UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 76th CONGRESS, THIRD SESSION

SENATE

WEDNESDAY, MARCH 27, 1940

(Legislative day of Monday, March 4, 1940)

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

Rev. Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

Almighty God, unto whom all hearts are open, all desires known, and from whom no secrets are hid: Cleanse the thoughts of our hearts by the inspiration of Thy holy spirit, that we may worthily magnify Thy holy name by a service to our Nation that is well pleasing in Thy sight, and finally by Thy mercy attain everlasting life; through Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, March 26, 1940, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT

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

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

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

Adams	Frazier	Lodge	Schwellenbach
Ashurst	George	Lucas	Sheppard
Austin	Gerry	Lundeen	Shipstead
Bankhead	Gibson	McCarran	Slattery
Barkley	Gillette	McKellar	Smathers
Bilbo	Glass	McNary	Smith
Bone	Green	Maloney	Stewart
Bridges	Guffey	Mead	Taft
Bulow	Gurney	Miller	Thomas, Idaho
Byrd	Hale	Minton	Thomas, Okla.
Byrnes	Harrison	Murray	Thomas, Utah
Capper	Hatch	Neely	Tobey
Caraway	Hayden	Norris	Townsend
Chandler	Herring	Nye	Tydings
Chavez	Holman	O'Mahoney	Vandenberg
Clark, Idaho	Holt	Overton	Van Nuys
Clark, Mo.	Hughes	Pepper	Wagner
Connally	Johnson, Calif.	Pittman	Walsh
Davis	Johnson, Colo.	Reed	White
Donahey	King	Reynolds	Wiley
Downey	La Follette	Russell	
Ellender	Lee	Schwartz	

Mr. BARKLEY. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from North Carolina [Mr. BAILEY], the Senator from Nebraska [Mr. BURKE], the Senator from Maryland [Mr. RADCLIFFE], the Senator from Alabama [Mr. HILL], and the Senator from Missouri [Mr. TRUMAN] are absent on public business.

The Senator from Michigan [Mr. BROWN] and the Senator from Montana [Mr. WHEELER] are unavoidably detained from the Senate.

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

REPORT ON LAND IN LINCOLN COUNTY, OREG. (S. DOC. NO. 176)

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Agriculture, transmitting, in response to Senate Resolution 225 (submitted by Mr. MCNARY and agreed to February 1, 1940), a report on the lands involved in a contract dated December 17, 1920, between the United States Spruce Production Corporation and the Pacific Spruce Corporation, with related data, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry, and ordered to be printed with the accompanying illustrations.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by a convention of the Baptist churches of Puerto Rico, held at San Juan, P. R., protesting against the sending of Hon. Myron C. Taylor as representative of the President to the Vatican, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution of the Mary Jemison Chapter, National Society Daughters of the American Colonists, New York City, N. Y., favoring the preparation and use in the mails of a commemorative postage stamp in honor of Mary Ball Washington, mother of George Washington, which was referred to the Committee on Post Offices and Post Roads.

Mr. LODGE presented a resolution adopted by the mayor and Board of Aldermen of the City of Chelsea, Mass., favoring the presentation of a distinguished service citation to Capt. Joseph A. Gainard, of the vessel *City of Flint*, in recognition of his distinguished conduct in the European war zone, which was referred to the Committee on Commerce.

REPORTS OF COMMITTEES

Mr. McCARRAN, from the Committee on the Judiciary, to which was referred the bill (H. R. 8238) providing for the incorporation of the United Spanish War Veterans, reported it without amendment and submitted a report (No. 1345) thereon.

Mr. KING, from the Committee on the District of Columbia, to which were referred the following bills, reported them severally without amendment and submitted a report as indicated thereon:

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

H. R. 8262. A bill to regulate, in the District of Columbia, the disposal of certain refuse, and for other purposes;

H. R. 8792. A bill to authorize and direct the Commissioners of the District of Columbia to accept and maintain a memorial fountain to the members of the Metropolitan Police Department; and

H. R. 8917. A bill to authorize the construction of a waiting room and comfort station in Commodore Barney Circle, United States Reservation 55–56, and for other purposes (Rept. No. 1347).

Mr. CLARK of Missouri, from the Committee on Foreign Relations, to which was referred the resolution (S. Res. 186) authorizing an investigation of the activities of agents of foreign nations affecting the neutrality of the United States (submitted by Mr. CLARK of Missouri on September 28, 1939), reported it with amendments and submitted a report (No. 1346) thereon, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. SCHWARTZ, from the Committee on Claims, to which was referred the concurrent resolution (S. Con. Res. 40) creating a special joint committee to investigate the matter of losses resulting from the Mediterranean fruitfly eradication campaign in Florida in 1929 and 1930 (submitted by Mr. SCHWARTZ on March 20, 1940), reported it without amendment, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

BILLS INTRODUCED

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

By Mr. SCHWELLENBACH:

S. 3677. A bill to donate to the city of Seattle a totem pole carved by the Alaskan Native Civilian Conservation Corps; to the Committee on Agriculture and Forestry.

By Mr. HATCH:

S. 3678. A bill to authorize the appropriation of $90,000,000 to be distributed over a period of 5 years to be apportioned to the various States, Territories, and the District of Columbia for the purpose of assisting them in developing a program for the removal of illiteracy among adults, and of providing for training in citizenship and other branches of adult education, to promote the general welfare in the several States and Territories and the District of Columbia; to the Committee on Education and Labor.

By Mr. WILEY:

S. 3679. A bill for the relief of the Fox Head Waukesha Corporation; to the Committee on Claims.

By Mr. SCHWELLENBACH (for Mr. BURKE):

S. 3680. A bill for the relief of Clayton S. Leinbach; to the Committee on Claims.

CONSTRUCTION OF PUBLIC HOSPITALS—AMENDMENTS

Mr. McNARY submitted amendments intended to be proposed by him to the bill (S. 3230) to promote the national health and welfare through appropriation of funds for the construction of hospitals, which were referred to the Committee on Education and Labor and ordered to be printed.

ELIZABETH C. PACE

Mr. PEPPER submitted the following resolution (S. Res. 250), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Elizabeth C. Pace, sister of Charles F. Pace, late financial clerk of the Senate, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

PROCEDURE UNDER NATIONAL LABOR RELATIONS ACT

Mr. WAGNER. Mr. President——

The VICE PRESIDENT. When the Senate took a recess yesterday the Senator from Wyoming [Mr. O'MAHONEY] had the floor and expressed the hope that he would be able to conclude his remarks this morning. The Chair recognizes the Senator from Wyoming.

Mr. WAGNER and other Senators addressed the Chair.

The VICE PRESIDENT. Does the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield to the Senator from New York and to other Senators for routine matters.

Mr. WAGNER. Mr. President, a few weeks ago the Brookings Institution published a very penetrating and expert study of the administrative process, by Frederick F. Blachly and Miriam E. Oatman, entitled "Federal Regulatory Action and Control." Because of the widespread interest in the subject, with particular reference to the National Labor Relations Act, I wrote to Dr. Moulton, president of the institution, requesting an analysis by the authors of the various steps in the procedure under the Labor Act and a comparison of such procedure with that of other quasi-judicial agencies established by the Federal Government from time to time.

This analysis has now been completed. I desire to call to the special attention of the Senate Dr. Blachly's concluding statement:

> It should be noted that the procedure before the National Labor Relations Board is far more comprehensive than before any other authorities issuing cease and desist orders, and is more in conformity with a strict due-process-of-law procedure than the procedure of any other authority issuing cease and desist orders.

This analysis and conclusion by an outstanding and disinterested student of the subject should go far to dispel misconceptions about the administrative procedure under the Labor Act. As I recently stated to the Senate, investors under the Securities and Exchange Act, and businessmen under the Federal Trade Commission Act, among other economic groups under the various regulatory statutes, now enjoy the advantages of an administrative procedure similar to that established for the redress of labor's rights under the Labor Act. It cannot be too often recalled that the Supreme Court has held again and again that the procedure of the Labor Act safeguards every constitutional right of employers and employees. As Chief Justice Hughes said in the very first cases under the act to reach the Supreme Court:

> The act establishes standards to which the Board must conform. There must be complaint, notice, and hearing. The Board must receive evidence and make findings. The findings as to the facts are to be conclusive, but only if supported by evidence. The order of the Board is subject to review by the designated court, and only when sustained by the court may the order be enforced. Upon that review all questions of the jurisdiction of the Board and the regularity of its proceedings, all questions of constitutional right or statutory authority, are open to examination by the court. We construe the procedural provisions as affording adequate opportunity to secure judicial protection against arbitrary action in accordance with the well-settled rules applicable to administrative agencies set up by Congress to aid in the enforcement of valid legislation.

I ask unanimous consent that my letter to Dr. Moulton, of the Brookings Institution, the reply thereto, and the report by Dr. Blachy be printed in the body of the RECORD as part of my remarks.

The VICE PRESIDENT. Is there objection?

Mr. KING. Mr. President, with reference to the request made by the Senator from New York, may I state that the report to which he refers, as I understand, is part of a statement by Mr. Blachly and his wife.

I have had an opportunity of examining only a few pages which were preliminary galley-proof sheets of a chapter relating to judicial review. My hasty examination of these pages leads me to the conclusion that some of the views expressed are not in harmony with a proper interpretation of constitutional limitations.

I have prepared some brief comments upon the report which later I may ask to have inserted in the RECORD.

The VICE PRESIDENT. Is there objection to the request of the Senator from New York?

There being no objection, the letters and report were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, D. C., March 15, 1940.

Dr. HAROLD G. MOULTON,
Brookings Institution, Washington, D. C.:

MY DEAR DR. MOULTON: I have read with the greatest interest the latest publication of Brookings Institution, entitled "Federal Regulatory Action and Control," by Frederick F. Blachly and Miriam E. Oatman.

I would deeply appreciate having an analysis by the authors of the various steps in the procedure under the National Labor Relations Act, and a comparison of such procedure with that of other quasi-judicial agencies established by the Federal Government from time to time.

Very sincerely yours,

ROBERT F. WAGNER.

THE BROOKINGS INSTITUTION,
Washington, D. C., March 25, 1940.

Hon. ROBERT F. WAGNER,
United States Senate, Washington, D. C.:

DEAR SENATOR WAGNER: As requested by you in your letter of March 15, I am enclosing herewith a memorandum prepared by Mr. Frederick F. Blachly on the subject of the procedure followed by the National Labor Relations Board, as provided for in the National Labor Relations Act. There are three parts to this memorandum:

(1) Significance of particular rules and regulations as to procedure, issued under section 10.

(2) A comparative study of statutory provisions governing cease-and-desist orders.

(3) A comparative study of administrative and procedural provisions.

We hope that this material will be helpful to you.

Very sincerely yours,

MEYER JACOBSTEIN,

MARCH 25, 1940.

MEMORANDUM

To: Senator ROBERT F. WAGNER.
From: Frederick F. Blachly.
Subject: Procedure under the National Labor Relations Act.

Enclosed are three different statements in respect to the cease-and-desist order procedure as used by the National Labor Relations Board and other authorities:

I. Comparison of cease and desist order procedure of different authorities; statutory provisions.

II. Comparison of cease and desist order procedure; administrative procedural provisions.

III. The significance of particular rules and regulations issued under section 10 of the National Labor Relations Act.

COMPARISON OF CEASE AND DESIST ORDER PROCEDURE OF DIFFERENT AUTHORITIES [1]

I. STATUTORY PROVISIONS

National Labor Relations Board, under section 10 of the act (unfair labor practices) (29 U. S. C. 160)	*Secretary of Agriculture, under Packers and Stockyards Act. Unfair practices in re packers (7 U. S. C. 191–195)*	*Federal Trade Commission under unfair and discriminatory practices (15 U. S. C. 45)*	*Interstate Commerce Commission, Federal Communications Commission, Board of Governors of the Federal Reserve System, Federal Trade Commission, under the Clayton Act (15 U. S. C. 21)*
1. Complaint stating charges.	Complaint stating charges.	Complaint stating charges.	Complaint stating charges.
2. Notice of hearing.	Notice of hearing.	Notice of hearing.	Notice of hearing.
3. Complaint may be amended.	Reasonable opportunity to be informed as to evidence introduced against him.		
4. Filing of answer to original or amended complaint.			
5. Person complained of may appear in person or otherwise at a hearing.	Person complained of may appear in person or by counsel.	Person complained of has right to appear at hearing.	Person complained of has right to appear and show cause why cease and desist order should not be issued.
6. Intervention is allowed at discretion of person conducting the hearing.	Intervention may be allowed by Secretary for good cause shown.	Intervention is allowed upon good cause.	Intervention is allowed for good cause.
7. Testimony is reduced to writing and filed with Board.	Testimony is reduced to writing and filed in records of Department of Agriculture.	Testimony is reduced to writing and filed in the office of the Commission.	Testimony is reduced to writing and filed in office of authority.
8. Board at its discretion may take further testimony.			
9. Board states findings of fact and may issue a cease and desist order.	Secretary makes a report in writing, stating his findings of fact and may issue a cease and desist order.	Commission makes a report in writing, stating finding, and may issue a cease and desist order.	Authority makes a report in writing, stating findings of fact and may issue a cease and desist order.
10. May take affirmative action, including reinstatement with back pay.			
11. Board may also state findings of fact and issue an order dismissing the complaint.			
12. Person aggrieved by a final order of the Board may obtain a review in any appropriate circuit court of appeals or the Court of Appeals of the District of Columbia upon a transcript of the record.	Order is final and conclusive unless, within 30 days after service, the packer appeals to the appropriate circuit court of appeals. The appeal is upon the transcript of the record. After transcript is filed court may issue a temporary injunction restraining the packer, etc., from violation of the order.	Person may obtain a review of cease and desist order in an appropriate circuit court of appeals. The appeal is upon the transcript of the record.	Person may obtain a review of order in an appropriate circuit court of appeals. The appeal is upon the transcript of the record.
13. Findings of Board as to facts, if supported by evidence, shall be conclusive.	Evidence taken in the hearing is to be considered by the court as the evidence in the case.	The findings of the Commission as to facts, if supported by evidence, are conclusive.	The findings of the authority as to facts, if supported by testimony, are conclusive.
14. Review by Supreme Court upon certiorari or certified question.	Review by Supreme Court upon certiorari.	Review by Supreme Court upon certiorari.	Review by Supreme Court upon certiorari.

[1] To get situations of like legal nature and effect, the cease and desist order, under various statutes, has been used as a basis of comparison.

II. ADMINISTRATIVE PROCEDURAL PROVISIONS

National Labor Relations Board under section 10 of the act (unfair labor practices) (29 U. S. C. 160). Rules and Regulations, series 2, effective July 14, 1939	*Secretary of Agriculture under Packers and Stockyards Act. Unfair practices (7 U. S. C., 191–195). Order promulating rules of practice to govern proceedings under the Packers and Stockyards Act, 1921, as amended*	*Federal Trade Commission under unfair and discriminatory practices (15 U. S. C. 45), Federal Trade Commission Rules, Policy, and Acts*
A. Charge: 1. Charge of violation of law may be made by any person or labor organization. 2. Charge is made in writing and sworn to. 3. Charge contains: a. Name and address of person or labor organization making the charge. b. Full name and address of the person against whom charge is made. c. Clear and concise statement of facts constituting the alleged unfair-labor practice.	Charge is contained in complaint.	Charge is stated in complaint.
B. Complaint: 1. If it appears to regional director that formal proceedings should be instituted, he issues and serves upon respondent and person or labor organization making the charge a formal complaint. 2. The formal complaint contains a notice of hearing before a trial examiner. 3. Complaint may be withdrawn by regional director on his own motion.	Complaint: Complaint shall state briefly facts complained of. Complaint is served upon respondent by an employee of Department of Agriculture. Secretary shall set time and place for hearing and give notice to defendant and petitioner.	Complaint: Any person, partnership, corporation, or association may apply to the Commission to institute a proceeding in respect to any violation of law over which the Commission has jurisdiction. Application is in writing, signed by applicant and shall contain a short and simple statement of facts constituting the violation of law and name and address of the applicant and party complained of. Commission serves a complaint stating its charges and containing a notice of a hearing.
C. Answer: 1. Respondents shall have the right within 10 days from service of complaints to file an answer thereto. 2. The respondent shall specifically admit, deny, or explain each of facts alleged in the complaint. 3. Answer is filed with the regional director issuing the complaint. 4. Extension of time may be given for answer. 5. Respondent may amend his answer at any time prior to the hearing.	Answer: If respondent wishes to deny or explain allegations contained in the complaint he files with Secretary an answer. The answer shall fully and completely state nature of the defense and shall admit or deny specifically allegation of complaint. One copy of answer shall be forwarded by Secretary to petitioner.	Answer: Respondent contesting charges files with the Commission an answer to the complaint. Respondent shall specifically admit or deny or explain each of facts alleged in complaint, unless he is without knowledge. Failure of respondent to file answer results in Commission proceeding in regular course on complaint. Respondent may waive hearing and admit material allegations. Upon application in writing made contemporaneously with the filing of such answer, the respondent may be heard on brief or oral argument on whether facts so admitted constitute violation of law.
D. Motions: 1. Motions made prior to hearing are filed with regional director and must state the order or relief applied for and grounds for such motion. 2. Motions made at hearing are made in writing to the trial examiner or stated orally on the record. 3. Trial examiner rules on all motions except as to extension of date of hearing, extension of time within which answer may be filed, intervention and motions filed after the case has been transferred to the Board. 4. All motions, rulings, and orders become part of the record. 5. Rulings by the regional director and by the trial examiner on objections and orders in connection therewith shall not be appealed directly to the Board, except by its special permission, but are considered by the Board in reviewing the record, if exception is taken to the rulings or order when made and included in the statement of exceptions filed with the Board. 6. If any motion in the nature of a motion to dismiss the complaint in its entirety is granted by trial examiner, party making the charge may obtain a review by the Board.	Motions: No provisions; but in practice motions to intervene, etc., are made.	Motions: Motion shall briefly state the nature of the order applied for, and all affidavits, records, and other papers upon which the same is founded (with certain exceptions).
E. Intervention: 1. Is started by a motion. 2. Must be filed with regional director making the complaint prior to hearing. 3. During the hearing the motion must be filed with trial examiner.	Intervention:[2] Applications usually made by motion or petition. Applications made prior to hearing. Attorney who represents the Department in special case considers applications. Permission to intervene, if granted, is in name of Department.	Intervention: One wishing to intervene in a contested proceeding must make application in writing, setting out the grounds upon which interest is claimed. Commission may by order permit intervention by counsel or in person.
F. Witnesses and subpenas: 1. Witnesses are examined under oath, with exceptions. 2. Any member of Board may issue subpenas.	Witnesses and subpenas: Witnesses are examined under oath or affirmation.	Witnesses and subpenas: Witnesses are examined orally, except for good and exceptional cause. Commission may permit a testimony by deposition. Subpenas may be issued by any member of the Commission.

[2] See Attorney General's Committee on Administrative Procedure, Monograph No. 11, the Packers and Stockyards Act, p. 33.

National Labor Relations Board, etc.—Con.

3. Applications for subpenas may be filed with regional director, who may grant or deny the application.

4. Application for subpenas during hearing are made to trial examiner, who may grant or deny the application.

G. Hearing:

1. Is before a trial examiner for purpose of taking evidence upon the complaint.

2. Hearings are public, unless otherwise ordered by the trial examiner.

3. Is duty of trial examiner to inquire fully into facts. Counsel for Board and trial examiner has power to call, examine and cross-examine witnesses, and introduce evidence.

4. Any party has right to appear at hearing in person, by counsel, or otherwise, to call, examine and cross-examine witnesses, and to introduce into the record documentary or other evidence.

5. Rules of evidence prevailing in courts of law or equity are not controlling.

6. Stipulations of fact may be introduced in evidence with respect to any issue.

7. Objections with respect to conduct of hearing, including objection to evidence, may be stated orally or in writing.

8. Any party is entitled at the close of the argument to a reasonable period for oral argument. This is not included in stenographic report unless trial examiner so directs.

9. Any party is entitled upon request to file a brief with trial examiner.

10. Chief trial examiner may at any time prior to service of the intermediate report, upon appropriate notice to the parties, direct that the hearings be reopened.

11. Contemptuous conduct at any hearing before trial examiner or Board is grounds for exclusion from the hearing.

H. Intermediate report and transfer of case to Board:

1. Trial examiner prepares an intermediate report after hearing, which contains:

(a) Findings of fact.

(b) Recommendations as to what disposition of the case should be made, which may include recommendation for affirmative action.

2. Intermediate report is filed with regional director issuing the complaint, who transmits the original of the report to Board and serves a copy to each of the parties.

3. Board by order then transfers the case to the Board and sends copies to each of the parties and regional director.

4. Regional director then forwards to Board:

(a) Charges upon which complaint was issued.

(b) Complaint and amendments.

(c) Notice of hearing.

(d) Answer and amendments thereto.

(e) Motions, rulings, orders.

(f) Stenographic report of the hearing.

(g) Stipulations.

(h) Exhibits, documentary evidence.

(i) Depositions.

(j) All of these together with the intermediate report constitute the record of the case.

Secretary of Agriculture, etc.—Continued

Depositions, taken after reasonable notice to the opposite party at a time and place and before a person designated by the secretary, shall be admitted if the evidence is otherwise admissible.

Hearing:

Employee of Department acts as examiner to conduct the hearing.

Parties may appear in person or by counsel.

Hearing is in "accordance with rules of evidence applicable to administrative proceedings."

If party objects to admission or rejection of evidence, he shall state grounds for objection. If objection is overruled, he may take an exception.

At conclusion of hearing examiner announces period of time within which briefs may be filed following receipt by parties of tentative findings of fact.

All persons who appear at the hearing must conform to standards of ethical conduct required of practitioners before the courts of the United States.

TENTATIVE FINDINGS OF FACT AND ORDER

After hearing examiner shall prepare tentative findings of fact and a tentative order, which is served upon the parties who are given an opportunity to file exceptions thereto.

Federal Trade Commission, etc.—Continued

Subpenas for production of documentary evidence, unless issued by a member of the Commission, are issued only upon application in writing.

Application must specify, as exactly as possible, the documents desired and show their competency.

Hearing on complaints:

Is before a trial examiner designated for that purpose.

Hearings are public unless ordered otherwise by Commission.

It is duty of trial examiner to complete the taking of evidence with all due dispatch. He is charged with duty of conducting a fair and impartial hearing.

Where relevant and material matter is embraced in documents containing other matter not material or relevant, it must be excluded or segregated.

Objections to the evidence before the Commission, a commissioner or examiner shall state briefly grounds of objection relied upon, and the transcript shall not include argument or debate thereon.

Trial examiner is charged with duty of conducting a fair and impartial hearing in form and manner consistent with dignity of Commission.

TRIAL EXAMINER'S REPORT

Fifteen days after receipt by him of complete stenographic transcript of the testimony in a proceeding the trial examiner must make his report upon the evidence.

A copy of the report is served upon each attorney for the Commission and upon each respondent not represented by counsel.

"The trial examiner's report upon the evidence is not a decision, finding, or ruling of the Commission. It is not a part of the formal record in the proceedings, and is not included in the transcript of the record." Rule XIII.

National Labor Relations Board, etc.—Con.

I. Exceptions to the record and proceedings:

1. Any party may file exceptions to the intermediate report or to any other part of the record or proceedings including rulings upon all motions or objections.

2. The party filing the exceptions must serve copies of them to each of other parties and file copy with regional director.

