for Foreign Affairs and the Belgian Embassy in Washington to the American Government. But since Mr. Baie was good enough to furnish the Embassy with copies of data requested by the Department in its instruction no. 729 of April 25, 1933, relating to the eighteenth assembly of the Conference which met in Rome that year, the Embassy saw no objection to transmitting his invitation with this despatch.

Respectfully yours,

DAVE H. MORRIS.

[Translation]

BRUSSELS, *February 15, 1935.*

His Excellency Mr. DAVE HENNEN MORRIS,
Ambassador of the United States at Brussels.

EXCELLENCY: I have the honor to ask you to be good enough to transmit to your country an invitation to be represented at the Twentieth Plenary Assembly of our Conference which, with the consent of the British Government and the authorities of the House of Commons, will take place at the Palace of Westminster on October 1, at the time of the royal jubilee. The agenda of this assembly, which will be an exceptionally interesting one, will be forwarded to you later. We are confident that your country will take advantage of this occasion to give evidence of its cordial sentiments both toward Great Britain, which will celebrate the twenty-fifth anniversary of the reign of its sovereign, and toward the commercial committee of the House of Lords, at whose suggestion our organization was founded.

Up to the present the United States has been represented at our assemblies by observers only. But present changed economic conditions and the services resulting from the continuity and the substantial character of our work encourage us to hope that our invitation will receive serious consideration. The value of continued contacts in the economic field, exclusive of all political factors, among legislators of all States, seems unquestionable. And we express the hope that the meeting in London will form the occasion for the United States to occupy in our assemblies the important place which is its due.

Accept, Excellency, the expression of my high consideration.

EUGENE BAIE,
The Secretary General of the Conference.

PERSONAL EXPLANATION

Mr. FLETCHER. Mr. President, the matter to which I am about to advert is not important, but on account of some confusion and several communications I have received from my constituents threatening various things to me, I wish to have inserted in the RECORD an article appearing in the Washington Herald of yesterday entitled "Hoover Leaves on Motor Trip."

This article is dated "Palo Alto, Calif., March 24, by the United Press." There is some confusion in names. The name of the distinguished chairman of the Republican National Committee is Henry P. Fletcher. The article to which I wish to enter a disclaimer states:

Chairman DUNCAN U. FLETCHER and scores of other party chieftains and Republican business leaders—

And so forth.

I have sins enough of my own to answer for without being loaded with those of others, and I wish to make a correction. The reference evidently is to the chairman of the Republican National Committee, and not to the senior Senator from Florida.

I ask that the article be printed in the RECORD.

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

HOOVER LEAVES ON MOTOR TRIP

PALO ALTO, CALIF., March 24.—Former President Hoover stepped back into his role of "private citizen" today, evading the spotlight focused on him by his energetically worded letter to the California Republican Assembly.

With Mrs. Hoover, he left his Stanford University home early in the day for a motor trip south. Congratulatory telegrams from Republican chiefs poured into the Hoover home. Paul Sexson, secretary to Mr. Hoover, said that more than 100 such messages, "all of them most enthusiastic in tone", had been received.