3. No matter not included in statement of exceptions may thereafter be objected to before the Board, and failure to file exceptions operates as a submission of case to Board on the record.

J. Procedure before the Board:

1. After expiration of period for filing exceptions, the Board may decide the matter:

(a) Forthwith upon the record;

(b) Or after the filing of briefs, or after oral argument;

(c) Or may reopen the record and receive further evidence;

(d) Or may close the case upon compliance with the recommendations of the intermediate report;

(e) Or may make other disposition of the case.

2. Board notifies parties of time and place for the submission of briefs or oral argument.

3. Where trial examiner has found in his intermediate report the respondent is not guilty of alleged unfair labor practices, and no exceptions have been filed, the case is considered closed.

4. The Board may, upon motion made within a reasonable period and upon proper cause shown, reopen the record for further proceedings.

5. Board may permit charge to be filed with it directly or:

(a) Transferred to it and continued before it;

(b) Or be consolidated for purpose of hearing with any other proceedings instituted in same region.

(c) Or be transferred to and continued in any other region for purpose of consolidation.

(d) Or be severed from any other proceeding with which it may have been consolidated.

6. After a hearing for the purpose of taking evidence upon the complaint in a proceeding over which the Board has assumed jurisdiction the Board may:

(a) Direct the trial examiner to prepare an intermediate report;

(b) Reopen the record and receive further evidence, or require taking of further evidence before a member of the Board or other agent, etc.;

(c) Issue proposed findings of fact, proposed conclusion of law, and proposed order, or

(d) Make other disposition of the case.

7. Party desiring to take exception to proposed findings of fact, proposed conclusions of law, and proposed order, files exceptions and serves copies in other parties and regional director. Upon proper cause shown, the Board may extend the period within which to file a statement of exceptions.

8. Should any party desire to argue orally before the Board or to file a brief with the Board, request therefor must be made in writing to the Board, within 20 days after the receipt of the proposed findings of fact, proposed conclusions of law, and proposed order.

9. The Board shall notify the parties of the time and place for any such submission of briefs and oral argument.

10. Thereafter the Board shall forthwith decide the matter or make other disposition of the case.

Secretary of Agriculture, etc.—Continued

Exceptions:

Any party who wishes to take exceptions to any matters shall transmit his exceptions to the Solicitor. If exception is taken to any tentative finding of fact, reference must be made to pages or parts of record relied upon.

A party filing exceptions shall state in writing whether he desires to make an oral argument before the Secretary.

Where party admits the facts and waives a hearing, he does not necessarily consent to final order of Secretary, and in such case an examiner's report should be prepared and copy filed with respondent giving him an opportunity to file exceptions (Memoranda for Mr. C. W. Kitchen, in Attorney General's committee. The administration of the Packers and Stockyards Act, p. 67).

Procedure before the Secretary:

If oral argument before the Secretary is desired, such an opportunity is afforded and a date is set.

If oral argument is heard in any proceeding by the Secretary or Acting Secretary, the final order in the proceedings shall be issued by the person who heard the argument.

An application for rehearing, reargument, reconsideration, or modification of a final order must be made by a petition filed in duplicate with the Secretary. The petition must state specifically the grounds relied upon. A copy of such application filed with the petitioner or defendant is transmitted by the Secretary to the adverse party.

Federal Trade Commission, etc.—Continued.

Exceptions:

Attorneys or other persons served with a copy of the report of the trial examiner may, within 10 days, file in writing their exceptions, if any, to report. They must specify particular parts of report to which they take exception.

Seven copies of the exception must be filed.

If exceptions are to be argued, it is at time of final argument upon the merits.

REOPENING OF PROCEEDINGS

Commission may order reopening of proceedings if conditions of fact or law have changed or public interest requires.

NOTE.—There are some further procedural steps such as review by the Review Division which do not appear in the Rules and Regulations as published.

It should be noted that the procedure before the National Labor Relations Board is far more comprehensive than before any other authorities issuing cease and desist orders, and is more in conformity with a strict "due process of law" procedure than the procedure of any other authority issuing cease and desist orders.

It should be noted that the procedure for cease and desist orders under the Commodity Exchange Commission Act is very similar to that under the Packers and Stockyards Act.

III. SIGNIFICANCE OF PARTICULAR RULES AND REGULATIONS AS TO PROCEDURE, ISSUED UNDER SECTION 10 OF NATIONAL LABOR RELATIONS BOARD ACT

1. In re charge:

It is important that charge be made by a responsible person or organization, that it shall not be frivolous, and that it shall be specific in content and definitely directed. Hence the requirements that charge be in writing, be under oath, be signed, give a concise statement of facts, and give name and address of person against whom the charge is made.

2. In re complaint and notice:

Before formal proceedings are started against a person it is important for the administrative agency to know that there appears to be good ground for the issuing of the complaint. From the viewpoint of the one complained of, it is only fair that he shall know who made the complaint and exactly what charges are contained in the complaint; also that he shall receive notice as to the time and place of the hearing. Amendment to the complaint may be important from the viewpoint of the Government in its prosecution of the case, and also from the viewpoints of both complainant and respondent. A review of a refusal to issue a complaint may be necessary to prevent unjustified or arbitrary action on the part of the regional director.

3. Answers:

Answers to complaints accomplish several things:

a. The answer may sufficiently explain a situation, so that no further action need be taken.

b. An answer may well act as a demurrer, by acknowledging that charges are true but holding that even though true there was no illegal action.

c. The answer gives a clear ground for defense and thus constitutes one side of a basis for a hearing.

Requiring the answer to be in writing and to be sworn places the document on a formal basis, and prevents mere evasive or frivolous answers.

Serving the answer upon other parties gives them an opportunity to develop their side of the case.

Amending the answer by the respondent permits him to meet amendments in the complaint.

4. Motions:

(a) By motions the opposing parties and the Government are informed as to actions which the respective parties think should be taken in respect to the complaint.

(b) The provision that the trial examiner shall rule on motions helps to expedite the case.

(c) By the filing of rulings on the motions, the basis of an appeal on rulings considered wrong is laid.

(d) Service of rulings and orders upon each of the parties, or inclusion of rulings and orders in an intermediate report, gives all parties a chance to know what they are, and to contest them if this seems advisable.

(e) When the rulings are made a part of the record, both the Board in considering the record, and the court if the case is appealed to it, find the rulings valuable as showing whether the trial examiner has acted arbitrarily or without due care.

5. Intervention:

(a) The right of intervention gives those interested an opportunity to participate in the case in order to protect their interests.

(b) The requirement that interveners shall file motions in writing setting out their grounds for intervention prevents unnecessary and uncalled for intervention.

6. Witnesses and subpenas:

(a) The examination of witnesses under oath is required for the purpose of eliciting truthful answers, and further for the purpose of placing the one who answers falsely in the position of a perjurer.

(b) The Board may issue subpenas requiring the attendance of witnesses and the production of evidence. The regional director may grant or deny an application for subpenas made by any party prior to the hearing, or may refer it to the trial examiner, who may grant or deny the application. The reason for this limitation is to prevent careless use of the privilege.

7. Hearing:

(a) A hearing before the trial examiner rather than the Board is necessary because of the great number of cases that must be handled each year.

(b) It is the duty of the trial examiner to inquire fully into the facts as to whether the respondent has engaged in, or is engaging in an unfair labor practice affecting commerce, as set forth in the complaint or amended complaint.

(c) The regulation that in such hearing the rules of evidence prevailing in courts of law or equity shall not be controlling is based upon the statute, and is necessary for the purposes of expediting matters and preventing the great delays caused by regular court procedure.

(d) The rule providing that stipulations as to facts may be introduced in evidence is also adopted for the purpose of expediting the hearing.

(e) The ability to object to the conduct of the hearing or to the introduction of evidence, with the grounds for such objection, gives each party the opportunity to—

1. Have the objection considered by the trial examiner.

2. Have the objection reviewed by the Board.

3. In final analysis have the objections reviewed by the courts.

(f) The provision that no such objection shall be deemed waived by further participation in the hearing makes it possible for the hearing to be continued without either party's forfeiting his rights of objection.

(g) A reasonable period for oral argument makes it possible for both parties to sum up the evidence upon which the trial examiner makes his intermediate report. The reason for not including oral argument in the stenographic report unless the trial examiner so directs is that it is argument and not evidence to be used as a basis for fact finding.

(h) The filing of a brief with the trial examiner makes it possible for the parties to present to the trial examiner, prior to the preparation of his intermediate report, their views as to the proper interpretation of the evidence.

(i) The provision that at any time prior to the service of the intermediate report the chief trial examiner, upon appropriate notice to the parties, may direct that the hearing be reopened, is for the purpose of giving a further opportunity to present evidence in case new circumstances have arisen, or in case the chief trial examiner deems that the evidence is incomplete.

(j) The rule permitting exclusion from the hearing of persons guilty of contemptuous conduct makes for order and decorum at the hearing.

(k) Unless witnesses can be made to answer questions the most vital facts may not be brought out; hence the provision that refusal of a witness at a hearing to answer any questions which have been ruled to be proper shall, in the discretion of the trial examiner, be ground for striking out all testimony previously given by such witness on related matters. This prevents a witness from making a careful selection of facts favorable to his own side of the case, setting them forth on the witness stand, and repressing facts of equal importance which, if brought out, would benefit the other side.

(l) The provision for an intermediate report by the trial examiner is of great importance to the parties; as well as to the Board itself. Since the intermediate report contains both findings of fact and recommendations as to the disposition of the case, the parties are able to know in a preliminary way what is the opinion of the Government as to the meaning of the facts, what conclusions it draws from the facts, and what affirmative action is contemplated. The intermediate report also gives the Board a summary of the evidence, and a plan of action, which (though it is not necessarily followed) is of great assistance in the disposition of the case.

(m) The rule providing that any party may file with the Board at Washington a statement setting forth exceptions to the intermediate report or to any other part of the record or proceeding gives to both sides an opportunity for entering formal protests against any aspect of the trial examiner's activities which they consider illegal or inequitable. It also enables the Board to know and consider the objections made by private individuals or Government attorneys to the procedure, the tentative fact finding, or the recommendations. It also serves as a basis for further action by the Board.

(n) The provision that no matter not included in a statement of exceptions may thereafter be objected to before the Board makes the pleadings before the Board definite and specific, gives the opposing attorneys an opportunity to prepare arguments relevent to the matters which will be discussed, and precludes "surprise" objections at the time of the Board hearing. Failure to file such exceptions acts as a submission of the case to the Board upon the record. This is a necessary requirement, which prevents cases from being unduly drawn out. Obviously, if a person does not file exceptions when provision is made for doing so, he should not be allowed to prolong the hearing before the Board by introducing exceptions at this point.

(o) Provision that the regional director shall forward to the Board the entire record of the case as developed before the regional director and the trial examiner, including the charges and complaint and amendments thereto, motions, rulings, orders, stenographic report of the hearing, stipulations, exhibits, documentary evidence, depositions, and the intermediate report and exceptions, gives the Board a complete basis for the review of the case.

(p) With this material before it the Board may begin to consider the case upon the expiration of the period for exceptions. It may do so forthwith upon the record if no exceptions are filed; it may accept briefs or permit oral argument; or it may reopen the record and receive further evidence.

The reason why it may decide the case upon the record, in the absence of exceptions, has been sufficiently explained.

Permission to argue the case orally or to file briefs gives the party deeming himself injured by the intermediate report, or by the procedure before the trial examiner, opportunity to present his case

in a clear and forceful way. The statutory provision (29 U. S. C. 160 (f)) for judicial review of final orders of the Board serves to prevent it from refusing permission in an arbitrary way. Since the parties must be notified of the time and place for the submission of briefs or oral arguments if such permission is granted, and of the time and place for the taking of further evidence if this is to be done, they can act to protect their interests.

(q) The closing of the case when the trial examiner has found in his intermediate report that the respondent has not engaged in and is not engaging in any of the alleged unfair labor practices, and when no exceptions are filed, expedites the settlement of controversies.

(r) The reopening of the record for further proceedings, upon motion and upon proper cause shown, makes it possible for the parties to introduce new evidence. Under the same circumstances the Board can secure additional evidence if this appears necessary.

(s) The provision that the Board may permit a charge to be filed with it directly, or may, at any time after a charge has been filed with a regional director, order that such charge and any proceeding instituted in respect thereto shall be transferred, consolidated with, or severed from any other proceeding accomplishes the following results:

1. It permits the Board itself to take direct jurisdiction over large and important cases.

2. It enables the Board to consolidate cases that involve similar questions, and thus to expedite matters.

3. It permits the Board to sever from other proceedings those which by their nature should be handled separately.

(t) The provision that after the above transfers to the Board have been made, cases shall be conducted according to the procedure set forth in sections 3 to 35, inclusive, of article II, means that the Board will act as carefully as a trial examiner is required to do.

(u) When the Board has assumed jurisdiction as outlined above, it may (a) direct the trial examiner to prepare an intermediate report; (b) reopen the record and receive further evidence, or require the taking of further evidence; (c) issue proposed findings of fact, proposed conclusions of law, and a proposed order; or (d) make other disposition of the case. In other words, the Board may take the type of action which the situation demands.

(v) The rights of the individual are protected when the Board itself takes jurisdiction over the case by the fact that the parties may file exceptions to its proposed findings of fact, proposed conclusions of law, and proposed order, as well as by the possibility of judicial review over its final orders.

(w) The provision that until a transcript of the record in a case has been filed in a court, the Board may at any time upon reasonable notice modify or set aside, in whole or in part, any findings of fact, conclusions of law, or order issued by it gives the Board freedom in making adjustments which appear to be advisable before the matter is brought into court. It serves also to minimize the litigation necessary to the protection of individual rights by opening the way to a satisfactory adjustment out of court.

ADDRESS BY SENATOR REYNOLDS ON AMERICANISM

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD a radio address delivered by him at Asheville, N. C., on January 27, 1940, on the subject "Let's Become Pro-American," which appears in the Appendix.]

FEDERAL BUREAU OF INVESTIGATION

[Mr. BILBO asked and obtained leave to have printed in the RECORD an article under the heading Attacks on F. B. I. Fomented by Leaders of Communism, published in the Bristol (Va.-Tenn.) Herald Courier of March 24, 1940, which appears in the Appendix.]

ARTICLE BY ERNEST K. LINDLEY ON THE N. L. R. A.

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an article by Ernest K. Lindley, published in the Washington Post of today, entitled "Strangling the N. L. R. A.," which appears in the Appendix.]

CURTAILMENT OF C. C. C. AND N. Y. A. PROGRAM

[Mr. GIBSON asked and obtained leave to have printed in the RECORD a telegram from Gov. George D. Aiken, of Vermont, relative to the discontinuance of C. C. C. camps and curtailment of the National Youth Administration program, which appears in the Appendix.]

ARTICLE BY LINDSAY CRAWFORD ON RECIPROCAL-TRADE AGREEMENTS

[Mr. MINTON asked and obtained leave to have printed in the RECORD an article by Lindsay Crawford, published in the Nautical Gazette, entitled "Tariff Controversy Revived," which appears in the Appendix.]

LETTER FROM RICHARD L. NEUBERGER TO SENATOR CLARK OF IDAHO

[Mr. CLARK of Idaho asked and obtained leave to have printed in the RECORD a letter written to him by Richard L. Neuberger, of Portland, Oreg., which appears in the Appendix.]

COPYRIGHT LEGISLATION

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a letter from the Committee for the Study of Copyright, in explanation of the origin, character, and fundamental provisions of Senate bill 3043, which appears in the Appendix.]

STATEMENT BY HOWARD I. YOUNG ON RECIPROCAL TRADE AGREEMENTS ACT, ETC.

[Mr. THOMAS of Idaho asked and obtained leave to have printed in the RECORD a statement made before the Committee on Finance by Howard I. Young, president of the American Zinc Institute, relative to the extension of the Reciprocal Trade Agreements Act, and a number of communications on the same subject from farm groups in Idaho, which appear in the Appendix.]

COMMUNICATION FROM THE MOTHERS OF SONS FORUM

Mr. REYNOLDS. Mr. President, several days ago I was in Cincinnati to deliver an address. While there I was called upon by a delegation of mothers who were greatly interested in keeping this country out of war, thereby sparing their sons. That group of women, known as the Mothers of Sons Forum, has issued a very interesting bulletin to other mothers in Cincinnati. In part, it says:

We are a sincere group of American mothers who are organizing to do everything within our power to keep our sons from fighting in foreign trenches and being sacrificed on foreign soil.

As a part and portion of my remarks at this time I ask that the entire letter be published in the RECORD.

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

To the Women of America:

We wish to invite you to join with the mothers of potential soldiers in our Mothers of Sons Forum.

The Mothers of Sons Forum was born from an original group of 10 mothers. We have grown in number since then and are forming groups throughout the city. It is our aim not only to become city-wide but State-wide and Nation-wide. We have received letters from mothers throughout the country who are interested in our efforts and who wish to organize.

We are a sincere group of American mothers who are organizing to do everything within our power to keep our sons from fighting in foreign trenches and being sacrificed on foreign soil. We believe that war can be abolished and believe that the women of the world are challenged to do it. We appeal to all mothers to rise up to their God-given duties—the protection of life—and demand and insist that the sacrifice of human life as a method of settling international disputes must cease. For if the present devastating warfare continues, there will not be enough of civilization left to make these ideas needed.

We uphold the Monroe Doctrine and pledge our loyalty to our country. We are strictly neutral in our feelings toward the warring nations. We stand for no "ism" but Americanism. We are nonsectarian, nonpolitical, and nondenominational. All mothers are welcome: Few can do nothing, but united we can and will keep our sons out of war. The mothers are concentrating on one thing and one thing only—the outlawing of war—and with the help of God we shall succeed.

Our meetings are held on the first and third Monday of each month in the Price Hill Library, Warsaw Avenue, and the Hyde Park Library, Erie and Michigan Avenues, at 8 p. m. You may obtain any other desired information by writing to Mrs. G. A. Murphy, 4757 Highridge Avenue, Price Hill, Cincinnati, Ohio.

Yours for a speedy and lasting peace,

THE MOTHERS OF SONS FORUM.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

TRADE AGREEMENTS AND SUGAR

Mr. O'MAHONEY. Mr. President, yesterday afternoon, after I had suspended for the day, the Senator from Colorado [Mr. JOHNSON] took the floor and called the attention of the Senate to a supplementary trade agreement which has been entered into by the Department of State with the Republic of Cuba. This agreement is of such a nature that it seems to me every Senator in this body is driven to consider whether the interests of his State are as open to destruction under this Reciprocal Trade Agreements Act as this supplementary trade agreement demonstrates the interests of all the sugar-producing States of the United States are open to destruction.

Yesterday, when I was engaging in a colloquy with the distinguished Senator from Kentucky [Mr. BARKLEY], the majority floor leader, I contended that there would be great doubt as to how the words "existing duties" contained in the Reciprocal Trade Agreements Act should be construed. Every single defense which has been made in the Reciprocal Trade Agreements Act upon this floor has referred—now, mark my words, Senators—to the limitation which is contained in that act by which modifications may be made within the range of 50 percent up or down as the standard which it is claimed makes the delegation valid. It is acknowledged by the distinguished chairman of the Finance Committee, it is acknowledged by the distinguished floor leader, it is acknowledged by every supporter of the joint resolution, that there can be no delegation of legislative power unless there is an understandable, intelligible principle to guide the discretion of the President when he acts; and when we ask the supporters of the bill to point out what this intelligible standard is, they say, "The President cannot change the duties more than 50 percent up or 50 percent down."

The tariff upon Cuban sugar in June 1934, when the Reciprocal Trade Agreements Act was under consideration, was $2 per hundred pounds—the existing duty. What is it now? Ninety cents. Where is the 50-percent limitation? And I say to Senators upon this floor who represent the sugar-producing States of the Union, what answer can we give to our constituents who are interested in the production of beets when that message is carried to them—that under cover of this authority, this delegation limited by 50 percent, the tariff upon Cuban sugar has been reduced from $2 to 90 cents?

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

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Maryland?

Mr. O'MAHONEY. I yield.

Mr. TYDINGS. Is it the Senator's contention that this action on the part of the administration in reducing the tariff from $2 to 90 cents is unlawful?

Mr. O'MAHONEY. Let me read the act.

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

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Louisiana?

Mr. O'MAHONEY. I yield.

Mr. ELLENDER. Is it not a fact that the duty on Cuban sugar is $1.50 instead of $2?

Mr. O'MAHONEY. No; the duty now is 90 cents. The duty in June 1934 when the Reciprocal Trade Agreements Act was passed was $2.

Mr. ELLENDER rose.

Mr. O'MAHONEY. Will the Senator listen for just a moment? Let me read the law. I am now reading the law dated June 12, 1934:

> No proclamation shall be made increasing or decreasing by more than 50 percent any existing rate of duty * * *.

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

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. Is it not true that the duty on sugar was $2 less the 20-percent differential?

Mr. ADAMS. Mr. President, it was $2.50 less the 20-percent differential.

Mr. BARKLEY. That would still bring it within the law. The 20-percent reduction would bring the 90 cents within the 50-percent change.

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

Mr. O'MAHONEY. I yield.

Mr. TYDINGS. I am only seeking information. As I understand, the old Cuban duty was $2.20 a hundred.

Mr. ADAMS. Mr. President, the facts were that the general duty was $2.50, with a 20-percent preferential to Cuba; so the Cuban duty was $2.

Mr. TYDINGS. Twenty cents, or 20 percent?

Mr. ADAMS. Twenty cents.

Mr. TYDINGS. So the Senator's contention is that the present duty on Cuban sugar without any trade agreement is $2 a hundred?

Mr. O'MAHONEY. Not now; no.

Mr. TYDINGS. I say, without any trade agreement?

Mr. O'MAHONEY. No; because the flexible-tariff provision of the Smoot-Hawley Act was used to reduce the tariff from $2 to $1.50.

Mr. TYDINGS. That was before the trade agreements were negotiated?

Mr. O'MAHONEY. My understanding is that that was afterward. The change was made about the time the Reciprocal Trade Act was passed. Of course, if it was before, the argument would not hold mathematically, for 90 cents, though more than 50 percent below $2, is not 50 percent below $1.50.

Mr. TYDINGS. That is the reason why I was asking the Senator whether or not the State Department had reduced a duty more than 50 percent. The only way in which we could ascertain that fact would be by learning what the duty was at the time the negotiations were promulgated between the two governments.

Mr. O'MAHONEY. That is correct. I am seeking to have that date fixed.

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

Mr. O'MAHONEY. I yield.

Mr. TYDINGS. Just for the sake of keeping the RECORD straight, let me say that I am advised by authority which I think is very accurate that the duty was reduced to $1.50 before the negotiations. I have not looked up the matter; but the clerk, who has looked it up, advises me that that is the fact.

Mr. O'MAHONEY. I am having it looked up and I shall advise the Senate as soon as I am informed. The important phase of this matter is to be found not only in the point to which I have just alluded, but also in the fact that these modifications, if we are to judge by the present instance, are made without notice to the interests or the States affected.

I hold in my hand a letter which I wrote to the Secretary of State——

Mr. TYDINGS. Mr. President, I ask the Senator to yield further, because I am interested in following his argument, and it will help me if I can get the facts straight. I take it that the Senator contends that if there is a proper limitation, a top and bottom, so to speak, within which the executive branch of the Government can act, Congress may delegate to the executive branch its authority within the limitations it itself fixes.

Mr. O'MAHONEY. Oh, no; I deny that.

Mr. TYDINGS. The Senator denies that?

Mr. O'MAHONEY. I deny that a limitation is a standard. A limitation is not a rule; a limitation is just a limitation, and nothing else. A limitation is not an intelligible principle to guide the Executive in the exercise of a legislative function.

Mr. TYDINGS. I thought the Senator was contending that there was no top and bottom to the proposition.

Mr. O'MAHONEY. The Senator misunderstood me. I am sure I do not get his point at all.

Mr. TYDINGS. Certainly there is no longer any discussion or debate that the administration did not exceed the 50-percent limit in the reduction in the sugar duty.

Mr. O'MAHONEY. It depends on the date upon which the reduction was made from $2 to $1.50. What was the existing duty on June 12, 1934? That is the question. If the existing duty on June 12, 1934, was $1.50, if the flexible-tariff provision had been exercised prior to that date, then, of course, a 90-cent tariff would be mathematically within the limitation, but if, as was my impression—I may have been in error—the flexible-tariff reduction was not made until after the Reciprocal Trade Agreements Act was passed, the limitation has been exceeded.

Mr. TYDINGS. I am advised that the reduction to $1.50 was in effect at the time designated by the Senator, and if that is so, the administration has not, whether or not we agree with the policy, violated the law.

Mr. O'MAHONEY. In that event the limitation has technically not been disregarded. I acknowledge that.

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

Mr. O'MAHONEY. I yield.

Mr. ELLENDER. That is the point I desired to explain to the Senator. At the time the rate, insofar as Cuba was concerned, was actually fixed at $1.50, the world rate was $2, so there was no violation.

Mr. O'MAHONEY. My impression was that the change was not made until after June 12. As I stated to the Senator from Maryland, if it was made prior to that time, then, of course, the discrepancy vanishes.

Mr. TYDINGS. I was out of the Chamber part of the time while the Senator was speaking, though I have been here most of the time, and he may have already referred to the matter I have in mind, but if it would not interrupt the Senator too much, I should appreciate his telling us how far Congress may go, in delegating legislative authority to a department of the executive branch of the Government without, in his judgment, violating or setting at naught its legislative prerogative.

MODIFICATIONS OF RATES WITHOUT HEARINGS

Mr. O'MAHONEY. Mr. President, I shall be very glad to discuss that phase of the matter. In the meantime, however, in order to get the sugar problem behind us, I desire to call the attention of Senators to the fact that once the jurisdiction of the State Department has attached, it undertakes to retain that jurisdiction without any additional hearings of those who are interested in the action to be taken. An agreement made under the first grant is modified without hearings under the extension.

When the reciprocal-trade agreement with Cuba was about to be undertaken, notice was given and all who were interested were permitted to come before the Committee on Reciprocity Information, that committee of—shall I say, clerical sphinxes—who sit in a large hearing chamber while Members of the Senate and of the House, elected to represent their constituents, come and make their statements and are politely bowed out when they have concluded without knowing what, if any, action is to be taken, or what, if any, weight is to be given to their representations, without knowing whether or not the facts and arguments which they have presented will ever go beyond the circle of the membership of that committee.

A hearing was held for the consideration of the sugar tariff, the rate was reduced, and in September 1939, when the quotas were lifted by order of the President, the tariff upon Cuban sugar automatically was restored to $1.50, and the Secretary of State then negotiated another agreement with the Republic of Cuba for the purpose of cutting the rate down to 90 cents.

I protested against that upon the ground that a new notice had to be given and that a new hearing should be held, because the original action was taken under one set of conditions back in 1934 or 1935, and a new set of conditions had arisen 4 years later. Then, without any additional hearing, or the submission of any additional facts, the State Department undertook to cut the rate to 90 cents. It was reported on good authority that it was intended to reduce the rate even further to 75 cents.

What was the theory under which we were acting? The tariff upon Cuban sugar had been raised to $2.20; the differential of 20 cents was in effect. The purpose of that tariff was to keep Cuban sugar out of competition with beet and cane sugar raised in continental United States. Then, exercising the flexible tariff power, after the Tariff Commission had determined the difference between the cost of production in Cuba and in the United States, the President thereupon issued a proclamation authorized by the Smoot-Hawley tariff law reducing the tariff to $1.50. In the agreement it was reduced to 90 cents, in consideration of the fact that a quota had been imposed. The argument was this: "We no longer need the tariff to keep the sugar out. We now have a quota."

The reason for writing into the reciprocal-trade agreement the provision that if the quota were lifted the tariff should go back to $1.50 was that the sugar-producing States of Louisiana and Florida, as well as the beet-growing States, should be protected by a tariff of $1.50 from a flood of Cuban sugar, the flood which in the years before had utterly destroyed the market for our producers.

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

Mr. O'MAHONEY. I yield.

Mr. JOHNSON of Colorado. Is it not true that, as a matter of fact, by the agreement of December 18, 1939, the Secretary of State has amended the Sugar Act of 1937?

Mr. O'MAHONEY. I think the Senator is correct.

Mr. President, I wrote a letter to the Secretary of State on September 23 last in which I made reference to this condition. The matter is of such importance that I ask that that letter, the Secretary's reply thereto, and my response to him, may be read from the desk.

The PRESIDENT pro tempore. Without objection, the clerk will read.

The legislative clerk read as follows:

EXCHANGE OF LETTERS ON CUBAN AGREEMENT

UNITED STATES SENATE,
Washington, D. C., September 23, 1939.

Hon. CORDELL HULL,
Secretary of State,
Washington, D. C.

DEAR SECRETARY HULL: That the Government of the United States should take every proper precaution to protect the people of the United States from any outbreak of profiteering that might be brought on as a result of the present international situation is a proposition with which there can be no disagreement. To this objective I personally give wholehearted and complete support. It is, however, equally axiomatic that no final action should be taken by the Government except after full consideration and after an opportunity to be heard has been extended to every interest that might be affected.

I write to express the hope that if the Department of State is contemplating the recommendation to the President of any further executive action dealing with the marketing or importation of sugar into the United States, the producers of sugar, and particularly the producers of sugar beets and sugarcane in the United States, shall be heard before any action is taken.

I venture to make this suggestion because of persistent reports which have come to me that the State Department contemplates urging upon the President the proclamation under the Reciprocal Trade Agreements Act of a reduction in the tariff upon Cuban sugar, the quotas of which, imposed by the Sugar Act of 1937, were removed by proclamation of the President on September 11 of this year.

I am advised that the removal of the quotas which, under the existing trade agreement with Cuba, was automatically accompanied by a restoration of the former duty of $1.50 per 100 pounds came as a surprise to the Cuban sugar interests and to the Cuban Government and that the State Department is desirous of making some gesture of reassurance to the Cuban Government and the Cuban sugar interests. It is obvious, I think, that it would be quite as unjust to the American producers of sugar beets and sugarcane to take or to recommend, without notice to them, an action that might grievously affect their interests. I have no doubt that the State Department would not undertake so serious a course without first calling upon the spokesmen of American producers at least to advance their opinions, but lest it should be supposed that this opportunity has already been extended because of the hearings which were held by the Committee for Reciprocity Information pursuant to the public notice of November 30, 1938, I venture to call your attention to the fact that that notice cannot in any sense be regarded as sufficient under the meaning of the Reciprocal Trade Agreements Act.

When the notice of November 30, 1938, was issued the amount of sugar which could be imported into the United States from Cuba was definitely fixed by the quota provision of the Sugar Act of 1937. The tariff upon Cuban sugar at that time was 90 cents per 100 pounds. This Cuban sugar tariff in 1934 was $2 per 100 pounds, but in that year was reduced to $1.50 per 100 pounds under the provisions of the Smoot-Hawley Tariff Act after the United States Tariff Commission had reported to the President that it cost $1.50 per 100 pounds less to produce sugar in Cuba than in the United States.

The order reducing the tariff from $2 to $1.50 was intended to equalize the cost of production between the two countries.

Later, when the existing reciprocal-trade agreement between Cuba and the United States was negotiated, an additional concession of 60 cents per 100 pounds was granted to the producers of Cuban sugar in consideration of the quota limitation contained in the original sugar controlling act and recognized by the trade agreement. It was then provided in the agreement that if for any reason the quota provisions of the Sugar Act of 1937 should become inoperative, the duty in effect upon the date of the agreement should be restored.

It is therefore clear that at the time the hearings were held by the Committee for Reciprocity Information pursuant to the public notice of November 30, 1938, the question was whether with the quota provided in the Sugar Act there should be a reduction of the tariff below 90 cents. The question now is whether, with no quota

whatever upon Cuban importations, the tariff should be reduced below $1.50. The issues, therefore, are wholly different and the evidence which was presented to the Committee for Reciprocity Information on January 3, 1939, under the conditions then existing is wholly insufficient now and cannot be controlling in the decision of any present issue.

Section 4 of the Trade Agreements Act provides, as you know, that before any foreign trade agreement is concluded "reasonable" public notice shall be given "in order that any interested person may have an opportunity to present his views to the President or to such agency as the President may designate." Moreover, this section provides that "before concluding such an agreement the President shall seek information and advice with respect thereto from the United States Tariff Commission, the Departments of State, Agriculture, and Commerce, and from such other sources as he may deem appropriate."

There can be no disagreement therefore that the intent and purpose of the act was to give any interested person a full and free opportunity to discuss the specific conditions under which a contemplated change of tariff duties or import restrictions should be made. The notice of November 30, 1938, was issued while the world was at peace. Europe is now involved in a war, and I think there can be no reasonable contention that in these circumstances any proper action may be taken under the Reciprocal Trade Agreements Act by virtue of the public notice heretofore issued.

Moreover, it may be proper to point out that the state of war in Europe which now exists has given to the Cuban interests a market advantage which those interests did not have on January 5, 1939. One-third of the Cuban crop is sold in the world market over which the Government of the United States can exercise no control. This world market which has been rising as a result of the present conditions cannot be as beneficial to the American producer as to the Cuban producer, and it seems to me therefore very clear that the careful balance effected by the Sugar Act of 1937 should not be disturbed for the benefit of Cuban sugar interests unless American sugar interests are first invited to state their case.

When the American consumer of sugar was wholly dependent upon foreign sources of supply the price of sugar was many times higher than it can by any possibility go under the provisions of the Sugar Act of 1937. The best interests of the American consumer are conserved by a safe and certain domestic supply the price of which may be controlled by action such as that taken by the President in his proclamation of September 11, 1939, an order which was made possible by the Sugar Act of 1937. The dangers to the American consumer that would be involved in any indiscriminate action to the disadvantage of the American producers of sugar beets and sugarcane are so apparent that I am sure you will be persuaded before any action is taken to follow the suggestion made most respectfully in this letter that representatives of the American producers shall first be given an opportunity to express themselves before any recommendation is made.

Very sincerely yours,

DEPARTMENT OF STATE,
Washington, September 29, 1939.

The Honorable JOSEPH C. O'MAHONEY,
United States Senate.

MY DEAR SENATOR O'MAHONEY: I have received and read with much interest your letter of September 23, concerning the sugar situation and particularly the position of Cuban sugar since the suspension of the sugar-marketing quotas by the President's proclamation of September 11, 1939.

With respect to the specific question of the duty on Cuban sugar, I may say that there are no plans for immediate action in this regard. It would, however, be appropriate for those who are interested in any aspect of the sugar problem, and who may feel that we are not fully informed as to their views in the existing situation bearing on the question of the duty on Cuban sugar, to let us have any additional information or views with which they may wish to supplement the information and views presented in briefs and oral hearings to the Committee for Reciprocity Information last January. The procedure followed under the Trade Agreements Act is broad and flexible with a view to giving American interests every reasonable and practicable opportunity to make their views known. The Committee for Reciprocity Information stands ready at all times to receive such views, whether in writing or, when appropriate and necessary, by means of informal oral conferences.

Thus, if your constituents have any further information or views they may wish to submit as to action which they feel ought or ought not to be taken, they are invited to submit these views now to the Committee for Reciprocity Information and in passing this information on to them you may assure them that any expression of views that they may thus submit will receive every appropriate consideration.

Sincerely yours,

CORDELL HULL.

SEPTEMBER 30, 1939.

Hon. CORDELL HULL,
Secretary of State,
Washington, D. C.

MY DEAR SECRETARY HULL: Let me acknowledge your letter of September 29, in response to mine of September 23, with respect to the tariff on Cuban sugar. I note with satisfaction your statement that there are no plans for immediate action with respect to the specific question of the duty on Cuban sugar. I also note your statement that "it would be appropriate for those who are interested in any aspect of the sugar problem to submit any additional information or views with which they may wish to supplement the material submitted to the Committee for Reciprocity Information last January." You also undertake, through me, to invite my constituents to submit such views now to the committee.

I am sure you will understand my feeling that any notice from me to my constituents would not satisfy the provisions of the Reciprocal Trade Agreements Act and that it would not be at all adequate for the protection of growers of sugar beets and sugarcane in other States nor for the protection of other elements of the sugar industry. In my opinion, there is only one way for such notice to be given and that is formally by the State Department in the manner prescribed by the law and the regulations.

As indicated in my letter of September 23, a notice issued by the State Department of the negotiation of a supplemental trade agreement with Cuba at a time when the Cuban duty was 90 cents and the quota was approximately 1,900,000 tons is ineffective now that the duty is $1.50 and the quota has been lifted. The suspension of the quota and the reversion of the duty to $1.50 is of such recent occurrence that its effect cannot now be measured and representations made to the State Department in the wholly informal manner which you suggest would not, in my opinion, be a proper protection to those who are interested in the preservation of the American sugar industry.

Sincerely yours,

Mr. O'MAHONEY. Mr. President, the response to my inquiry has been received, and I find that the reduction under the flexible-tariff provision was made on June 8, 4 days before the reciprocal-trade agreement went into effect. So technically we have a compliance with the 50-percent limitation. However, it may be pointed out that both these reductions are made under the same law, because the Reciprocal Trade Agreements Act is an amendment of the Tariff Act of 1930; so that the Cuban tariff, which on June 7, 5 days before the Tariff Act was amended by the reciprocity provision, was $2, was reduced the next day to $1.50, and then under the amendment of June 12, was reduced again to 90 cents.

DEGENERATION OF DEMOCRATIC PROCESS

Mr. President, referring briefly to the argument I was making yesterday, I desire to point out that I was discussing the steady process by which the Congress has surrendered to the Executive more and more of its legislative power. Beginning in 1890 we passed the McKinley Tariff Act, which authorized the President to find a certain fact with respect to five or six commodities; and upon finding the fact of discrimination, to put into effect by proclamation certain specified duties fixed in the law. The Supreme Court, in the case of Field against Clark, upheld that grant as a proper legislative act. It denied that it was any delegation of legislative power, because, it said, the law left nothing to the discretion of the President.

Following that, in 1897, there was another tariff act, the Dingley Act, in which was written a provision calling for reciprocal-trade agreements; but the Congress in 1897 recognized that such agreements were in fact treaties, and so wrote into section 4 of that law the distinct provision, first, that they should be ratified by the Senate, and second, that they should be approved by a legislative enactment of both Houses of the Congress.

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

Mr. O'MAHONEY. I yield.

Mr. SCHWELLENBACH. I should like to ask the Senator whether or not he thinks the latter action was necessary. If Congress, recognizing that these were treaties, treated them as such, was legislative action by the Congress itself necessary?

Mr. O'MAHONEY. It is my personal opinion that it was not necessary, but it was exceedingly wise, because it was a recognition by Congress that two constitutional provisions were involved—first, the treaty-making power, and second, the revenue-raising power. Legally and constitutionally a treaty is of equal dignity with a law. Therefore, if a foreign agreement fixing customs duties were entered into by the President and ratified by the Senate, in my opinion it would

satisfy the Constitution, just as in my opinion, if the Executive should enter into a trade agreement with a foreign country in which he dealt solely with customs duties, the Constitution would be satisfied if the agreement were approved by an act of Congress.

What I was seeking briefly to summarize was the historic development of the transfer of the revenue-raising power to the Executive. The act of 1897 followed by several years the decision in Field against Clark and was, therefore, a declaration by Congress that Field against Clark did not sustain a grant of power to enter into reciprocal-trade agreements without ratification by the Senate and approval by Congress.

However, in 1922, when a Republican Senate and a Republican House were endeavoring once more to extend the power of the Executive by giving him authority, under what is known as the flexible-tariff clause, to move rates up and down, Field against Clark was cited as supporting that policy, though clearly it had not been so regarded in 1897, and though clearly, as has been well pointed out on the floor by the senior Senator from Nevada [Mr. PITTMAN], the Supreme Court itself in that case declared that nothing was left to the discretion of the Executive. However, after the Fordney-McCumber Act had been passed and the flexible-tariff provision had been enacted, the act was challenged in the courts, and then came the Hampton case, to which reference has been made. In the Hampton case the grant of power in the Fordney-McCumber law was sustained upon the ground that an intelligible standard had been written into the law; namely, the standard of the difference in the cost of production at home and abroad.

We are now using those two cases and the preceding laws as precedents for a grant which goes far beyond anything that was ever before contemplated. Now, instead of a grant to change tariffs within a limitation of 20 percent according to the difference in the cost of production at home and abroad, we have a grant to change customs duties within 50 percent, without any standard, and with only a limitation. Thus I say that step by step the revenue-raising power has been granted by Congress to the Executive. What is the next step? Only imagination can discern.

POINTS THAT SEEM BEYOND DISPUTE

There are several points which seem to me to be beyond dispute. Indeed, they are not denied by any person who attempts to defend the Reciprocal Trade Agreements Act.

First. The President, under the Constitution, may not make a treaty without the consent of the Senate. Nobody will gainsay that statement.

Second. The President may not make a tariff law without the affirmative approval of Congress. Nobody will deny that.

Third. The President may make an Executive agreement without the consent of the Senate, or without the consent of the Congress; but, as has been pointed cut uniformly by the courts, an Executive agreement is of lesser dignity than a treaty. In the Altman case it was the express declaration of the court that an Executive agreement does not reach the dignity of a treaty. Of course, it does not reach the dignity of a treaty, because an Executive agreement is a pact that does not generally affect the public welfare, as Justice Taney so clearly pointed out.

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

Mr. O'MAHONEY. I yield.

Mr. LUCAS. The Senator made the point that an Executive agreement such as he cited, which has been upheld by the Supreme Court as being constitutional, is only a temporary arrangement. Has the Senator discussed the trade-agreements program from the angle of being only a 3-year program; and does the Senator think that the trade agreements are temporary agreements or not, in line with what the Court said in the decision cited?

Mr. O'MAHONEY. They are not such within the statement of the Court. I refer the Senator to the quotation from Justice Taney, which he will find at the close of my testimony before the Finance Committee, which clearly points out the difference between Executive agreements and treaties.

The Constitution says that treaties and laws are the supreme law of the land. It is acknowledged that an Executive agreement is neither a treaty nor a law. Of course, it is true that the President has the right to make an Executive agreement without ratification by the Senate or without the passage of an act of Congress; but now we are called upon to argue that because the President has the right to make Executive agreements, he may make such agreements without ratification, and without approval and thus swallow up the treaty-making power protected by the Constitution, and also the revenue-raising power, likewise protected by the Constitution. In other words, we are asked to believe that the lesser is of greater force than the superior. Treaties and laws must give way before agreements which are beneath the dignity of those acts of Government which constitute the supreme law of the land.

Because the President must necessarily have power in the foreign field to make agreements which do not reach the dignity of either treaties or laws, are we now to argue that the treaty-making power and the revenue-raising power may be swallowed up in Executive agreements? To answer that in the affirmative, Mr. President, is to acknowledge that the democratic processes of this Government, as established by the Constitution, are being undermined.

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

Mr. O'MAHONEY. I yield.

Mr. KING. Is not the Senator's statement a little too broad? The Senator stated that the President of the United States may make an Executive agreement. Obviously there are certain fields within which Executive agreements may be made by the President without transcending constitutional limitations, but it seems to me it would be a little too broad a statement to announce that the President would have the authority to make an agreement without limitation or restriction. He might make an agreement affecting revenue or tariffs, which would not be valid because it would not be within the authority which he possesses under the broad interpretation of the authority of the Executive as announced by Mr. Justice Sutherland in the case in which he wrote the opinion. Let me say, not by way of criticism of the Supreme Court or of my dear friend Mr. Justice Sutherland, that I think he went a little too far in conceding authority to the executive department under the theory that it possesses inherent powers outside of those delegated under the Constitution of the United States.

Mr. O'MAHONEY. Mr. President, the Senator from Utah is quite right. What I meant to say, of course, was that an Executive agreement can be made without ratification by the Senate. Frequently congressional authority is given for such an agreement.

THE HISTORIC POSITION OF THE DEMOCRATIC PARTY

Mr. President, it was not my intention to occupy the floor at any great length this morning, and I shall not speak very much longer, but I do wish to call to the attention of the Members of this body the fundamental and primary fact that the position which I take upon this floor today is the historic position of the Democratic Party. So far as my knowledge goes, there has never been a time in all the history of this great political organization when it has not championed the retention by the people of the largest possible amount of initial legislative power. During the long process of development, whereby, beginning in 1890 and down to 1934, the revenue-making power has been in greater and greater degree steadily transferred to the Executive, the spokesmen of the Democratic Party, until this reciprocal-trade agreement was first proposed in this administration, have without exception opposed the surrender of the power of the people's representatives in Congress to fix customs duties.

There never has been a time when its spokesmen upon the floor of the Senate and its spokesmen in the House of Representatives have not resisted grants of the taxing power, regardless of the pretext or of the ground on which the attempt

was made. Always our spokesmen, every great Democratic leader in Congress, from the great statesmen of 1890 down to the passage of the Fordney-McCumber Act has, in the strongest and most eloquent terms, insisted that such a grant of power as contained in this measure is in violation of the Constitution.

Because, as a Democrat, I have been jealous of the right of the elected representatives of the people in Congress to know what disposition is to be made of their most vital interests as involved in the tariff, I have, from the beginning, urged that these trade agreements be submitted to Congress. I proposed such an amendment in 1934 and again in 1937. I could not, without the complete surrender of fundamental political conviction, do otherwise now.

This is a matter of fundamental democratic principle. It is not affected by the fact that the President, today, happens to be a member of my party, that the Secretary of State likewise happens to be a member of my party, and that I have the highest personal admiration and respect for them both. I do not hesitate to say that Mr. Roosevelt ranks among our greatest Presidents and that Secretary Cordell Hull has been one of the greatest of our Secretaries of State. I admire Mr. Hull personally, and honor him as a great and noble man, but I cannot help recalling, as the junior Senator from Nevada [Mr. McCARRAN] so well pointed out yesterday, that when Secretary Hull was a Representative from the State of Tennessee, upon the floor of the House of Representatives, he there took exactly the same position I am taking here today. Not only that, but one of the greatest Senators who ever trod this floor, Senator Thomas J. Walsh, of Montana, than whom there never has been a more distinguished, able, and courageous Democrat, likewise made the argument against the grant of legislative power to the Executive, which I am making today. A man whose reputation had been built up through many years of service in this body, whose progressive tendencies were so well known, whose ability as a constitutional lawyer, and as a champion of the people was so well recognized from one end of the country to the other that he was chosen by Franklin D. Roosevelt to become the adviser of the New Deal in the first Cabinet, Thomas J. Walsh was persuaded to resign his position in this body in order to become Attorney General and great, indeed, was the loss to the people of America, when death stilled his tongue.

THE MEASURE OF DELEGATED POWER

Much has been said here about the measure of delegated power. I want to ask Senators, particularly Democratic Senators, to bear with me while I read just a few paragraphs from a speech delivered in the Senate in August 1922, by Thomas J. Walsh, when he was discussing the question of what constitutes a proper and legitimate delegation of legislative power to any agency. The Senator from Kentucky and the Senator from Mississippi have been asking what constitutes a proper delegation. In the course of the debate yesterday, the majority leader cited the Interstate Commerce Act and asked if that did not constitute a precedent which would justify such a delegation of power to the Executive as is contained in the act now sought to be extended. That question was raised when the Fordney-McCumber Act was under consideration. I am glad to note that the Senator from Kentucky is now in the Chamber, because I want him particularly to listen to the answer given in the words of Senator Thomas J. Walsh.

All the authorities agree—

Said Senator Walsh—

that wherever power of this kind is delegated to an administrative officer it is subject to review by the courts, in order to determine whether the law has been followed and complied with or not, and if provision is not made, or provision does not exist, for such a review in the courts the act cannot be sustained.

That principle has been recognized in all of our legislation. The Interstate Commerce Commission is authorized to fix railroad rates, and to do many other things in connection with the operation of railroads and common carriers generally; but every order it makes is subject to review in the courts, as provided in the act.

In exactly the same way, when we authorized the Federal Trade Commission to issue an order commanding any person complained of to desist from practices in trade alleged to be unfair, an opportunity was given to review in the courts the decision thus made by it, that it might be set aside if the facts did not justify the order that was made.

So we gave a power of review in the case of the "packer" legislation. It becomes necessary, therefore, every time we thus delegate power to fix rates of any kind, or to make any rule or order affecting the rights of a citizen, to give him an opportunity to go into the courts to review any action taken under the power granted and to have it annulled if it shall be oppressive in any way or contrary to the rule laid down by the statute.

Mr. President, it seems to me that that crystal-clear statement from the mind of one of the greatest constitutional lawyers this country ever produced leaves no room for argument in the immediate case, because in the act sought to be extended there is no possibility to review.

What is the test of a proper delegation of power as laid down by the decisions and by the text writers? The test is a very simple one, which defines the distinction between the legislator and the administrator. To the legislator, because he is a representative of the sovereign people and their constitutional spokesman, is committed the responsibility and the duty of exercising discretion and judgment, of considering all the facts and of determining what the law shall be. To the legislator is given the power to make the law; and when that law is made, it must be executed by the administrator, it must be observed by the citizen, and it must be upheld by the courts.

To the administrator, upon the other hand, is committed a distinctly lesser power. It is his duty, not to make the law but to execute the law which has already been made for him. He acts at his peril if he exceeds the provisons of the law. He may be restrained by the courts, which may release the citizen from obedience to his orders. But, observe that there is no appeal to the courts from the law save upon the ground that it is unconstitutional; and an unconstitutional law is no law at all.

So here we have a clear distinction between the law-making power and the law-enforcing power. When Congress delegates, in this modern, complicated civilization of ours, to an executive agency the power to execute its policy, to make rules and regulations, to fix rates, or to exercise any other power, all such acts are reviewable by the courts.

Are the rates excessive?

Were the regulations within the scope of the authority?

Was the action of the executive an arbitrary action?

These and many other questions the citizen may ask of the court; and the court must answer; and when the court answers the administrator must heed and the citizen has his protection; because, Mr. President, he appeals to the court for the enforcement of the law as made by the people's representatives from the act of the executive who carries it out.

But what have we here? What have we in this act which was brought into this body in 1934? We have the express denial of review by the courts. Into this bill now said to be a law, in section 2, the second sentence thereof, was written this sentence:

The provisions of sections 336 and 516 (b) of the Tariff Act of 1930 shall not apply to any article with respect to the importation of which into the United States a foreign trade agreement has been concluded pursuant to this act.

Section 516 (b) was the section in the Tariff Act of 1930 which preserved to producers and manufacturers the right of court review. The Trade Agreements Act takes it away; and when the act took away that right of review it struck down the entire difference between a proper and an improper and unconstitutional delegation of authority.

THE WARNING OF SENATOR WALSH

Mr. President, yesterday I remarked upon this floor that conditions in the world clearly point to the fact that the democratic system of government is under attack. We know that the United States of America is almost the only great nation in which popular government still remains. Are we, under the excuse of complexity of our problems; are we, because of difficulty of enforcement, to surrender the power

and responsibility of the legislative arm of this Government to make the law in a democratic way?

Again, Mr. President, I call the attention of Senators to the language of Thomas J. Walsh, than whom there is not now nor ever was a more authoritative spokesman for the Democratic Party or for the sovereign people. He was talking about the delegation to the Executive in the Fordney-McCumber Act:

Whatever doubt may be entertained by anyone concerning the constitutionality of the amendments under consideration, no doubt ought to exist in the mind of anyone, in my judgment, as to their unwisdom. Their stoutest defenders will probably disclaim any attachment whatever to the principle they represent as a feature of a permanent tariff policy; indeed, they hasten to convey the assurance that, were it not for the chaotic business conditions which prevail throughout the world and the instability of foreign exchange, they could not be induced to embrace it or even to tolerate it. Some apology, Mr. President, is certainly in order for such an astounding delegation of the functions of Congress to the Executive, vesting him with an authority no constitutional monarch may exercise, in character quite like that for the assumption of which kings have been brought to the block.

No emergency, however grave, can justify the surrender into the hands of the President of the taxing power intrusted by the people to their representatives in Congress, no matter how profound may be his statesmanship or how exalted may be the character of the man who for a brief period may be elevated to that high office. If this encroachment upon the liberties of the people is either sanctioned or condoned, there is no man wise enough nor prescient enough to foresee the ultimate consequences.

It is said that an exigency exists demanding this departure from the settled policy of our Government. Our skies are never wholly clear; emergencies continually confront us, and when they are wanting an ambitious President or an indolent or subservient Congress will have no difficulty whatever in conjuring up such.

Mr. President, can any Democrat listen to those words and have any doubt remaining in his mind that this Congress should not permit itself to be classified with those Congresses, the possibility of which Thomas J. Walsh foresaw, which, because of indolence or subservience, would be willing to surrender the power given to the Federal Legislature under the Constitution to protect the people by making the people's laws?

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 6724) to provide for the prompt deportation of aliens engaging in espionage or sabotage, alien criminals, and other undesirable aliens.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 51), in which it requested the concurrence of the Senate, as follows:

Resolved by the House of Representatives (the Senate concurring), That the time for making the report of the Joint Committee on Forestry (established pursuant to S. Con. Res. 31, 75th Cong.) is hereby extended to April 1, 1941, and any amounts available for the expenses of such committee shall be available for expenditure until such date.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. VANDENBERG obtained the floor.

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

The PRESIDENT pro tempore. The clerk will call the roll.

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

Adams	Clark, Mo.	Harrison	McKellar
Ashurst	Connally	Hatch	McNary
Austin	Davis	Hayden	Maloney
Bankhead	Donahey	Herring	Mead
Barkley	Downey	Holman	Miller
Bilbo	Ellender	Holt	Minton
Bone	Frazier	Hughes	Murray
Bridges	George	Johnson, Calif.	Neely
Bulow	Gerry	Johnson, Colo.	Norris
Byrd	Gibson	King	Nye
Byrnes	Gillette	La Follette	O'Mahoney
Capper	Glass	Lee	Overton
Caraway	Green	Lodge	Pepper
Chandler	Guffey	Lucas	Pittman
Chavez	Gurney	Lundeen	Reed
Clark, Idaho	Hale	McCarran	Reynolds
Russell	Smathers	Thomas, Utah	Wagner
Schwartz	Smith	Tobey	Walsh
Schwellenbach	Stewart	Townsend	White
Sheppard	Taft	Tydings	Wiley
Shipstead	Thomas, Idaho	Vandenberg	
Slattery	Thomas, Okla.	Van Nuys	

The PRESIDING OFFICER (Mr. McCARRAN in the chair). Eighty-six Senators having answered to their names, a quorum is present.

Mr. HARRISON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Mississippi?

Mr. VANDENBERG. I yield.

Mr. HARRISON. In view of the remarks made yesterday by the Senator from Colorado [Mr. JOHNSON] and those made this morning by the Senator from Wyoming [Mr. O'MAHONEY] with reference to the sugar agreements with Cuba, in which they quoted the Secretary of State of the United States, I may say that I have just received a letter from the Secretary of State apropos this matter, which I desire to have inserted in the RECORD at this time.

The PRESIDING OFFICER. Is there objection?

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

DEPARTMENT OF STATE,
Washington, March 27, 1940.

The Honorable PAT HARRISON,
United States Senate.

MY DEAR SENATOR HARRISON: My attention has been called to the remarks of Senator JOHNSON of Colorado in yesterday's CONGRESSIONAL RECORD on the subject of sugar and the Cuban trade agreement.

The supplementary agreement concluded with Cuba on December 18, 1939, to which Senator JOHNSON referred, in effect restored the provisions relating to sugar of the trade agreement concluded in 1934, with relatively little change. Under the amended agreement the restored rate of 90 cents remains contingent upon a system of sugar-quota limitations such as is provided in the Sugar Act of 1937. Thus the substance of the protection of American producers, inherent in the linking of the tariff concession with the domestic-sugar program, is maintained.

The principal change made by the supplementary agreement provides a safeguard for the American consuming public in the event of a temporary suspension of the sugar-quota restrictions in consequence of an emergency situation such as occurred last September.

It will be recalled that, following the outbreak of the European war in September, sugar prices increased very rapidly and a fear arose on the part of consumers of a possible shortage in sugar supplies. The price of refined sugar rose within a few days from about 4.30 cents per pound to 5.60 cents. On September 11, in consequence of this situation, the President suspended the sugar quotas.

Under the terms of the 1934 agreement with Cuba, however, there resulted an automatic increase in the duty on Cuban sugar from 0.9 cent per pound to 1.5 cents. The effect of this increase was to reduce our imports of Cuban sugar very substantially.

This tariff increase was injurious to our trade with Cuba and placed a substantial burden on an important part of our sugar supplies at the very time when action was taken to make larger supplies available.

In his statement yesterday Senator JOHNSON quoted extracts from my reply of February 7, 1940, to Representative MOUTON. I would like to complete the reference by quoting the final paragraph of that reply.

"As you know, the increase in the duty on Cuban sugar which resulted, under the terms of the sugar note included in the 1934 agreement with Cuba, from the suspension of sugar quotas last September operated to place a substantially increased burden on the importation of Cuban sugar precisely at a time when consumers feared a shortage of sugar and when there had been a large speculative increase in the price of sugar."

With reference to the excise-tax and benefit payments, to which Senator JOHNSON also refers, I may point out that this tax continued to be levied on Cuban sugar, as on other sugar during the period of the quota suspension, and it is my understanding that the benefit payments continued to be made on domestic crops marketed during that period. Cuban producers, of course, do not receive such payments.

I am confident that, in the light of the foregoing explanation, Senator JOHNSON will agree that it was right and equitable that the American consuming public should be protected in the manner indicated, while at the same time the essential interests of domestic-sugar producers remain protected by the continued linking of the tariff reduction on Cuban sugar to the maintenance of legal provision for sugar marketing quota restrictions.

Sincerely yours,

CORDELL HULL.

Mr. VANDENBERG. Mr. President, I rise in opposition to the pending joint resolution to again extend the life of the

Reciprocal Trade Agreements Act. The people of my State of Michigan are seriously divided upon the subject. There are those who earnestly believe in the Hull program; there are those who equally earnestly do not believe in it. Therefore I feel that I owe it to myself, to the record, and to my constitutents to indicate plainly why I now asume the position which I take. I never like to leave any misunderstanding regarding my attitudes or my views. My constituents are entitled to know precisely where I stand.

Mr. President, I oppose the pending measure for the following categorical reasons:

First. The trade-agreements law continues to be an unconstitutional delegation of legislative power and discretion to the Chief Executive. It delegates the treaty power, the tariff power, the internal taxing power, a combination of surrenders which could not be more flagrant or more subversive of the American constitutional system.

Second. It delegates to the Executive, in actual practice to a State Department bureaucracy which finally operates in despotic secrecy, the virtual power of life and death over every protected industry, every protected industrial job, and every protected agricultural commodity in the United States. As Secretary Hull himself once said of an infinitely less expansive delegation of the tariff authority, "This is too much power for a bad man to have, or for a good man to want." It is economic dictatorship come to America.

Third. Through its blind attachment to the unconditional most-favored-nation policy, at a time when most of the rest of the world renders only the scantiest lip service to this doctrine of generalized trade equities, it is slowly but surely, if not deliberately, driving the United States to a basis of uncompensated low tariffs which will ultimately wreck us just as surely as too low tariffs heretofore have always been poison to American wage and living and price standards. We cannot preserve American standards—higher than anywhere else on earth—unless differentials between foreign and domestic costs of production are equalized by protective tariff at the customhouse.

Fourth. It is a weak and wholly inadequate instrumentality for serving even the purpose for which it is presumed to be dedicated, namely, the defense and promotion of our foreign trade, because war conditions and prospective post-war-trade competitions involve a multitude of trade weapons which these wishful reciprocal treaties do not and cannot remotely touch. We require a far more realistic and effective foreign-trade program, one which "fights the devil with fire," if I may use the colloquialism, and one which is geared more intimately to foreign-trade obstacles on the one hand and to the necessities of our own domestic economy upon the other. I yield to none in my desire to promote foreign export trade by every legitimate means which do not create more problems than they solve.

Fifth. It is not working, it cannot work, as was hopefully intended, except in favored spots, and the best exhibit to prove that in a nutshell is submitted to us by the United States Department of Commerce, which tells us that in 1933, the last full year before any trade agreements were in operation, 2,384,000 of our people were engaged in the production, distribution, and servicing of goods for export; whereas in 1937, a full year after the treaties were in operation, the people thus employed numbered only 2,400,000. In other words, the increase was little or nothing and purely incidental in respect to the revival of world trade and our share in it.

Sixth. The alternative is not to abandon all pursuit of foreign trade and all defense of our external commerce. The alternative is not to revert to what is rightfully condemned as logrolling, general revisions of the tariff. The alternative is to seek reciprocity which tangibly reciprocates; to provide a concentrated foreign-trade authority which can cope with all the external trade penalties which American export increasingly confronts; to keep our tariffs elastic, through the medium of a ministerial agency which responds to specific congressional criteria, and in constant adjustment to American costs of competitive production.

Mr. President, I shall endeavor to sustain in somewhat greater detail, although still briefly, each of these six points. But before I do so I think I owe it to candor to make it plain that a substantial sector of the constituency which I have the honor to represent disagrees, at the moment, with the position which I assume and assert. For example, a vast majority of the great automotive industry, which largely centers in Michigan, not only enthusiastically applauds this reciprocal trade treaty law but unreservedly recommends the unencumbered passage of the pending joint resolution.

In the negotiation of these trade treaties, the State Department has been consistently considerate of the automotive industry, and unquestionably has been helpful to it in spots. That industry is the key industry in America today, and if we are to proceed under this particular law, it is to the credit of the State Department that it does everything it can to promote the external welfare of this industry.

I owe it to candor—and certainly to a substantial part of my constituency—to further state that many great commercial bodies, like the Detroit Board of Commerce, approve the Hull program and advocate its unlimited continuation. But I ask Senators to contemplate the position in which I thus find myself, and to attribute to me what must be a profoundly deep conviction when I step away from these great sectors of my constituency to agree with those other sectors, principally in the farming area, in the smaller cities, in the protected industries, and in the mining area, who insist that a continuation of this program is to their everlasting hazard.

I disagree with these power industrial interests of my State with the greatest reluctance, but the fact that I disagree I hope proves the deep sincerity with which I cling to the position I have taken ever since this Hull program has appeared in the halls of Congress. I want to save American wage standards in our factories. I want to promote parity prices on our American farms. I want to protect our American advances toward greater social security than has been attempted anywhere else on earth. It cannot be done, Mr. President, if we are leveled off, in any degree, to foreign standards.

Mr. President, I may say at that point in respect to the automotive industry, since it is a matter of great concern, and since it is constantly used as one of the great exhibits to defend the utility of the Hull program, that the testimony of those who spoke for the industry before the Senate Finance Committee, is a substantial answer to their own assertions respecting the value and the importance of the contribution which the Hull program makes to their export prosperity. This is what I mean. They present figures which show that their automotive export trade has increased from $76,000,000 in 1932 to $282,000,000 in 1938, and they invite the inference that that great increase is substantially attributable to the Hull program. But, Mr. President, when you break their figures down you find that they had recovered $250,000,000 of their $282,000,000 before the Hull program was even substantially under way. In other words, the major recovery in export trade, be it the automotive industry whose figures I am particularly quoting, or any other industry—the major recovery in exports is not due to the Hull program. It is due to the recuperation of world consumptive buying power, and no other conclusion can honestly be drawn from the statistics.

I have said that others of my constituents do agree with the position I take. I think every farm organization in Michigan, precisely like every substantial farm organization in the country, has insisted upon at least some sort of additional protection before this law shall be extended, and in all but one instance every other major agricultural organization is insisting, either that the whole program shall be suspended, or that Senate ratification of future treaties shall inject some small degree of representative democracy and democratic protection into this terrifically important trade process.

There are other interests in my State of Michigan that are involved. Mr. President, the Upper Peninsula of my State would be literally on fire against this measure today if the State Department, with a shrewd precaution worthy of practical diplomacy at its best, had not hastened to announce on the threshold of this discussion that it has decided at least for the time being to forego any tampering with the excise tax on copper in connection with the still pending Chilean negotiation. Yes, and the great sections of the agricultural West would be marching against this measure if the State Department on the eve of this issue had not conveniently announced its abandonment of negotiations for an Argentine treaty, which could not have failed to jeopardize our western agricultural interests. These gentlemen may not be logrollers, but at least they are extremely practical in their strategy.

It can be argued that these timely announcements prove that the State Department does not intend to abuse its power, but, Mr. President, that is not enough for me. I do not think any powers should exist which can be abused. I prefer that the chastening and ameliorating influence of congressional review should always and constantly be present to temper the wind to the shorn lamb and to keep the State Department in constant consciousness of the presence of a House and Senate on the hill, when handling any sector of our foreign relations.

There is one other preliminary thing I wish to say. I wish to join in the expression of deep personal respect for the distinguished Secretary of State, for whom this measure is the climax of a consistent life ambition. I consider Cordell Hull one of the great men of his time. He has a purity of character and an integrity of purpose that shines like the noonday sun in a clear, blue sky. He believes in low tariffs. He has always believed in low tariffs. He devoted a distinguished congressional career to the pursuit of low tariffs. He has never deviated in his course. At last he has found a way to get what he wants.

But I happen to be a congenital protectionist. So our paths part. For precisely the same reason that he is basically in favor of this measure I am basically against it. Nonetheless I present him with my respect, and my affection, and my congratulations that, in the language of the street, he has found "there is more than one way to skin a cat." What he could not get in Congress he now gets from Congress.

Mr. President, let me develop without too much detail the fundamental points to which I have adverted, which move me to oppose the pending measure. Even if it were possible to concede a great cash-register advantage to us from the Hull treaties, which I deny, I am unable to accept commercial advantage as an excuse for breaking down the constitutional formula which protects an American interest in free institutions wholly transcending transient profits from trade. Certainly none of us will consciously put a price upon our constitutional fidelities. Yet the pending measure creates, in the fictitious name of commercial profit, a complete emasculation of constitutional warrants and controls.

There are few, if any, Democrats upon this floor who do not violently condemn the elastic provision of previous tariff laws as an indefensible delegation of congressional power and discretion to the President. Yet these "elastic tariffs" which they all condemn put the President within the boundaries of a hard and fast rule that he must not reduce American duties below the difference in cost of production at home and abroad. The Hull law contains no such rule of thumb at all; it contains no effective limitations. There is a vague and general permission which lets the President—that is to say, a committee of State Department bureaucrats—do whatever they please, within a 50-percent range—whatever they think will please, America, according to their economic ideas.

If they happen to think that free trade will benefit America, we forthwith get as much free trade as they can give us. They, the State Department bureaucrats, thus settle a great question in fundamental policy which heretofore has been an undefiled prerogative of the American people to settle for themselves at the polls in the election of a Congress which should act for itself; or, better still, through a scientific tariff control continuously exercised through a foreign-trade board acting within specific statutory limitations.

This thing now being done was not what the Constitution intended. It is not what Secretary Hull himself thought and said the Constitution intended—until he reached his contemporary eminence.

I am now referring to the same exhibit which was presented to the Senate by the able junior Senator from Nevada [Mr. McCARRAN], who now occupies the Presiding Officer's chair, in his able and unanswerable address yesterday. It is so important as revealing a fundamental philosophy for which the Secretary of State himself was a flaming devotee and advocate that I must refer to it again.

While Mr. Hull was a Member of the House of Representatives he opposed the "elastic tariff," and, I repeat, the "elastic tariff" was an infinitely minor delegation of power compared to this—he opposed this lesser delegation of power in a speech on May 13, 1929, from which I quote. Mr. Hull is speaking:

> The proposed enlargement and broad expansion of the provisions and functions of the flexible-tariff clause is astonishing, is undoubtedly unconstitutional, and is violative of the functions of the American Congress.

Secretary Hull speaking:

> Not since the Commons wrenched from an English King the power and authority to control taxation has there been a transfer of the taxing power back to the head of the Government on a basis so broad and unlimited as is proposed in the pending bill.

Secretary Hull still speaking:

> As has been said on a former occasion, "this is too much power for a bad man to have or for a good man to want."

Mr. Hull still speaking:

> This proposal embraces another revolutionary policy—

"Revolutionary policy" is the phrase which the eminent Secretary used to describe this lesser delegation of power a decade ago—

> This proposal embraces another revolutionary policy, which is to abandon the law and the Republican doctrine to the effect that all tariffs should be measured by the difference between production costs here and abroad by adding a number of alternative so-called methods to ascertain what is termed conditions of competition between this and other countries. It is proposed thus to give the President and his Tariff Commission, which, by the way, is virtually taken away from Congress, authority to use what in practical effect will be any sort of basis on which to fix tariff rates.

Mind you, he is complaining against any legislation which delegates tariff-making authority either to the Executive himself or to the State Department, or to the Tariff Commission, which in practical effect permits them to choose "any sort of basis on which to fix tariff rates."

That simply was not so in connection with the thing he was talking about at the time, but it is a complete and accurate definition, word for word, of the delegation of power which the Secretary not only now accepts but urges that he shall have the privilege to continue to accept for 3 more years.

Mr. Hull was later in the Senate. I repeat, he has always been a very consistent man up to this point. Even at this point he is consistent because he is obtaining low tariffs through a back-door method, but he ceases to be consistent with respect to his attitude toward this delegation of power.

This is Mr. Hull speaking in the Senate on May 19, 1932:

> The President goes further and refers to the retention of the flexible-tariff clause. At the time this clause was enacted I called attention in a speech in the House to the significance of this flexible-tariff policy and the effect of the proposed enactment of the present law in the following language—

Whereupon he quotes himself as I have already substantially quoted him. Then Mr. Hull continues:

> Unless and until the executive department can make permanent the policy of the present Tariff Commission law, with its flexible provision, Congress can lay claim to some semblance of its taxing power under the Constitution; but I deny the right of the executive department practically to assume—to arrogate to itself—the chief power of tariff taxation in this country, while it ignores the great lawmaking body charged with that function and duty under the language of the Constitution.

If that is not a literal definition of the thing which the Senate is now asked once more to approve, then I cannot understand the English language.

This is some more from Mr. Hull:

> There is an issue sharply presented as to whether this hand-picked high-tariff commission, under the domination of the President, who at the same time shows an amazing subserviency to the chief tariff beneficiaries of this country, shall be vested with the chief control of tariff making. I am opposed to it, and I believe that the sober second thought of the American people will repudiate this unprecedented and unusual and wholly unjustifiable arrogation of power and authority to the President.

Mr. President, that was excellent doctrine on May 19, 1932, and it is excellent doctrine on March 27, 1940.

Thus, Mr. President, we find that he who insisted only 8 years ago on the unconstitutionality of the elastic tariff—which, remember, was far more limited than the pending reciprocal-tariff powers—is now the earnest sponsor of a continuing proposal which removes Congress still further from its rightful authority in tariff making. It is impossible to compose these violently different points of view. The elastic tariff, which Mr. Hull and most of his colleagues said was unconstitutional, did not permit the President to make a treaty or a commercial agreement with anybody. It did not permit the President to invade the internal-tax structure of the country and change existing internal-tax laws or to tie the hands of Congress against future changes in internal-tax laws. It stopped far short of the enormous Executive prerogatives which the pending joint resolution would validate and extend. It laid down a cost-of-production rule which the Executive could not violate. Yet Mr. Hull said time and again that these lesser elastic tariff powers were the most reprehensible surrender of popular sovereignty "since the Commons wrenched from an English King the power and authority to control taxation."

The Supreme Court has said that Mr. Hull was wrong in respect to the elastic tariff, because—quoting from the Supreme Court—that law laid down "by legislative act an intelligible principle to which the person or body authorized to fix such rates is directed to conform," and because the law left no discretion upon these questions to the congressional agent.

These elements are wholly lacking in the pending measure. Yea, more, the joint resolution goes infinitely further. It sometimes gives exclusive treaty-making powers to the President, as I have demonstrated with the Colombian exhibit. It gives power to the President over internal taxation, as we find when he reached into the excise taxes on copper, coal, oil, and lumber, although the distinguished chairman of the Senate Finance Committee stood upon the floor of the Senate at the time the law was passed and assured us upon his responsibility that the President would have no such authority to invade the excise taxes to which I have referred.

Mr. President, I oppose such a clearly unconstitutional surrender of legislative responsibility; and I am consoled by the thought that Secretary Hull himself, as recently as 1932, would have given me powerful support in my position. In the light of the record, he could not have done otherwise. In the light of the record, I shall sustain what I believe to be the constitutional position.

One of two things should happen. Either these treaties should come back to the Senate for ratification or the law should be amended to provide specific criteria to prevent the State Department negotiators from ignoring the adequate defense of American costs of production. Better still, we should create a foreign-trade board, which, among other things, shall permanently keep the tariff in nonpolitical adjustment to American costs of production. I have introduced such a bill.

I now leave the constitutional argument to the lawyers. However, there is a phase of it which even a layman can comprehend. Many industries in this country cannot survive without legitimate and adequate tariff protection to equalize our higher wages, costs, and living standards. Many agricultural commodities cannot survive in unequalized competition with foreign agricultural imports. This is a condition, not a theory. But the Reciprocal Trade Agreements Act permits a committee of State Department bureaucrats to decide for themselves—in ultimate secrecy—whether protected industries and commodities shall live or die.

They decide for themselves which industry and which commodity shall be traded off in favor of benefits for other more fortunate industries and commodities. They pick the winners, and they pick the losers. If they are omnisciently wise, all is well. If they are wrong, the victims suffer without recourse; and the victims are the people of the United States. If they believe that wisdom dictates a rule that no American activity is entitled to survive unless it is economically able to meet foreign competition without a protective-tariff differential—that view is highly held by some of the administration's chief spokesmen, and has been asserted more than once—if that be their view, then goodbye to many protected industries and farm commodities under the latitude of the pending joint resolution. Goodbye also to American wage standards, and to at least half the American jobs which still remain filled.

This is a discretion, mark you, placed in the hands of a group of appointed officials who have never answered to the electorate for their power or for their acts. It is the most tremendous of all the delegated powers which have transferred us from democracy to government by executive decree.

It is not enough to say that this power has not been and will not be abused. It is not a question of abuse. It is a question of human judgments. Borrowing the language of Mr. Hull upon a previous occasion, it is too much power for a bad man to have, or for a good man to want. It leaves all protected agriculture and all protected industry in a state of constant suspense and uncertainty. It defeats long-range planning and long-range recovery. It makes dependable planning in private enterprise impossible. It makes government the master of American industry and agriculture. Even though it were to produce economic benefits—which I deny, considering the country as a whole—still I confess that I cannot understand how some of our great industries, even though they may themselves be the transient beneficiaries of the system, can upon the one hand demand free enterprise and inveigh against the deadening hand of bureaucracy, while on the other hand they sustain the reciprocal trade-treaty law, which is the deadliest hand of bureaucracy which has yet descended upon American life. The battle for freedom cannot be a battle of any such compromise; and I shall continue to decline the compromise.

Mr. President, I now wish briefly to discuss the double proposition: First, that it is impossible for the United States to operate safely under the so-called unconditional, most-favored-nation policy in a world at war; and second, that the reciprocal formula in the joint resolution is wholly inadequate, if not actually a handicap, in meeting the external trade-controlling devices which dominate the world at war and will inevitably dominate the competitive post-war trade readjustments.

Despite the bravely wishful suggestions of the Under Secretary of State Welles in Paris 2 weeks ago to the contrary, there can be no argument that straight tariffs are now a relatively minor factor in the trade controls with foreign governments. Yes; and even we ourselves have not hesitated to invoke export subsidies and barter agreements upon occasion in complete negation of our own contemporary philosophy. We can scarcely criticize others for kindred realism, but, as realists ourselves, in the face of these conditions, we should no longer lean on one poor, broken crutch. It is neither wise nor safe.

Straight tariffs, I repeat, are now a minor factor and will be for many years to come. Instead we face exchange restrictions, exchange allotments, bilateral agreements, quotas, embargoes, barters, special regulations, formation of trade areas, currency blocs, and, the most devastating weapon of all, depreciated currencies. Few of these trade barriers

against us are ever conclusively reached by reciprocal-trade treaties. Under the unconditional most-favored-nation policy, which we still faithfully pursue, we generalize all our tariff benefits to others; oh, yes; foreigners get everything; there is no question about that; but we get precious little generalized reciprocal benefits in return under existing conditions. We saunter complacently down a one-way street, and we are about to lose our shirts.

As long ago as 1935, 5 years ago, the very able Assistant Secretary of State, Henry F. Grady, now in charge of the reciprocal-trade treaties at the State Department, said this:

Even more serious than tariffs and trade barriers and far more threatening with respect to the future of world industrial development, is the virtual destruction during the last 4 years of the structure of international prices because—

Because of what? Because of tariffs? Oh, no.

because of the gross discriminations, preferential trading arrangements, and the arbitrary control of trade through import quotas, exchange allocation, and the like.

That was back in 1935. The intervening years, despite trade treaties, have not leveled off these obstacles; on the contrary, they mount higher and ever higher.

The Bureau of Foreign and Domestic Commerce says, in its annual report for 1939:

Obstacles to foreign intercourse * * * became perhaps even more numerous and more complex during the past year than in preceding years. * * * Various forms of exchange restrictions imposed by foreign governments have created a problem of obtaining effective payments in dollars quite apart from the ordinary difficulties of securing and holding foreign markets for American products. Not only are restrictions placed upon the free conversion of foreign currencies into dollars, but it may be required also that exchange allotments must be obtained before goods are passed through customs or even before goods are ordered. Imports from the United States are frequently on a different footing from shipments originating in other countries.

Mark that phrase—

Imports from the United States are frequently on a different footing from shipments originating in other countries.

This is the testimony of the Department of Commerce. We are supposed to be trading under the unconditional most-favored-nation theory in dealing with the world and the world is supposed to reciprocate in dealing with us in kind. If they deal with us in kind, they treat us as they treat others. What does the Department of Commerce say about the way they treat us. This is what the Department of Commerce says:

Imports from the United States are frequently on a different footing from shipments originating in other countries, notably in instances in which clearing and compensation agreements are in effect or in which bilateral trade results in an excess of exports from this country; and special regulations are sometimes applied to the importation of particular commodities. Transfers of dividends, profits, royalties, and other payments not directly related to trade in goods are often subject to rigid controls. Moreover, the operations of American-owned enterprise in certain foreign countries, involving investments of large propositions, have been placed under severe disabilities.

This is still the Department of Commerce discussing the realities of the obstacles to our export trade, realities that utterly laugh at any conclusive relief that can come from reciprocal-trade treaties:

In the case of barriers to trade in goods there has been increasing resort to measures beyond the familiar tariff duties. For example, quota systems which stipulate maximum quantities of specified commodities which may be imported from all countries, have become common. * * * The situation has been rendered the more confusing during recent times by political dislocations in central Europe and Asia and by the formation of trade areas and currency blocs to which access from outside areas is completely or partially closed by the use of extraordinary control devices.

That is what we confront, "extraordinary control devices" on every hand all around the globe. Yet we blandly, naively extend the "unconditional most-favored nation" privilege to the world, and we usually get nothing back from it except a very casual and occasional general tariff benefit. There are some exceptions but not many.

In the hearings before the Senate Finance Committee, Secretary Wallace very frankly said—page 67:

I would say exchange controls and quotas are probably more significant than tariffs.

Of course they are. Yet the Trade Agreements Act, which is supposed to be the alpha and omega of our export salvation, deals almost solely with tariffs, and tariffs are utterly a minor factor in the problem which we confront in this war-torn world and in the inevitably highly competitive circumstances which will control the post-war readjustment.

Secretary of State Hull himself said before the National Foreign Trade Convention in New York City on October 10, 1939:

From the very outset of the present war, the belligerents have begun to subject their foreign trade to rigorous government controls, which have already far surpassed in comprehensiveness and thoroughness the regulations put into force during the earlier period of the last war. The drastic restriction by the belligerents of imports unessential to the prosecution of hostilities and their concentration on imports needed for war will place before our exporting industries serious problems of adjustment. Whether the net result of these factors will be an increase or a decrease of our total exports to Europe, no one can tell at this moment. Whatever the result, it will be determined by conditions over which we have little or no control.

That is my complaint, among others. It is one of my fundamental complaints against extending the trade-treaty program at the present time.

The distinguished Senator from Colorado [Mr. JOHNSON], who now occupies the chair, repeatedly stated in the hearings before the Senate Finance Committee that it might be well to leave the existing treaties where they are, but to stop where they are for the period of the present and approaching emergency, because conditions are so utterly chaotic, so utterly unpredictable that it is absurd to think that we can deal with them on any such wishful good-neighbor basis as we have contemplated in the past. I am not complaining about good neighborliness or even about the unconditional favored-nation policy in connection with tariffs in normal times; that is all very well; but these are abnormal times. Mr. Hull himself says that the result of these trade obstacles around the world will be determined by conditions over which we have little or no control. Yet we go right along writing unconditional most-favored-nation tariff treaties, giving everything we have to everybody else in the world, holding nothing back, while the world, in turn, gives us precious little reciprocating dividends, and we cannot do anything about it under existing circumstances.

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

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). Does the Senator from Michigan yield to the Senator from Mississippi?

Mr. VANDENBERG. I am very happy to yield.

Mr. HARRISON. So the Senator is against the most-favored-nation provision in trade agreements?

Mr. VANDENBERG. Yes; under war and post-war readjustment conditions.

Mr. HARRISON. Does the Senator make that exception? He agrees with the platform of his party in 1932 and in 1928, does he not?

Mr. VANDENBERG. Yes, indeed.

Mr. HARRISON. And he is in agreement with the views and expressions of Chief Justice Hughes on this question?

Mr. VANDENBERG. The Senator is going back to 1922. I have forgotten precisely what the Chief Justice said when he was Secretary of State, but I am inclined to think that what he said I could agree with.

Mr. HARRISON. He did not say anything about an exception in time of war. He himself was strong for the most-favored-nation clause.

Mr. VANDENBERG. He was acting then in a peace era and did not have the conditions to confront which we confront today.

Mr. HARRISON. And the Senator's party said nothing in its platform about war being an exception.

Mr. VANDENBERG. It does not make any difference whether the platform said anything about a war exception or not; I make a war exception so far as I am concerned, and the war has made an exception whether the Senator from Mississippi or I like it or not.

Mr. HARRISON. I just wanted to get the matter clear, because the Senator's views will have great weight through-

out the country, and they might be accepted as a repudiation of his party's prior platform; and we would not want that to happen.

Mr. VANDENBERG. No. I appreciate the Senator's belief that Senatorial opinion still has some authority in the country. If it does, the statement which the Senator from Mississippi himself signed—if he wants to discuss ancient history—on September 29, 1929, ought to have a great deal of influence with the country.

Mr. HARRISON. When I signed that statement the Supreme Court had not passed on the question; and I abide by the action of the Supreme Court, as expressed through Chief Justice Taft.

Mr. VANDENBERG. Yes; the Senator has to abide by the opinion of the Supreme Court, and so do I.

Mr. HARRISON. Yes; and I thought the Senator from Michigan was a good enough soldier to abide by it also.

Mr. VANDENBERG. So do I have to abide by it. As a matter of fact, the Court sustained my own position when it repudiated the position of my genial friend the Senator from Mississippi. But I do not have to surrender any great, fundamental convictions if the Court and I should happen to disagree upon some proposition; and when I read what the Senator from Mississippi had to say in 1929 about the horror and the degradation to which Congress was submitting itself by delegating a little, limited, elastic-tariff power to the United States Tariff Commission and the Chief Executive, I am amazed that even his fidelity to the opinions of the Supreme Court can so completely wipe out all of the convictions which he so bravely asserted upon that occasion. Mr. President, it almost breaks my heart. I will not read the statement. [Laughter.]

Mr. HARRISON. It would be the best part of the Senator's speech if he should read it. [Laughter.]

Mr. VANDENBERG. Under the Senator's urging, I will read it. [Laughter.] The Senator from Kentucky [Mr. BARKLEY] will now have to relieve me of the hopeful promise I made to him that I should be through in 60 minutes.

Mr. BARKLEY. Mr. President, of course it is not the first time a Republican ever broke his promise. [Laughter.]

Mr. VANDENBERG. No; but I can think of no Republican promises that have been broken so spectacularly as certain Democratic promises. What were some of those promises about reducing the expenses of government 25 percent? Well, that breaks my heart, too. I will not go into that subject. [Laughter.]

Mr. HARRISON. If it will please the Senator or shorten his speech so that we may get along, I will admit everything that appeared in that statement at that time.

Mr. VANDENBERG. I thank the Senator for his confession.

Mr. HARRISON. And I withdraw the suggestion that if the Senator should read the statement, it would be the best part of his speech.

Mr. VANDENBERG. All right. That further complicates the situation.

I will compromise with the Senator from Mississippi, and content myself with merely a few quotations from the philippic which he delivered in 1929 against a very modest, limited delegation of tariff-making power to the Executive under the elastic provision.

Was the Senator about to rise?

Mr. HARRISON. No, Mr. President. I merely want to say that I have heard that statement so often from Republican lips that I know it by heart; but I am not going to let that cause me to read from the Senator's speech of 1932, which was just opposite to the position he has now taken.

Mr. VANDENBERG. I disagree with the Senator. I will stop right now and let him read that speech. I should like to hear it.

Mr. HARRISON. No. The Senator talked about logrolling, and bringing tariff changes back to Congress for approval, and so forth.

Mr. VANDENBERG. No; let us have a quotation. The Senator has charged me with inconsistency. According to the Senator from Arizona [Mr. ASHURST], that is not a crime; but I should like to know in what respect I am inconsistent.

Mr. HARRISON. The Senator has not yet argued the question of submitting agreements to Congress for approval. I imagine that will be in his second edition.

Mr. VANDENBERG. The Senator thinks I am going to be inconsistent by and by?

Mr. HARRISON. Probably, yes; because the Senator talked about logrolling, and about tariff changes having to come back to Congress for approval.

Mr. VANDENBERG. Suppose we wait until I am inconsistent before I discuss the matter.

Mr. HARRISON. Very well; then I will delay it. [Laughter.]

Mr. VANDENBERG. Mr. President, these detours are very interesting and somewhat illuminating, but they really do not bear very heavily upon the desperately important point which is before the Senate. I think I shall return to my fixed plan of presenting what remains of my argument upon this subject, and simply ask that at this point there be inserted in the RECORD this magnificent statement, which is not alone that of the distinguished Senator from Mississippi [Mr. HARRISON], but is equally the statement of the distinguished Senator from Utah [Mr. KING], the distinguished Senator from Georgia [Mr. GEORGE], the distinguished Senator from Massachusetts [Mr. WALSH], the distinguished Senator from Kentucky [Mr. BARKLEY], the distinguished Senator from Oklahoma [Mr. THOMAS], and the distinguished Senator from Texas [Mr. CONNALLY].

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Missouri.

Mr. CLARK of Missouri. The view which was expressed by those Senators at that time was subsequently overruled by the Supreme Court of the United States; was it not?

Mr. VANDENBERG. Yes. Before the Senator from Missouri came in, we canvassed that ground.

Mr. CLARK of Missouri. I do not want to lead the Senator into repetitious byways.

Mr. VANDENBERG. I simply suggest in rebuttal that although the Supreme Court can decide the law, I am sure my dear friend from Missouri has many convictions which no court could overturn.

Mr. CLARK of Missouri. That is perfectly true, Mr. President; but when I undertake to state a legal proposition, I take the law as it is and not as I think it ought to be.

Mr. VANDENBERG. I am not discussing a legal proposition. I am discussing the theory and purpose of this trade program.

Mr. CLARK of Missouri. The Senator is discussing what these other Senators stated at that time as a legal proposition, upon which they have subsequently been overruled by the Supreme Court of the United States on a number of occasions.

Mr. VANDENBERG. No; the statement is not a statement of a legal proposition at all. In fact, I do not think much is said in the statement about the legalistic phase. It is a magnificent apostrophe to the importance of retaining in the Congress of the United States control over taxation.

The PRESIDING OFFICER. Without objection, the statement will be printed in the RECORD.

The statement is as follows:

JOINT STATEMENT ISSUED BY DEMOCRATIC MEMBERS OF SENATE FINANCE COMMITTEE ATTACKING PRINCIPLE OF PERMITTING PRESIDENT TO PASS UPON TARIFF RATES

September 29, 1929, the eight Democratic members of the Senate Finance Committee issued a public statement in which they attacked the principle of permitting the President to pass upon tariff rates as being unconstitutional and a menace to the democratic form of government. The statement follows:

"A question of far-reaching consequence transcending considerations of party, prompts us to issue a public statement in relation to the so-called flexible provisions of the tariff bill now pending before the Senate.

"The question involved is one that in our opinion strikes at the very roots of constitutional government. It concerns the preservation unimpaired or the abandonment of the power of levying taxes

by that branch of the Government which the forefathers agreed should alone be charged with that duty and responsibility.

"Whatever argument could be advanced during the war and immediately following for delegation to a degree of the taxing power to the Executive unquestionably no longer exists. To incorporate now in the law any recognition of a right of the Executive to impose taxes without the concurrence of the legislative branch is without justification.

"Authority in the Executive to make the laws that govern the course of commerce through taxation is especially objectionable. It is an entering wedge toward the destruction of a basic principle of representative government, for which the independence of the country was attained and which was secured permanently in the Constitution.

"There is no issue here as to the integrity of any Executive who has had or may have extended to him the exercise of this power. The issue is one of taxation by one official, be he President or monarch, in contrast to taxation by the representatives of the people elected, entrusted exclusively with the power to seize the property of the citizen through taxation. If proof were needed that the danger which the forefathers foresaw is inherent in this issue, a mere casual inquiry into the methods employed, selfish influences used, sinister schemes and contrivances brought to bear, one need but examine the record.

"The principle is: Are taxation laws and their application to be made virtually in secret, whatever may be said about a limiting rule, or are they to be enacted by the responsible representatives of the people in the Congress, where public debate is held and a public record made of each official's conduct?

"The arbitrary exercise of the taxing power, all the more dangerous if disguised and not obvious, in its basic character is tyranny. Resistance to the impairment of this popular right has largely occasioned many of the wars and revolutions of the past.

"An issue of this importance should not be associated with the opinions or necessities of those interests, States, or sections that directly profit by some rate schedule in the body of the tariff act. With respect to the principle here at stake, any trading or log-rolling is especially unjustifiable and indefensible. Neither should we be unduly influenced by the attempt to divert attention from this momentous issue by condemnation of and emphasis upon the dilatory and unsatisfactory results of congressional procedure.

"No one seeks to prevent or in any way to interfere with the investigations and reports of the Tariff Commission in connection with emergency tariff legislation. The point is, we emphatically insist that final action and responsibility based on Tariff Commission reports shall be taken by the Congress.

"For the purpose of preventing apprehended congressional delay an amendment has been made providing for the submission of the reports to the Congress by the President, and, furthermore, an amendment will be presented strictly limiting action by the Congress to matters germane to the particular subject matter or rates recommended by the President after investigation by the Tariff Commission.

"We do not hesitate to say that if this extraordinary and what we believe to be unconstitutional authority passes now from the Congress, it is questionable if there will ever again be a tariff bill originated and enacted by the Congress.

"It is our solemn judgment that hereafter all taxation through the tariff, and regulation of commerce thereby, will be made by the Executive. It is the inherent tendency of this tariff-changing device and the apparently conscious purpose of its proponents to use it to keep the tariff out of Congress, where it is such an embarrassing business, as everyone knows, to the party that profits politically by it. So, also, it will be of distinct advantage to the interests that are the direct beneficiaries of the tariff.

"In an age where there has been a steady tendency to rob the individual citizen of his power and influence in his Government through bureaucracy, we deem it our duty to vigorously protest any further encroachments in this direction, and especially with respect to taxation.

"In the hope of arousing the people, regardless of party, to take a broad public view of this important public question, we make this appeal.

"FURNIFOLD M. SIMMONS, of North Carolina.
"PAT HARRISON, of Mississippi.
"WILLIAM H. KING, of Utah.
"WALTER F. GEORGE, of Georgia.
"DAVID I. WALSH, of Massachusetts.
"ALBEN W. BARKLEY, of Kentucky.
"ELMER THOMAS, of Oklahoma.
"TOM CONNALLY, of Texas."

Mr. VANDENBERG. Now, let me get back to a discussion of the unconditional most-favored-nation policy and its relationship to this law, because I think it is of fundamental importance in connection with the decision we are about to make.

In the trade conditions now existing throughout the world, in the presence of all these various new trade obstacles and trade devices, it is absolutely impossible for us to get our money's worth, or anything like our money's worth, under the unconditional most-favored-nation policy. There is an "escape clause" in most of these treaties which would permit us to terminate the treaties on short notice in case of a few of these foreign obstacles; notably, in case depreciated currencies prejudice the industry or the commerce of the United States. But "escape clauses" seem to make little difference. We have never used them, although between the signing dates of the treaties and the last of November 1939 currencies of European agreement countries had depreciated as follows:

	Percent
France	66
Belgium	29
Switzerland	31
The Netherlands	22
The United Kingdom	17
Finland (before the war)	9
Sweden	6

This means that one American dollar buys more foreign money, and that imported goods thus become proportionately cheaper. But look briefly at some of the other barriers which shut us off from most-favored-nation treatment, while we continue to grant most-favored-nation treatment to those who cut us off, making of Uncle Sam a sort of international Santa Claus now, as it were.

The United States Tariff Commission tells me, under date of March 5, 1940, that 1,584 bilateral agreements have been made between other countries since January 1, 1935, which is to say, since our trade-treaty program got into full swing. Some of them are inconsequential, and some do not directly affect trade. This is what the Tariff Commission says about it—and I quote briefly from a recent letter to me:

> Ordinarily, provisions relating to quotas cannot be generalized; and there are more and more important instances of discrimination against the United States in the case of quotas than in that of customs duties.

I do not care where we turn in exploring this problem. We may turn to depreciated currencies, we may turn to embargoes, we may turn to bilateral agreements, we may turn to any of these devices, and I can bring official testimony out of the executive department of the Government, to prove that all those obstacles are infinitely more important to export trade and to the prevention of the recapture of our export trade, than are the regular tariff laws themselves.

I repeat, Mr. President, I am complaining that this is a desperately dangerous time for us to go on with unconditional most-favored-nation agreements, at least until we have weathered our way through the devious and probably devilish post-war competitions which we yet confront in connection with ultimate readjustments.

Mr. AUSTIN. Mr. President, I wish to understand that point more fully, and I ask the Senator from Michigan whether he found that the Executive had reduced the rates of duty on 1,584 items.

Mr. VANDENBERG. No, Mr. President; that is a different figure. I said that other countries, with most of whom we have trade agreements, since January 1, 1935, have made 1,584 bilateral agreements among themselves, giving one benefit to one and another benefit to another, none of which are generalized to us, except with a few casual exceptions.

Mr. AUSTIN. Will the Senator permit an observation?

Mr. VANDENBERG. Certainly.

Mr. AUSTIN. I notice in the CONGRESSIONAL RECORD, page 1768, that Representative ANGELL, of Oregon, makes this claim, namely, that the Executive "has reduced over 1,000 rates of duty, has agreed not to increase rates on 100 additional items, and has agreed not to place duty on some 150 products" which are now on the free list. I am very much interested in the Senator's able discussion.

Mr. VANDENBERG. I think the figures cited by the Senator are correct. The latest compilation I have is approximately the same as that which the Senator has read.

Mr. President, when we generalize to all the world the tariff benefits we give to some one country in a trade treaty on the naive theory that they are going to generalize everything else to us in this present distraught, chaotic world, we inevitably get the worst of it, in the face of all these other trade restrictions. For example, when we reduced our tariff on manganese in the Brazilian trade treaty of 1936, in return for some presumed reciprocal advantage from Brazil,

we then promptly generalized this reduction to all the world. Since then Brazil has sent us 250,000 tons of manganese under the reduced duty, but Russia has sent us 960,000 tons of manganese under the reduced duty. And what did Russia give us in return for this great tariff advantage? I should be glad to suspend and let someone tell me if he knows. What did we get? Exactly nothing, not even the gratitude of Mr. Browder and his fellow travelers.

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

Mr. VANDENBERG. I yield.

Mr. CHAVEZ. With reference to the manganese item, which the Senator is now discussing, at the last session the Senate and the Congress passed the Thomas Act, dealing with strategic materials which have to do with national defense. There are several States, including my own State, which are deeply interested in manganese production and have manganese developments, and while we are trying to get along and develop in an orderly way the manganese industry, in keeping with the Thomas Act and in keeping with national defense, the events to which the Senator from Michigan has adverted have occurred. In other words, instead of helping develop the industry in this country so that we could take care of the slack of unemployment about which we talk once in a while, we are getting manganese from Brazil.

Mr. VANDENBERG. I thank the Senator. That is the way it works. Let me use a very simple, plain example of not only how it could work, but how it will work, undoubtedly, just as soon as the law is extended again; because I am perfectly sure that just as soon as the law is extended we shall then be told that a new reciprocal-trade agreement has been made with Chile, which undoubtedly will reduce the tariff on white beans.

What will happen in connection with white beans? We import 800,000 pounds of white beans from Chile. We reduce the tariff on white beans from Chile on 800,000 pounds in return for some other alleged tariff favor from Chile. Then we generalize that reduction to every other country on the globe, and we proceed to take in 8,000,000 pounds of white beans, chiefly from Russia and Manchuria, under the reduced tariff; and we get nothing in the world in return. It just does not make sense, as I view Yankee trading.

Of course, that is not the worst of the white-bean situation. At the same time we are reducing the tariff on beans, and thus increasing the imports and increasing the surplus, we are using the funds of the Federal Surplus Commodities Corporation to take the surplus off the market.

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

Mr. VANDENBERG. I yield.

Mr. AUSTIN. I should like to ask the Senator from Michigan whether he is aware that that extension is merely one of the legislative acts performed by the Executive, entirely by the Executive, because it happens that we do not have a most-favored-nation treaty with Russia?

Mr. VANDENBERG. Yes; the Senator is quite correct. The National Cooperative Milk Producers' Federation, which, by the way, bitterly opposes the extension of the trade-treaty law, put its story into statistics. It showed the Senate Finance Committee an authenticated table indicating what happened in respect to duty reductions we received and gave on all products in terms of 1938 trade. It showed a favorable balance of $62,000,000 with trade-agreement countries. But all this was wiped out, and more, by a loss of $137,000,000 to nonagreement countries to whom we gave unconditional most-favored-nation treatment.

The theory is that we will get something back from the countries some day, if and when they are reducing their general tariffs; but, I repeat, that is an utterly broken reed in the present condition of world trade. World trade is not being primarily channeled today by tariffs; it is being channeled by embargoes, bilateral agreements, currency allocations, and block exchange, and all these other devices to which I have referred; and, if the Senate does nothing else, I beg of it to listen when the distinguished senior Senator from Wisconsin [Mr. LA FOLLETTE] presents his proposed amendment to the joint resolution, which will at least partially arm us in a world that is armed against us economically.

Mr. President, I have about concluded what I wish to say.

Mr. HARRISON. Mr. President, will the Senator yield in that connection?

Mr. VANDENBERG. I yield.

Mr. HARRISON. Would the Senator object to having printed in the RECORD following his remarks the views and comments of the Tariff Commission with reference to the Holman report, to which the attention of the Senate has been directed?

Mr. VANDENBERG. I have not the slightest objection. I am glad the Senator interrupted me, because I have a letter from Dr. Grady dealing with the subject of unconditional most-favored-nation reciprocal advantages which I think should also be in the RECORD for whatever it is worth.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi? The Chair hears none and it is so ordered.

The matter referred to will be found following Mr. VANDENBERG's address.

Mr. VANDENBERG. Mr. President, I shall avoid any long presentation, at least for the present, of the rival statistics which are available in connection with this question. I think anyone with an ordinarily acute imagination can take the figures which are available in the House and Senate committee hearings and make a tariff argument to any possible conclusion he desires to reach. I would not want anyone to think that the favorable figures which will be presented have a monopoly, however, upon the argument, because it seems to me that an equally honest interpretation of the figures leads to a different result.

I merely wish to go into the figures sufficiently to indicate the foundation for this conclusion. I submit, to begin with, that no figures can be produced to sustain the convenient thesis that the American depression resulted from the Smoot-Hawley tariff of 1930, and that our world trade recovery results from the Hull treaties.

Foreign prices for the basic commodities which enter international trade stood at an index of 160 in 1925. This index fell to 71 by July 1932. Half of this decline, representing a collapse in foreign buying power, occurred prior to July 1930. The Tariff Act of 1930 could not have been even a remote cause. It was merely a belated effort to protect our own market against this foreign situation. It was in line with similar action taken by a large number of other countries at about the same time to deal with the acute world-wide price deflation which continued increasingly to plague us with numerous other devices such as exchange controls, bilateral trade agreements and finally by currency depreciation. Building construction in the United States fell a billion dollars in 1929—a year before the passage of the Tariff Act of 1930—and the total value of stocks on the New York Exchange had dipped 25 billions in this same period. The dollar value of imports fell off nearly 70 percent from 1929 to 1932; but that this resulted from the price collapse, and was not related to our tariffs or our rates of duty, is conclusively demonstrated by the fact that the decrease was at the same rate in the case of "imports free from duty" as in the case of "imports subject to tariff." I have no particular disposition to plead the cause of the Smoot-Hawley tariff or any other general Congressional revision of the tariff because I know, by painful experience, that any such general revision is bound to be a haphazard mobilization of economic decisions that cannot hope to be accurate. I hope we shall never have another general revision. On the other hand, I think the figures prove it to be indefensibly absurd to make the Smoot-Hawley tariff the "whipping boy" of the depression. This administration, in complete control of both branches of Congress, has not once moved in the direction of amendment or repeal. It has been content with a flank attack through the reciprocal trade treaty law. But if it be said that this is their answer, then this measure is frankly a device for the general downward revision of the tariff through the

State Department instead of through the Congress as required by the Constitution. I doubt, Mr. President, whether the prolonged depression can ever be rationalized to a point where we can put an accurate finger on any one cause. But if I were to attempt it, relatively speaking, I should say that the President made one of the major contributions when he forced the collapse of the London Economic Conference in 1933.

But back to the figures for just a moment more. Recovery—that is, relative recovery, because stabilized recovery is still somewhere around that mystic "corner" which we have never reached—relative recovery timidly began in 1932. As foreign prices hit bottom, production declined and inventories were absorbed and prices advanced. With this beginning in world-wide recovery came increases in the dollar value of both exports and imports. This is noted in the world volume of foreign trade as early as 1933. By 1936, when the Hull program got in full swing, we had already increased our exports by nearly a billion dollars and our imports by approximately $700,000,000. Thus, increases in our foreign trade were as great before the trade treaties as they have been since. The Hull treaties had nothing to do with this reversal in trends. The total volume of world trade is the factor of prime control. We had 13.8 percent of world trade—exports and imports—in 1929. This was down to 10.8 percent in 1932. It was still 10.7 percent in 1938. The 1939 figure is not available. Certainly the Hull treaties have helped—in spots. They have hurt—in other spots. The important point is that a world depression hit us in 1929 and we shall ourselves pull out of it, in terms of external trade, in just about whatever degree the world itself pulls out.

Does this mean we need to do nothing about it? No, indeed. We shall not hold our share of world trade except as we are prepared to fight, in an economic sense, for it. I freely concede that the Hull program conscientiously pursues this purpose. It was intended to implement this need. But in my view it is wholly inadequate and unrealistic—for reasons which I shall presently indicate; and it makes the colossal blunder, in my humble opinion, of failing fundamentally to gear itself to our paramount need always to preserve domestic economy in our domestic market where, over the years, we have found 93 percent of our prosperity and where we must look for it in constantly increasing degree.

Let me say again that I am rather impatient with reliance upon statistics in a contemplation of this nature because they may be used to prove so many rival conclusions. I repeat that the dislocations of recent and contemporary wars throw all calculations out of balance. Therefore I should attach unusual significance to the only table in the evidence which takes these dislocations into account. It covers the period of 1934 to 1937. First it separates out our exports in special commodity groups to countries then in war to which is assigned an export increase, in dollar value, of 14.9 percent. Then it shows an export increase of 117.9 percent to trade-treaty countries and an export increase of 126.4 percent to all other non-trade-treaty countries. In other words, we seem to do about equally well regardless of trade treaties. These trade treaties—which, by the way, are reducing our customs revenues an average of about $113,000,000 a year—are not the magic benediction which their zealous devotees, in complete good faith, have convinced themselves they are.

There are many other phases and factors of this problem, Mr. President, to which I could advert. But I think I have said enough to prove the faith that is in me. I have the deeply conscientious conviction that I am defending the best interests of American industry, American labor, and American agriculture.

Mr. President, that is all I care to say today upon this subject. I have tried to present the fundamental reason why in my view it is unwise, unsafe, unsound for the Senate to extend the reciprocal trade treaty law.

The matter presented by Mr. HARRISON during Mr. VANDENBERG's address, and ordered to be printed, is as follows:

UNITED STATES TARIFF COMMISSION,
Washington, March 20, 1940.

The Honorable PAT HARRISON,
Chairman, Senate Finance Committee.

DEAR SENATOR HARRISON: In accordance with your request (p. 864 of the hearings on the extension of Reciprocal Trade Agreements Act), the Tariff Commission has reviewed the tables presented in evidence (pp. 711–717) by Mr. Charles W. Holman, at the hearing held by the Finance Committee on March 5, 1940. The Tariff Commission's comments are in the attached memorandum. I trust that they will be helpful.

Sincerely yours,

OSCAR B. RYDER,
Acting Chairman.

[Enclosure]

COMMENTS ON TABLES OF THE NATIONAL COOPERATIVE MILK PRODUCERS FEDERATION OFFERED AS EVIDENCE TO THE SENATE COMMITTEE ON FINANCE ON MARCH 5, 1940, AT THE HEARING ON THE PROPOSED EXTENSION OF THE RECIPROCAL TRADE AGREEMENTS ACT

Summary table 1 contains serious defects which are enumerated in detail in the attached appendix and which may be summarized as follows:

1. In a number of instances the values of exports given as representing concessions obtained from individual trade-agreement countries are much too low;

2. In the figures for United States exports benefiting from "duty concessions" (which include bindings on the free list), no account is taken of the value of United States exports covered by concessions in the form of enlarged quotas, liberalized exchange treatment, etc., which, in the case of such countries as the Netherlands, Belgium, France, and Switzerland, were major factors in the agreements;

3. The very large value representing imports of articles on which concessions were made to trade-agreement colonies is improperly credited as representing imports of concession articles from non-trade-agreement countries; and

4. A value is given for United States imports from non-trade-agreement countries which automatically benefit from generalized concessions, whereas no corresponding value is shown for United States exports which similarly benefit from reciprocal most-favored-nation treatment. This last omission is serious inasmuch as there are several hundred trade treaties relating to tariffs entered into by foreign governments—many negotiated before and many since the trade-agreement program went into effect—from which the United States has benefited by virtue of either most-favored-nation agreements or the policy of the countries in extending such treatment to the United States.

Most of the other tables (except 10 and 11) submitted by Mr. HOLMAN are based on the same data as those in table 1 and consequently contain the same general defects as that table. No attempt has been made to check the accuracy of all of the data in the remaining tables, but certain errors in them may be mentioned.

The values shown for imports of industrial products in table 2 in fact include all the noncompetitive agricultural imports, such as raw silk, rubber, coffee, tea, raw wool for carpets, and cacao beans.[1]

The classification of competitive agricultural imports in tables 3 and 4 apparently follows a former practice of the United States Department of Agriculture, except that bananas are classified as competitive,[2] whereas the Department of Agriculture does not so regard them. Some of the competitive imports shown, however, actually compete only to a limited extent, if at all, with American products. Thus, of the $11,152,000 worth of competitive agricultural imports from Turkey shown in the table, $11,125,000 represents Turkish cigarette leaf tobacco, which is scarcely competitive with domestic tobacco, being used for blending purposes in order to give the flavor desired by consumers. Incidentally, the Department of Agriculture, in recognition of the difficulty of properly classifying imports according to their competitiveness, last year substituted the terms "supplementary" and "complementary," respectively, for the terms "competitive" and "noncompetitive" in reference to imports.

In table 3a (which is a summary of tables 4 and 5), it is stated that Belgium reduced duties on $5,623,000 worth of imports from the United States, whereas the correct value is $13,117,000. The figure given for Canada is $131,870,000, whereas it should be over $200,000,000;[3] the figure given for Sweden is $337,000, but should

[1] The Department of Agriculture classifies all of these as agricultural products. That a departure from this practice is made is first mentioned in a footnote in table 9 and then only with respect to rubber.

[2] That this practice is followed is not mentioned in tables 3 and 4, but it is mentioned in a footnote referring to the data in table 8.

[3] The exact value has not been computed for 1938 trade on the basis of the second agreement with Canada. On the basis of 1937 trade, however, the value would be $240,000,000; but inasmuch as

be $2,327,000; and that for Switzerland is $858,000, but should be $1,019,000. Moreover, none of the values in these tables takes account of United States exports for which increased quotas or other more liberalized treatment were obtained; such concessions have frequently been more important than duty reductions or bindings would have been. If all mitigations of import restrictions be taken into account (not including bindings of dutiable or free-list articles), Swiss concessions would apply to $12,514,000 worth of imports from the United States instead of the $1,019,000 mentioned above. Corresponding concessions from France would account for $21,977,000[4] worth of trade instead of the $5,778,000 shown in table 3a.

The total value shown for imports of competitive agricultural products (table 4) from non-trade-agreement countries appears to be much too large. On the basis of the commodities classified as competitive agricultural products by the Department of Agriculture (Foreign Crops and Markets, May 6, 1939, p. 336) plus wines and fruit juices, the value of duty-reduction imports from agreement countries corresponds closely with the value shown in the table. Imports of the same classes of commodities from non-agreement countries, however, approximated $27,000,000 instead of the $57,753,000 given in the table. Moreover, as already pointed out, the extent to which imports classified as competitive are in fact competitive is open to question in some instances, for example, cigarette leaf tobacco. Imports of this commodity alone from trade-agreement countries amounted to $11,125,000, and from non-trade-agreement countries, $13,535,000.

The comparisons shown in summary table 7 as well as in the detailed tables 8 and 9 are subject to the same general criticisms as those in preceding tables and have certain additional defects. In table 8, trade with Cuba is totaled with that for other trade-agreement countries, whereas it is excluded from such totals in all of the preceding tables. This shift in basis involves the inclusion of sugar in the list of competitive agricultural imports, although it is not so classified in tables 3 and 4. The inclusion of Cuban sugar in this category results in conclusions which are the opposite of what they would have been if Cuban sugar had been excluded.

No comments are offered concerning tables 10 and 11, neither of which was submitted at the time of the hearing and neither of which has been scrutinized by the Tariff Commission.

APPENDIX

Comments on table 1

1. The values shown under "Total exports" are in some instances based on foreign import statistics and in others, on United States export statistics. The values for Canada and France, for example, are based on foreign statistics whereas the value for the United Kingdom is apparently based on United States statistics, although no footnote is attached to indicate that fact, as is done in the case of certain less important countries. (The value of the United Kingdom's imports from the United States was about $576,500,000, compared to $513,955,000 shown in the table.)

2. No account is taken of the value of United States exports covered by concessions in the form of enlarged quotas, liberalized exchange treatment, guarantees against discriminatory internal taxes, and the right to compete on a nondiscriminatory basis in the supply of materials marketed by Government monopolies or agencies, or used for public works. In the case of a number of countries, concessions of this type have benefited United States export trade more than bindings or reductions in duty have done.

3. As regards the values shown under "Total imports," imports from Finland in 1938 were $18,071,000, not $24,769,000, and those from Costa Rica were $4,102,000, not $5,060,000.

4. Under the caption "Total duty concessions" there are included the values of trade covered by bindings on the free list, which constitute a large fraction of the values of imports into the United States shown under this caption. Comparisons between concessions granted and concessions obtained which include such bindings may be questioned because the proportion of United States total imports which has been bound on the free list is several times larger than the proportion of foreign countries imports from United States which they have bound on their free lists.

5. The values and ratios shown under "Exports—Total duty concessions" for several of the trade-agreement countries are much too low. The value for Belgium should be $21,816,000 instead of $17,989,000; that for Colombia should be $31,022,000 instead of $16,182,000; that for the Netherlands should be $34,568,000 instead of $19,338,000; that for Switzerland, $15,939,000 instead of $8,340,000; that for Canada about $300,000,000[5] instead of $186,565,000; and that for France, $26,074,000[6] instead of $9,875,000.

6. The values shown under "Exports—Total duty concessions" do not take account of the value of trade covered by concessions to third countries which trade-agreement countries have generalized to the United States by virtue of their most-favored-nation commitments. The Tariff Commission has not attempted to determine the value of such trade but it is considerable. About 300 commercial agreements relating to tariffs have been negotiated by trade-agreement countries between 1935 and 1940. The United States has received by generalization all the concessions made by these countries to third countries not only in these agreements but also in all prior commercial agreements which had not expired.

7. The values shown under "Imports—Total duty concessions" are substantially correct for the individual trade-agreement countries actually listed in the table but it is a serious defect to credit the "non-trade-agreement countries" with the value of trade covered by concessions of the United States to trade-agreement colonies (a footnote indicates that this procedure was followed). Of the $641,263,000 shown for imports of concession articles from non-trade-agreement countries, at least $215,000,000 represents imports from trade-agreement colonies of such commodities as rubber, tin, coffee, and tea, which were bound on the free list, and a considerable additional sum represents duty reductions and duty bindings on imports from such colonies. Adjusting the figures for only the $215,000,000 worth of free commodities from colonies would give a total for imports of concession items from trade-agreement areas much larger than that for imports of corresponding items from non-trade-agreement countries—the opposite of what is indicated in the table.

8. The required revisions in the other columns of table 1 would, of course, greatly affect the values shown in the net gain column.

Mr. GEORGE obtained the floor.

Mr. HARRISON. Mr. President, I make the point that there is no quorum present.

The PRESIDING OFFICER (Mr. WILEY in the chair). The clerk will call the roll.

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

Adams	Frazier	Lodge	Schwellenbach
Ashurst	George	Lucas	Sheppard
Austin	Gerry	Lundeen	Shipstead
Bankhead	Gibson	McCarran	Slattery
Barkley	Gillette	McKellar	Smathers
Bilbo	Glass	McNary	Smith
Bone	Green	Maloney	Stewart
Bridges	Guffey	Mead	Taft
Bulow	Gurney	Miller	Thomas, Idaho
Byrd	Hale	Minton	Thomas, Okla.
Byrnes	Harrison	Murray	Thomas, Utah
Capper	Hatch	Neely	Tobey
Caraway	Hayden	Norris	Townsend
Chandler	Herring	Nye	Tydings
Chavez	Holman	O'Mahoney	Vandenberg
Clark, Idaho	Holt	Overton	Van Nuys
Clark, Mo.	Hughes	Pepper	Wagner
Connally	Johnson, Calif.	Pittman	Walsh
Davis	Johnson, Colo.	Reed	White
Donahey	King	Reynolds	Wiley
Downey	La Follette	Russell	
Ellender	Lee	Schwartz	

The PRESIDING OFFICER. Eighty-six Senators have answered to their names. A quorum is present.

Mr. GEORGE. Mr. President, I shall have no objection to interruptions; but first I should like to finish, without interruption, what I have to say on two main phases of the proposal to extend the Reciprocal Trade Agreements Act; and then I shall be glad to answer whatever questions may arise in the minds of Senators.

In the beginning, I should like to say that I presume that the thoughts of most of us undergo changes as we advance in years and experience. We do not necessarily grow wiser, but nevertheless our opinions and judgments undergo changes. I have never at any time been a free-trader. I have never at any time doubted that reasonable tariff duties

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total Canadian imports from the United States were about one-eighth lower in 1938 than in 1937, an estimate based on a corresponding reduction in the aforementioned value would give a total of about $210,000,000. The $240,000,000 includes trade covered by duty reductions under the most-favored-nation provision which had not been in effect before the agreement of 1936.

[4] This value includes trade covered by most-favored-nation treatment first extended under the agreement. Without this inclusion, the above value would be $20,035,000.

[5] The exact value has not been computed. An estimate based on the value for 1937 ($358,000,000), however, would indicate a total of about $310,000,000 for 1938. The $358,000,000 includes duties reduced by the most-favored-nation provision which had not been in effect before the agreement of 1936.

[6] Including also trade on which duties were reduced by the most-favored-nation provision not previously applicable. Without such inclusion, the value would be $24,132,000.

are proper and necessary for the protection of American labor and industry and the standards of living in America.

I very well remember what a distinguished Republican stated to me when I first entered this body. I refer to the late Albert B. Cummins, of Iowa. He said that all his life he had believed in the protective doctrine of his party as he understood it, but that as he neared the end of a long career in the Congress of the United States he found that he had never been able to vote for a single Republican tariff bill when it had been finally framed and was ready for final vote.

By that statement Mr. Cummins meant that, although he believed in protection, and although he was thoroughly in accord with the doctrine of protection as he interpreted it, by the time a tariff bill had reached the final stages and was ready for passage so much logrolling had entered into it, so much pure politics, so much insistence by Senators and Members of the House on higher or lower duties as they thought the interests of their particular districts and States demanded, that the thing had become an unscientific application of what he regarded as true protective principles.

Subsequently I learned that he was entirely correct. I did not then altogether share his view; but after I had lived through the 18 months of 1929 and 1930 in considering the present Tariff Act, both in committee and on the floor of the Senate, I reached the conclusion that whatever intent and purpose might guide those who were honestly trying to frame a fair and reasonable protective tariff, and whatever sincerity of purpose might guide those who candidly believed in lower tariff rates and duties, when we finally reached the end of the day the Tariff Act itself spoke all manner of compromise, as all legislation must. Obviously in this field such compromise altogether left out of sight the fair, reasonable, and just protection to which many industries, in my judgment, had shown they were entitled, and overrode and altogether lost sight of reasonable reductions in rates in the many instances in which such reductions should have been made.

I dare say that the bill pleased no one. I do not have to remind the Senate that eminent Republicans voted against the Smoot-Hawley bill for the same reason given by the late Senator Cummins in his statement to me shortly after I entered the Senate.

Mr. President, in the course of the years some of us have held to the view that the flexible tariff, as found in section 315 of the 1922 act, and section 336 of the 1930 act, constituted an unconstitutional delegation of legislative power to the Executive. However, we are obliged to deal realistically with matters of this kind. The courts have clearly settled the issue which was raised by many eminent Democratic Senators and Members of the House who were undoubtedly learned in the law, as well as by some Republicans. I shared the view that an unlawful delegation of legislative power was attempted in the flexible provisions of the Tariff Act, and I so expressed myself.

Since I have been a Member of the Senate I have shared the view—and I hope to leave the Senate with that view still strong within me—that it is more than unwise for Congress unnecessarily and improperly to delegate its power to the executive branch of the Government or to any agency, even though it may lawfully do so. I think no one can deny that, Mr. President, because since 1933 I think I have objected more often than has the average Senator on this side of the aisle—and I dare say more often than has any voice on the other side of the aisle—to acts which I thought certainly and unmistakably gave to the Executive powers which should have been retained by the Congress.

But, Mr. President, there are fields in which Congress cannot exercise its legislative power save through reliance upon the executive branch of the Government. It would be folly to say that Congress could consider the almost innumerable transportation rates which apply to various articles carried in commerce between the several States; in other words, that Congress could fix passenger rates and all the multitude of freight rates that apply to our domestic commerce. Yet Congress is given the power to make the rates; that power resides nowhere else; but the Congress must use a well-informed and experienced group of experts to consider all the problems involved in our vast, complicated, and complex system of transportation.

So, Mr. President, Congress, and Congress alone, has the power to regulate commerce between the United States and foreign countries. But can Congress do it alone? The power would be a futile grant if Congress alone were called upon to discharge that important duty and obligation. Congress can impose tariffs on imports coming into our country, but suppose the time arrives when we must consider the volume of our exports, when we must consider the volume of our foreign commerce and trade, how can the Congress regulate all of our foreign commerce save by calling on the Executive, by invoking the powers of the Executive?

The Executive has no power to regulate foreign commerce. The President of the United States, by virtue of his position as Chief Executive under our Constitution, has no power to fix a single rate upon an American railway or to impose a single fractional part of a duty upon a single import coming into our country or to impose or raise an embargo against any import coming into our country. That power resides in Congress, and whenever the President has exercised it, as he has exercised it since the very beginning of the Government under the Constitution—he has exercised it in his uncontrolled discretion as to when he would put on an embargo or take off an embargo, with no rules whatever laid down—he has exercised that power under a grant given him by the Congress; that is to say, the Congress has provided for the embargo and left it to the President whenever, in his discretion, in the national interest, it became necessary to impose it or to lift it.

Mr. President, I said a few days ago—and I repeat, because I think it is important—that the Trade Agreements Act is in no sense a tariff act. It is section 350 of the present tariff act; that is to say, it is added to the tariff act as a separate section and provision. It does provide for increasing or lowering tariff duties under certain fixed standards, or, at least, principles, as I hope to show later, all the rates fixed upon the various articles of manufacture in commerce within the tariff act; but it is not a tariff act.

It is predicated upon the single ground that whereas the Tariff Act of 1930 sought primarily to measure duties upon dutiable articles coming into the country by the difference between the cost of production of the article abroad and the cost of the same or a similar article in the United States, whereas that Tariff Act was predicated upon the recognition of the necessity of protecting our industries—and let us say, fairly, our labor, so as to maintain the American standard of living—it had entirely left out what also is an essential part of commerce, what also is the very life of commerce, what also is the very breath of commerce, and that was the distribution of our commerce, the distribution of articles produced in foreign countries and in the United States into the channels of international trade.

So the Trade Agreements Act was designed and intended, and in every line it manifests its purpose, to increase the distribution of foreign commerce. We certainly had gone far enough, in the opinion of Congress, by 1934 in raising rates to take care of any reasonable difference between the cost of production at home and abroad. We found ourselves, whether because of the passage of the tariff act or of world conditions or of what not, with a suddenly dwindling commerce. We virtually saw foreign commerce, international trade, cease. It is not necessary to say that all that was due to the operation of the Smoot-Hawley Tariff Act; but that was the condition, and that is what I am trying to emphasize. How should we meet it? If we wanted to increase our foreign commerce, Congress alone had the power to do it, because it alone had the power to restrict or to prohibit or to regulate commerce between the several States of the United States and all foreign countries; and that power was useless, that

power was futile, that power could not be made effective, unless the power of the executive branch of the Government could be invoked.

We can reason about this all we want to; we can exert ourselves as much as we please about concentrating power in the Executive, but we were merely making a sensible and necessary use of another branch of the Government in our effort to exercise our own undoubted and exclusive power to regulate foreign commerce.

Mr. President, I do not intend to take any great length of time on the general question that even a tariff act is a regulation of commerce, but I am going to read an excerpt or two from the opinion of the court in the case of Board of Trustees of Illinois University—the other day I said "Chicago University"—the Board of Trustees of Illinois University against the United States. Chief Justice Hughes handed down this opinion:

Appellant argues that the Tariff Act is a revenue measure—

He is speaking of the Tariff Act, not of the Trade Agreements Act—

that it is not the less so because it is framed with a view, as its title states, of encouraging the industries of the United States (*Hampton & Co.* v. *United States*, 276 U. S. 394, 411, 412); that the duty is a tax, that the act is not one for the regulation of commerce but is an exercise of the taxing power, and that, as such, it is subject to the constitutional limitation that the Congress may not lay a tax so as to impose a direct burden upon an instrumentality of a State used in the performance of a governmental function.

Said the Chief Justice:

It is true that the taxing power is a distinct power; that it is distinct from the power to regulate commerce—

Citing the old case of Gibbons against Ogden.

It is also true that the taxing power embraces the power to lay duties. But because the taxing power is a distinct power and embraces the power to lay duties, it does not follow that duties may not be imposed in the exercise of the power to regulate commerce. The contrary is well established.

Citing Gibbons against Ogden.

Under the power to regulate foreign commerce Congress impose duties on importations, give draw-backs, pass embargo and nonintercourse laws, and make all other regulations necessary to navigation, to the safety of passengers and the protection of property.

In this case the Court flatly and explicitly held that the Tariff Act of 1922 was itself an act to regulate commerce, and undoubtedly the act which it is now sought to extend is one designed entirely to regulate commerce, to wit, to increase the volume of our foreign commerce.

Mr. President, it has been suggested that a different Chief Executive, acting under the Trade Agreements Act, might raise duties. In the case of some particular special interest that might be true; but I very much doubt whether many duties could be raised, because the President would be compelled to act within the terms of the act. The whole act points unmistakably to a reasonable reduction of duties for the single purpose of increasing the volume of commerce. The President could not go contrary to the act, and I dare say that no Yankee, with his capacity to trade, would ever think he could get a bargain by increasing the price of the thing he had to sell when the price already was too high and in the beginning had been placed too high. The whole purpose of the act is to provide for reasonable readjustments of these rates.

Mr. President, two important legal questions are involved in this proposal to renew the Trade Agreements Act.

The first one raised here has been and is whether or not a trade agreement negotiated under this act and proclaimed by the President is a treaty. If a treaty, the distinguished chairman of the Foreign Relations Committee [Mr. PITTMAN], in a most admirable address, frankly said that it should be ratified by two-thirds vote of the Senators present. That, of course, is true. If it is a treaty, then even though the Congress may have in advance given to the President some authority to negotiate—which, of course, would be a mere gratuity, because the President does not need any authority to negotiate a treaty; he may negotiate a treaty on any question on which he wants to negotiate a treaty—even if the Congress had asserted its desire, at least, to instruct the President to negotiate a treaty, and had told the President in effect what it wished put into the treaty, if it were a real treaty, undoubtedly within the category in which we place treaties, the mere fact that the Congress by its predecision had requested its negotiation would not make the treaty a valid treaty and a part of our supreme law as it is declared in our Constitution unless it should be ratified by the Senate by two-thirds vote of the Senators present.

I think unquestionably that position is sound.

Mr. President, I do not think trade agreements negotiated by the President under the Trade Agreements Act of 1934 constitute treaties in the constitutional sense. I know that I shall be repeating some things which have been said here, but I shall read them for the purpose of emphasizing them.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

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

Mr. GEORGE. I shall be glad to yield. I should be pleased if the Senator would withhold his question until a little later; but I shall be glad to yield.

Mr. O'MAHONEY. I will not press the question. It was pertinent to the remark just made by the Senator from Georgia. I understood the Senator to say that he did not regard a trade agreement to be a treaty within the meaning of the Constitution. My question was to be: Would the Senator make that statement if a trade agreement undertook to modify an existing treaty?

Mr. GEORGE. Oh, yes, Mr. President; if it related itself to the powers and provisions of the statutory enactment upon which the agreement was made, I would.

Mr. O'MAHONEY. So it is the Senator's contention that a trade agreement which is not a treaty is of sufficient validity to alter the terms of a treaty?

Mr. GEORGE. No; not at all. My contention is—but I did not want to anticipate it in my argument—that a trade agreement is a law, and that a law may modify a treaty, but it is not a treaty.

Mr. President, I read an excerpt from the old case of *Holmes v. Jennison* (14 Pet. 540, at p. 571) not so much for the sake of defining a treaty, but for the single purpose of showing, at least, that from the very beginning of the Government it has been recognized that treaties, and other agreements not amounting to treaties, were recognized by the Constitution as a part of our basic law.

I quote from Mr. Chief Justice Taney:

In the very next clause of the Constitution, the States are forbidden to enter into any "agreement" or "compact" with a foreign nation; and as these words could not have been idly or superfluously used by the framers of the Constitution, they cannot be construed to mean the same thing with the word "treaty."

* * * * * * *

A few extracts from an eminent writer on the laws of nations, showing the manner in which these different words have been used, and the different meanings sometimes attached to them, will, perhaps, contribute to explain the reason for using them all in the Constitution; and will prove that the most comprehensive terms were employed in prohibiting to the States all intercourse with foreign nations.

Here was involved an extradition treaty between Vermont and Canada. The opinion quotes Vattel, who, by the way, was an eminent writer on international law whose writings were current at the very time the Constitution was framed, at the very time the Constitution was adopted by our several States.

Vattel, page 192, section 152, says: "A treaty in Latin foedus is a compact made with a view to the public welfare by the superior power either for perpetuity or for a considerable time."

Section 153: "The compacts which have temporary matters for their object are called agreements, conventions, and pactions. They are accomplished by one single act and not by repeated acts. These compacts are perfected in their execution once for all; treaties receive a successive execution, whose duration equals that of the treaty."

Mr. President, I am reading that decision for the purpose of showing that at the time the Constitution was framed, and in the Constitution itself, treaties, and agreements less than treaties, compacts, pactions, or whatever else we may wish to call them, were all recognized.

The Government of the United States in the field of international affairs is an absolute sovereign. It does not exercise granted powers or delegated powers. When the States created the Federal Government, with respect to those things that pertain to a nation in its relation and intercourse with other nations, this Nation stood boldly erect as a sovereign nation, clothed with all the power of any sovereign. Was it intended by the Constitution, which in language recognizes the existence of agreements other than treaties, to say that agreements of that sort could not be made by the sovereign unless ratified by two-thirds vote of the Senate? Undoubtedly not. By the requirement that when an international agreement reached the dignity of a treaty it must be ratified by two-thirds vote of the Senate there was not the slightest intimation or suggestion that any other form of agreement available to a sovereign nation through its executive branch might not be freely and completely used in such intercourse as this Nation might have with foreign nations.

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

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

Mr. GEORGE. I yield.

Mr. PITTMAN. Is there any limitation upon the kind of agreements that the President may make with foreign governments?

Mr. GEORGE. Oh, yes.

Mr. PITTMAN. What are the limitations?

Mr. GEORGE. If the President's agreement relates to a matter within the power of the legislative branch of the Government, he may make it only under the direction of the legislative branch. If the agreement that he negotiates rises to the dignity of a treaty, it must be brought back to the Senate and confirmed by the Senate. There is a difference. I am now simply trying to point out that there were always recognized forms of international agreement other than mere treaties.

Mr. PITTMAN. What is the Senator's opinion with regard to this matter: Suppose the President of the United States should negotiate all the agreements he is authorized in the act to negotiate—that is, negotiate with foreign governments rates of duty on various articles for a period of 3 years—would such agreements, in the Senator's opinion, be temporary agreements of the kind the Senator has just quoted a reference to in the decision of Chief Justice Taney?

Mr. GEORGE. If made within the provisions of the act of Congress, yes; because they would have all the validity of a statute. It would not be because they were treaties.

Mr. PITTMAN. May Congress enter into contracts with foreign governments?

Mr. GEORGE. No. That is the reason I have been arguing here for quite a while that Congress may not exercise its power to regulate foreign commerce except by invoking the Executive power.

Mr. PITTMAN. Then if Congress may not enter into contracts with foreign governments, no agency of Congress may do so; may it?

Mr. GEORGE. Congress may authorize the Executive to do it; and if the Executive acts within his power, undoubtedly the act is a valid one.

Mr. PITTMAN. If Congress may authorize the President to enter into agreements with foreign governments fixing our tariff duties for a period of 3 years, can that authorization in any way obviate the necessity of ratification under the Constitution with regard to agreements made with foreign governments?

Mr. GEORGE. Oh, yes; I think so, Mr. President, provided Congress had itself determined how the rates were to be fixed, and had merely delegated to the Executive the authority to make the rates.

Mr. PITTMAN. That is admitted, because that was in the case of Field against Clark and the Altman case, but in this case certainly no rate is prescribed which the President shall put into effect.

Mr. GEORGE. Oh, Mr. President, I do not desire at this time to go into the Altman case and the case of Field against Clark, but the whole argument here has proceeded as a result of the scrambling of two different things. The Supreme Court did say in the Field against Clark case that the agreement there involved was not a treaty.

Mr. PITTMAN. And why?

Mr. GEORGE. The Senator argued that it was because the rates were fixed. That relates alone to the delegation of power.

Mr. PITTMAN. Oh, no.

Mr. GEORGE. That bears alone upon the question of delegated power. I think so. That is my position, anyway. So I think I have answered the question.

Mr. PITTMAN. I do not desire to disturb the Senator——

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

Mr. GEORGE. I yield.

Mr. PITTMAN. I call attention to the fact that the court stated that it was not a treaty——

Mr. GEORGE. Exactly.

Mr. PITTMAN. And it stated why, namely, because the President had been authorized to put into force and effect one of two laws, it was not a treaty. Again, it was not a treaty because there was no obligation placed on the United States Government. In both cases the President placed these understandings in effect for so long as he wanted them to be in effect.

Mr. GEORGE. Exactly, the difference between putting them into effect indefinitely, and for a limited time.

Mr. PITTMAN. In the reciprocal-trade agreements, our Government is being bound for 3 years.

Mr. GEORGE. Mr. President, the Senator is forcing me to anticipate my argument, but that is all right.

Mr. PITTMAN. I am sorry.

Mr. GEORGE. That is all right. I repeat at this point, the discussion of Field against Clark and other cases has disclosed a notable and lamentable scrambling of two arguments which have no real relation to each other. In Field against Clark the Supreme Court held that the agreement in question was not a treaty. If it was not a treaty, it made no difference how it was arrived at. If it was not a treaty, it made no difference how it came before the Congress or before the Court. The Court held it was not a treaty.

On the other question, whether there was an improper delegation of power, it is all good and well to say that two rates were fixed, both fixed by the Congress, and the President selected between the two rates, in his judgment, when he could get reciprocally equal benefits by putting in the lower rate or the higher rate. But on the question of whether the instrument in question was or was not a treaty, the Court held that the agreement which the Court had before it was not a treaty; that that fact could be determined within the four corners of the agreement, and could be rightly determined not outside of the four corners of the agreement. Whether or not there was an unlawful delegation of power is in the case, and it is very properly in the case, but not on the question of whether or not the instrument was a treaty.

I do not think anyone can doubt that when the Court is called upon to say whether an agreement constitutes or does not constitute a treaty, it will look at the instrument itself. Perhaps it will look at what led up to it, perhaps it will take into consideration all those matters which might properly be considered as a part of it. But, after all, the paper considered by the Supreme Court in the case of Field versus Clark was held not to be a treaty, that is all; it did not rise to the dignity of a treaty.

In the Altman case it was held that the agreement was not a treaty. Yet the Altman case was based upon a solemn agreement entered into by this country and France through interchange of notes. What difference does it make whether the agreement is in writing or whether it is verbal?

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

Mr. GEORGE. I yield.

Mr. PITTMAN. In those cases the agreement was reached by modus vivendi because the agreement did not provide any

duration, but could be terminated at the will of either Government whenever it saw fit.

Mr. GEORGE. Mr. President, that is not what the lawbook says. There is simply no period for its termination provided. It may be argued that it could be terminated. So can any treaty be terminated. So can the trade agreements be terminated. In fact, the trade agreements contain four or five escape clauses which permit them to be terminated upon short notice.

In the Altman case, by an interchange of notes, an agreement was reached, an agreement which the merchant in this country thought applied to his merchandise, but which the court held did not apply to his merchandise, it is true. It was not, however, a treaty. It was held by the court not to be a treaty. It was held to be an agreement, which was beneath a treaty in point of dignity.

Mr. PITTMAN. They did hold that it was to carry out a definite statute.

Mr. GEORGE. I would think I was making myself understood to little purpose if I did not say that a trade agreement made by the President must be in conformity with the statute. I have not reached the question of delegated power. It must be in conformity with the statute and must comply with the statute. The President of the United States has no power to fix a duty, but the Congress has no actual, practical way of regulating foreign commerce unless it calls on the President of the United States, who has the diplomatic power to negotiate with a foreign country, and enter into negotiations looking to a trade agreement which will stimulate, at least according to the view of those who make it, an increased volume of foreign trade and commerce.

Mr. President, I shall read all that I find in the Altman case. I quote what the Supreme Court said about the agreement it had under consideration in that case:

> It is reciprocally agreed on the part of the United States, in accordance with the provisions of section 3 of the United States Tariff Act of 1897, that during the continuance in force of this agreement, the following articles of commerce, the product of the soil or industry of France, shall be admitted into the United States at rates of duty not exceeding the following, to wit:
>
> Paintings in oil or water colors, pastels, pen-and-ink drawings, and statuary, 15 per centum ad valorem.

Mr. President, that was an agreement which affected a tariff rate, an agreement made under a statute, it is true. It fixed one rate of 15 percent on the merchandise with which they thought they were dealing, and another rate of 45 or 60 percent, I have forgotten which, on the same commodity, depending on which rate was put into effect. According to Altman's contention, the higher rate was imposed, and he said he was entitled to the lower rate, or 15 percent, upon the importation of the merchandise purchased from France. The instrument was held to be an agreement. Of course it was an agreement. It was an agreement binding on this country. Of course it was binding on this country, because in express language it was stated, "as long as this agreement is continued in force." It was not a treaty. That is my contention.

Mr. PITTMAN. The language was, "until otherwise declared."

Mr. GEORGE. That is correct.

Mr. PITTMAN. Delegating specific power to the President to cancel at any time.

Mr. GEORGE. I suppose so, but the trade agreements carry the same power. Whether it is in fact exercised is a different question. The Trade Agreement Act merely provides that the trade agreements may be entered into, but for not longer than 3 years, and each agreement which I have examined—I have not examined them all, though I have examined a great many—provides two or three or more ways of cancelation of the agreement, even within the 3-year period, if this country desires.

Mr. PITTMAN. Does that appear in the statute?

Mr. GEORGE. The authority for it does.

Mr. PITTMAN. I do not think it appears in the statute.

Mr. GEORGE. I think the authority does appear.

Mr. PITTMAN. We are considering what power is authorized.

Mr. GEORGE. That is true; but I think the power is authorized in the statute.

Mr. President, I should like to make the general observation that there is no simple or categorical definition which for all purposes distinguishes Executive agreements from treaties. In some respects there are similarities, and in other respects there are important differences. The fact is that both theoretically and as a matter of actual practice, both types of international obligations serve a useful purpose in the conduct of international affairs. Both are equally binding obligations on this country in the eyes of international law. From the viewpoint of our domestic law, it is well to remember that the Constitution does not attempt to define a treaty, nor does it undertake to say that all international agreements entered into by this Government must be made as treaties. Although the Constitution does not refer explicitly to other forms of international agreements which the Federal Government may enter into, it does expressly recognize that treaties are not the only means for undertaking international obligations.

That point, Mr. President, I have already covered in my argument.

While we are all familiar with the fact that from the very earliest days of our Nation the Executive has utilized all types of agreements in conducting our foreign affairs, few of us realize that in fact at least 1,000 such agreements have been concluded without going through the cumbersome procedure of treaty making. Such agreements have been of varying degrees of formality and the subject matter covered by them has included a wide field. It is not necessary to enumerate them.

In 1934 before the Senate I undertook to indicate some of the ground covered by various trade agreements, or Executive agreements, as I called them.

International undertakings involving important political issues or changes of international policy and those involving international arrangements of a permanent character usually take the form of treaties and are concluded pursuant to the treaty-making power. Executive agreements, on the other hand, generally have been either of a temporary character or they have been made terminable at a specific time or upon comparatively short notice. For example, the authority of the President to conclude trade agreements under the Trade Agreements Act has been limited to 3 years, and the agreements themselves may not be for periods of more than 3 years, after which they are terminable on not more than 6 months' notice.

As a matter of domestic law there are certain important factors which distinguish Executive agreements from treaties. This difference can be stated most clearly in terms of things that cannot be done through Executive agreements and things that can be done under the treaty-making power. Since the purpose of this statement is to attempt to simplify rather than to complicate the problem of understanding this matter, no useful end would be served in discussing the various technical and theoretical issues which arise from this aspect. Suffice to say that books have been and continue to be written on the subject. For present purposes there are certain general propositions which illuminate the principal dividing line between Executive agreements and treaties. Our Government is based upon a three-way division of powers between the legislative, judicial, and executive branches. It is axiomatic that the Executive cannot himself make laws. Under the Constitution this is done by Congress, and, in some international matters, by the Executive and the Senate acting through the treaty-making power. Accordingly, although the Executive has the sole constitutional power in the conduct of our foreign affairs to make agreements and other international arrangements with foreign governments, he cannot, acting alone, through such agreements enact or change domestic laws.

On the other hand, in the case of treaties made by the President with the advice and consent of two-thirds of the Senators, the Constitution expressly provides that they, along with the other laws, "shall be the supreme law of the land." Thus

a treaty, generally speaking, can make or change domestic law while an Executive agreement can only operate pursuant to or in conformity with domestic law.

To understand the true function which Executive agreements such as the trade agreements play when, pursuant to prior congressional authorization, they deal with matters relating to domestic law, it is necessary to turn back to the Constitution and the fundamental division of powers between the executive and legislative branches. The Constitution grants to the Congress certain defined powers. Nothing is said in the Constitution with respect to the means or methods which the Congress may utilize for the most effective exercise of its basic powers and responsibilities except that it is provided that Congress shall have the power—

> To make all laws which shall be necessary and proper for carrying into execution the foregoing [granted] powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.

Chief Justice Marshall recognized the necessity for permitting a wide latitude to Congress in choosing the most effective means for exercising its power when he set forth in the old McCulloch against Maryland case, what sometimes is spoken of as poetry, but nevertheless is one of the finest delineations of the limits to which the Congress may go in the enactment of valid legislation:

> Let the end be legitimate, let it be within the scope of the Constitution, and all means which are appropriate, which are plainly adapted to that end, which are not prohibited but consistent with the letter and spirit of the Constitution, are constitutional.

The powers granted to Congress to regulate commerce with foreign nations and to regulate postal affairs afford excellent examples of situations where Congress has from time to time recognized that effective regulation could only be carried out in cooperation with other nations.

Mr. CONNALLY. Mr. President, would it disturb the Senator if I should interrupt him now? I shall be glad to wait, if he prefers.

Mr. GEORGE. I shall be through with the matter to which I am referring in a very few minutes, and then I shall be glad to yield to the Senator.

Mr. CONNALLY. Very well.

Mr. GEORGE. Manifestly, although Congress had the responsibility for administering to the needs of the Nation in these fields, it had no constitutional power to deal with foreign governments, nor, as a practical matter, could it undertake to conclude the international agreements which were essential to make its regulatory policies effective. Under these circumstances, Congress has on numerous occasions exercised its powers by invoking the assistance of the Executive, delegating to him the power to adjust certain matters of domestic law in accordance with the policies laid down by Congress and in connection with the negotiation of international agreements. This method has been used by Congress in fixing international postal rates and regulating the handling of our foreign mails since 1792 and the constitutionality of this procedure was upheld in an opinion by William Howard Taft as Solicitor General in 1890. The statute in effect today provides:

> That for the purpose of making better postal arrangements with foreign countries, or to counteract their adverse measures affecting our postal intercourse with them, the Postmaster General, by and with the advice and consent of the President—
>
> Not the Senate—
>
> may negotiate and conclude postal treaties or conventions (5 U. S. C. A., sec. 372).

Likewise, in the field of foreign commerce Congress has on many occasions invoked the assistance of the Executive to make its legislative policies effective. By section 3 of the Dingley Tariff Act of 1897 the President was expressly authorized to conclude reciprocity agreements without Senate ratification. This act and some 15 agreements concluded pursuant to its authorization constitute a square precedent for the present Trade Agreements Act so far as the treaty issue is concerned.

It was that point which I just argued with the distinguished chairman of the Foreign Relations Committee.

In that instance, as under the present act, the agreements related to adjustments of our domestic tariff laws, such adjustments being made only to the extent and in accordance with the policies prescribed by Congress. Such agreements, like most of the postal agreements, having been concluded pursuant to a congressional statute, there is no necessity for submitting them to the treaty-making procedure in order to effect a change in our domestic law. In these cases where executive agreements deal with matters of domestic law pursuant to prior statutory authorization the change in domestic law is in fact made by the congressional statute and not by the agreements; in the case of a treaty, on the other hand, the enactment or change in domestic law is effected by the treaty itself, as provided for in the Constitution. In either case the international obligation undertaken by this Government is based squarely upon our fundamental law.

Let me say in passing that the requirement of a two-thirds vote was undoubtedly intended to place a definite check upon the Executive. The framers of our Constitution said to the executive branch, "You may negotiate treaties, and when they are ratified, not by a mere majority, as in the case of ordinary legislation, but by two-thirds vote, they then become a part of the supreme law of the land." So the two-thirds vote requirement was by way of a definite check upon the executive power. If the only thing the President does in a trade agreement is merely to change domestic law—a change which the Congress may make—why the necessity of having it submitted to the Senate and requiring a two-thirds vote to change that domestic law, to wit, a tariff rate or a tariff duty?

The whole purpose of the act was to tear down the unreasonably high duties and other restrictions as well—not only duties but quotas and exchange arrangements, and the other devices that have grown up to fetter, to cripple, and practically to stop international trade and commerce. Congress wanted to do something. Congress wanted to regulate foreign commerce. Congress wanted to make it possible to regulate foreign commerce. Congress had the power to lower its own duties, its own rates—to lift its own restrictions. Congress had all that power, but Congress did not have the diplomatic power. It did not have the power to treat with another nation. It did not have the power to say to the United Kingdom, "We want to lower our rates on some of our imports from you, but we also want you to agree to do something for us." We call on the President to do that because it is beyond the scope of our power.

But why tie the President's hands or the hands of Congress by asking that that kind of an agreement be submitted to the Senate for a two-thirds vote when Congress, in the exercise of its undoubted power—and, as I think, its duty—to regulate foreign trade and foreign commerce, has already said to the President, "All we want you to do is to carry out the part which is beyond the arm of Congress, and which touches outside nations whose duties and restrictions we should also like to see reduced, modified, or made more reasonable"?

I now yield to the Senator from Texas.

Mr. CONNALLY. Mr. President, let me say to the Senator from Georgia that I always admire him and have great respect for his arguments. I wish to ask him a question. I do not wish to engage in a controversy with him.

As I understand the Senator from Georgia, he bases the authority of Congress on the subdivision of section 8 of article I of the Constitution, which relates to the power to regulate commerce with foreign nations, and among the several States, and with the Indian tribes.

Mr. GEORGE. Primarily.

Mr. CONNALLY. Is not that power a continuing power? In other words, Congress may exercise that power whenever and however it desires.

Mr. GEORGE. Undoubtedly.

Mr. CONNALLY. Suppose we should pass the joint resolution, thinking that we wish to make certain arrangements with foreign nations about tariffs and customs. Suppose we

should make such agreements, and suppose that next year Congress may wish to make some other kind of agreements.

Mr. GEORGE. Undoubtedly, so far as domestic law is concerned, it could do so.

Mr. CONNALLY. I am talking about agreements with foreign nations.

Mr. GEORGE. Congress could not do so.

Mr. CONNALLY. It could not do so?

Mr. GEORGE. Not under international law.

Mr. CONNALLY. Why could it not do so?

Mr. GEORGE. Different principles apply. The true principle of international law undertakes to hold every nation to the faithful performance of its own undertakings.

Mr. CONNALLY. The point I am getting at is this: If the authority to regulate interstate and foreign commerce is a continuing congressional power, Congress cannot relinquish it. It is a continuing power. If this year we thought one thing and authorized trade treaties, and next year we thought differently, we could not legislate to regulate commerce if the legislation were in violation of a trade agreement; could we?

Mr. GEORGE. Yes; we could do it.

Mr. CONNALLY. We would be breaking a treaty, would we not?

Mr. GEORGE. We would not be breaking a treaty, but we would be breaking our word.

Mr. CONNALLY. We would be breaking an agreement. I shall not use the word "treaty." We would be breaking our agreement.

Mr. GEORGE. Yes.

Mr. CONNALLY. It is the purpose of the act that we shall not break our agreement, but shall adhere to it for 3 years.

Mr. GEORGE. Undoubtedly so. I hope so.

Mr. CONNALLY. I thank the Senator.

Mr. GEORGE. Mr. President, let me enlarge on that point for a moment.

Let us say that international trade has fallen off to a very low level, as it did in 1932 and 1933. Let us say that it has almost disappeared. Let us say that Congress examines the Constitution and finds in the Constitution its authority to regulate trade with foreign nations. Let us assume that Congress says, "We should like to reduce some of our duties and lift some of our restrictions; but in order to effectuate what we have in mind, to stimulate foreign trade and commerce, we must have corresponding reciprocal action on the part of foreign countries. In other words, we must persuade some other nation to agree with us."

Congress, having the authority to regulate commerce, but finding that the grant of power to it is futile unless it can invoke the arm of the Executive, decides to invoke the arm of the Executive and call upon the President to negotiate agreements with other countries. Now, suppose Congress says, "It would be useless for us to do this for 3 months or 3 weeks. It would be silly for us to negotiate an agreement with Great Britain, Canada, France, Brazil, or any other country for a few days, or for 6 months, or for 1 year." But suppose Congress should honestly decide that 3 years is about the shortest period of time in which it could be demonstrated whether or not a trade agreement would be effective in stimulating commerce between our country and foreign countries:

Is the mere fact that another Congress may have power under the Constitution to upset such an agreement to deter this Congress from exercising its power under the Constitution, from doing its dead level best to regulate commerce and to stimulate the flow of commerce for as long a period of time as possible?

So Congress said, "We will put a definite limitation on the power of the President. We will let him have it for only 3 years at a time; and if he wants it again, he must come back and let us renew the power."

Let me say to my distinguished friend from Texas—and there is no abler Member of this body or greater American—that, in my opinion, we can never afford to overlook the fact that while we cannot bind a future Congress, which may come along and upset the apple cart if it so desires, whenever we enter into an agreement with a foreign country, though it be accomplished by the mere interchange of notes, which does not rise to the dignity of a treaty, and whenever we give our pledged word to a foreign government, we then come under international law. Under the plainest principles of international law we cannot morally break our agreement. That is the restraining influence on the Congress of the United States.

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

Mr. GEORGE. I yield.

Mr. CONNALLY. I do not wish to argue with the Senator, because I do not want to get licked. [Laughter.] I thank the Senator very much for his courtesy. What I had in mind was to direct the Senator's attention to the fact that every 2 years there is a new Congress. The old Congress, of course, cannot bind any future Congress. Suppose, on the other hand—a situation which I think is wholly improbable—that the American people should elect a Republican Congress next year. That Congress would have the right to act. We hope it would act wisely. I doubt it, but we hope it would act wisely. Would not that Congress have as much power as has this Congress to regulate interstate commerce?

Mr. GEORGE. Undoubtedly.

Mr. CONNALLY. If that be true, and if a future Congress should repeal what we are now about to do, we should then be placed in the unenviable attitude of having repudiated an international agreement.

Mr. GEORGE. Yes.

Mr. CONNALLY. Out of respect for the Senator I shall not call it a treaty.

On the other hand, is there not a distinction to be drawn between the two types of legislation? I have not recently examined the historic examples which have been cited, although I examined them some years ago when the flexible tariff was under consideration. When Congress enacts a law providing that the President shall have power within certain limits—naming the articles and the rates—to apply such rates to any other country which has similar rates, or to any other country which does so and so, that is an act which brings within its effect any nation which does certain things. A criminal statute does not bring any of us within its provisions until we violate the law; but if we bring ourselves within the compass of the statute, we are amenable to it. Is there not a distinction to be drawn between the kind of legislation which does not bind the Government to do anything, and which we are at liberty to repeal the next day, and the legislation now proposed, which binds us not to change it? Under the proposed legislation we should not be at liberty to say, "We will not observe this law any longer. It is true that certain other countries have these duties, but the policy is wrong, and we will not follow it."

Mr. GEORGE. Undoubtedly there is a distinction. I think I should be the last to deny that there is a very definite distinction. However, I do not think that fact has any real bearing upon the question of whether or not the agreements are treaties, or whether the Congress is bound to abstain from doing this year anything which it believes to be the wise and necessary course merely because it may find itself in disagreement with some future Congress.

As I read the Reciprocal Trade Agreements Act, it provides for the abrogation of the trade agreements upon certain conditions. The agreements themselves, as I have read them so far, all have one or more escape clauses or conditions enumerated, upon which the agreement may be terminated.

Mr. CONNALLY. Mr. President, I must not annoy the Senator further. I think there is much mistaken opinion as to the effect of a treaty under the clause in the Constitution making a treaty the supreme law of the land.

A treaty has two aspects, one of which is domestic law. It is binding on all our people, and has the effect of a law. As to foreign nations, it has another effect. It has the

effect of an agreement or contract. It is frequently said that we can repeal a treaty by a statute. We can repeal a treaty by a statute insofar as the treaty is a domestic law binding on our citizens; but we cannot repeal by a statute a contract or agreement with a foreign nation. We can break it, of course, but we cannot repeal it without breaching it.

Mr. GEORGE. I think the Senator is entirely correct. We say, loosely, that we can repeal a treaty by a statute, which, generally speaking, is true; but international complications might grow out of a treaty relationship. Under international law we have no right to abrogate a treaty except in conformity with the treaty itself.

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

Mr. GEORGE. I yield.

Mr. McKELLAR. Before the Senator leaves the question asked by the Senator from Texas, is it not easily conceivable that what the Senator suggests may be done? For instance, suppose a trade agreement were entered into with a foreign government for 3 years, and the foreign government should violate the treaty, and the matter should be brought to the President, and the President should not abrogate the agreement under his power. Then manifestly under those circumstances a future Congress—or even the present Congress—if apprised of the fact that the foreign country had violated its part of the agreement, would have the right to declare the contract ended.

That is equally applicable to the question of treaties. I recall distinctly that one of the first acts I voted for in the House of Representatives in 1912 was one providing for the abrogation of the Russian treaty. That treaty was, as I remember, to continue until the year 1939, and the action to which I refer took place in 1912, as I recall. The Congress abrogated that treaty, and it remained abrogated until about 6 or 7 years ago when we entered into another treaty with Russia. So the Congress, in a broad way, has the right to repeal a treaty as it has the right to repeal any other law. A treaty is simply a law enacted in a different way; the Congress has the right to repeal it, and in that instance, I know, did repeal the Russian treaty at that time.

Mr. GEORGE. The Senator is undoubtedly correct. Of course, if a foreign nation with whom we have a trade agreement should refuse to abide by the agreement or to do certain things for failure to do which the agreement itself authorizes its discontinuance, we would, of course, legally and morally have the very clear right to abrogate it, end it, and walk out from under it.

Now, Mr. President, to continue briefly with my statement, the proclamation of the President pursuant to the authority granted him in the Trade Agreements Act actually effects a change in the domestic tariff law, just as in the case of proclamations by the President changing tariff rates pursuant to the flexible provisions of the 1930 tariff act or the 1922 act. The agreements themselves are merely one aspect of the procedure provided in the law itself for creating an international obligation which secures for us reciprocal concessions from the other country. Congress itself has provided that the proclaimed rates which are fixed in a trade agreement shall be the law. The situation is precisely the same as with every other statute in which Congress has sought the assistance of the President or another agency in carrying out the policy laid down in a statute, such as, for example, the Interstate Commerce Act or the flexible provisions of the 1930 Tariff Act, as I have just said. As the Supreme Court said with respect to the authority conferred on the Interstate Commerce Commission, when "the Commission declares a specific rate to be the reasonable and lawful rate for the future, it speaks as the legislature, and its pronouncement has the force of a statute."

That was held in the case of the *Arizona Grocery Co.* v. *Atchison, Topeka & Santa Fe Railway Co.* (284 U. S. 370–385).

Finally it is important to remember that there never has been a decision by any of our courts in which the validity of any executive agreement has ever been challenged so far as I have been able to find. To the contrary, whenever any of these agreements have come before the courts they have been sustained and given effect. I should perhaps qualify that statement by saying that some one or more of the acts of the Executive may have been challenged upon the ground that they were not authorized by act of Congress.

Some 10 reciprocity agreements were entered into in connection with the administration of section 3 of the Tariff Act of 1890 without being submitted to the Senate or the Congress, as I have already said.

It was in the case of Field against Clark, to which I have already referred, that this section was challenged as delegating to the President both the legislative and treaty-making powers, but the United States Supreme Court specifically rejected this contention, stating at page 694, of 143 United States:

> The Court is of opinion that the third section of the act of October 1, 1890, is not liable to the objection that it transfers legislative and treaty-making power to the President.

The Altman case I have already referred to.

In the case of *Monaco* v. *Mississippi* (292 U. S.) Justice Hughes stated that the Federal Government may effect an international settlement through treaty, agreement of arbitration, or otherwise.

I should like to invite the attention of the Senator from Texas to this decision or this statement of the present Chief Justice of the Supreme Court in the Mississippi case in which he stated specifically that the Federal Government may effect an international settlement—that is, reach or consummate an agreement—through treaty, agreement of arbitration, or otherwise. Not exclusively through the treaty-making power.

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

Mr. GEORGE. I yield.

Mr. PITTMAN. I should like to ask the Senator if that case was not the one in which Monaco sued the State of Mississippi on bonds which had been issued.

Mr. GEORGE. I think it was.

Mr. PITTMAN. Was there any question of treaty involved in that case?

Mr. GEORGE. No; but the Chief Justice, in elaborating his opinion, said that the Federal Government may conclude a settlement by treaty, by agreement to arbitrate, or otherwise.

Mr. PITTMAN. Did not that arise by reason of the fact that the State of Mississippi contended that it had no authority as a State to negotiate a settlement with a foreign country?

Mr. GEORGE. I think that is true. I was not speaking of the ruling of the Court; I was speaking of the language used, which, I think, is pertinent to the whole opinion of the Chief Justice.

Mr. PITTMAN. I do not doubt that diplomatic settlements may be made.

Mr. GEORGE. Two recent pronouncements of the Supreme Court of the United States give unquestioned authoritative recognition to the constitutional standing of such agreements; that is, trade agreements.

In 1936, in the case of the *United States* v. *Curtiss-Wright Export Corporation* (299 U. S. 304), the Court, referring to "treaties, international understandings, and compacts," declared that "the power to make such international agreements as do not constitute treaties in the constitutional sense," although not "expressly affirmed by the Constitution, nevertheless exists as inherently inseparable from the conception of nationality."

Mr. PITTMAN. Mr. President, will the Senator state if the Court at that point did not cite the Altman case?

Mr. GEORGE. Yes.

Mr. PITTMAN. We know what the Altman case was.

Mr. GEORGE. Yes; and the Court went back to the Holmes case in Fourteenth Peters, page 540; they went back to the very beginning. I know what the cases were; I think the Supreme Court knew what they were, and they were citing them as sustaining their ruling in this case.

In 1937 when the question was raised in the case of *United States* v. *Belmont* (301 U. S. 324), the case referred to by the distinguished senior Senator from Nevada in his very admirable argument before this body 2 days ago, which involved certain Executive agreements made by this Government, the Court disposed of the question in these clear terms—I am not quoting this language necessarily for the sake of saying that the agreement then under consideration was on all fours with those made under the Trade Agreements Act or the things done under it, but as showing that the Court itself recognized the existence of separate methods by which certain international agreements and arrangements may be made.

> The assignment and the agreement in connection therewith did not, as in the case of treaties, as that term is used in the treaty-making clause of the Constitution (art. II, sec. 2) require the advice and consent of the Senate.

There was undoubtedly some sort of an agreement; there was undoubtedly some sort of an arrangement, and irrespective of whether the Court was right or wrong, the significant thing is the Court's recognition of the fact that certain international agreements and relationships may be created without resort to treaty.

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

Mr. GEORGE. I yield.

Mr. PITTMAN. In that case there was an assignment by the Government of Russia to the President of the United States of an account in the Belmont Bank of New York, of certain sums which the Government of Russia claimed to own by sequestration. The only agreement as shown by the opinion of Court is a letter from the President to the Russian Government in which he expressed appreciation for their action and said he would conform with their desire to report as the sums were recovered. There was nothing except diplomatic correspondence.

I do not want the Senator to misunderstand me. I thoroughly agree that the President may make agreements to carry out a specific act of Congress, which is specific in its terms and which he is to execute and that he may make diplomatic settlements without the authority of Congress by virtue of his position as Chief Executive of a sovereignty, such as settlements of foreign disputes. I merely contend that all the cases to which the Senator has referred in which the Court has held that a given agreement was not a treaty were very much like those arising under the act of 1890 by which the President was simply authorized to put into effect certain duties on goods that were on the free list as against a government which would not act fairly with our Government.

In the other case, under the act of 1897, in section 3, under which the Altman case arose, there were two rates—one 45 percent, and the other 15 percent. Again, the President was authorized to put the lesser rates in effect.

Mr. GEORGE. Yes.

Mr. PITTMAN. He did it by diplomatic correspondence in the case of the 1890 treaty, and no written thing at all except correspondence.

In the other case cited just now, the Belmont case, there was nothing in writing except a letter from the President of the United States, as the Court says; and it says the chief item in the letter of the President was that he thanked the Russian Government for its action, and stated that he would gladly notify it as the money was recovered. I admit that that was not a treaty, and I admit that the Court was right, so far as my opinion is concerned.

Mr. GEORGE. Yes; I understand that.

Mr. PITTMAN. But I contend that the very differentiation the Court made in all of those cases, in which they defined what constituted a treaty, carries with it the affirmation that an agreement such as is authorized in the Trade Agreements Act, that is, an agreement with a foreign government for 3 years with regard to an important subject of public welfare, such as changing the laws of our country with regard to revenues and taxes, is a treaty. These agreements under the act itself cannot be terminated except upon violation by the foreign government. Such an agreement certainly comes within all the definitions of the Supreme Court that I have ever read as to what constitutes a treaty.

Mr. GEORGE. Let me ask the Senator just one question. Since I have argued out the question with him before, I hope he will be frank in answering it.

Suppose the Congress, in the Trade Agreements Act, had said to the President, "Negotiate treaties for 3 years; offer to the other nations to cut our prevailing duties by 50 percent in order to get them to cut theirs;" would that have been a treaty when the President carried it out?

Mr. PITTMAN. In my opinion, it would have been a treaty. In my opinion, if we entered into a contract with a foreign government which we were morally and legally obligated to carry out for the period of 3 years with regard to any subject which affected the public welfare, it would be a treaty.

Mr. GEORGE. So the Senator thinks that would be a treaty. Then will the Senator please explain to me how Congress may regulate foreign commerce?

Mr. PITTMAN. I think, of course, that every section of the Constitution has to be taken into consideration with the other sections.

Mr. GEORGE. Exactly; I think so, too.

Mr. PITTMAN. I find in the Constitution the section to which the Senator refers. I find in the Constitution another paragraph which delegates to the other House of Congress the exclusive power to initiate revenue legislation. I find that the President may make foreign contracts with the approval of the Senate, two-thirds concurring. I think we must harmonize all those provisions, if possible. I do not believe for one moment that the interstate and foreign commerce clause of the Constitution intended to repeal the primary clause with regard to the initiation of revenue legislation, or the clause dealing with treaties.

Mr. GEORGE. Oh, no; it did not intend to do that; but I asked the Senator a fair question. I asked him if it would constitute a treaty if, under the Trade Agreements Act, the Congress itself had said, "We cut our duties 50 percent. Mr. President, as the executive branch of the Government, we call on you to enter into an agreement for not more than 3 years with any other country that will do likewise with its tariffs, and then these reduced rates of ours will become effective." The Senator has said that would constitute a treaty. Very well; I am satisfied with the Senator's answer; but I call his attention to the fact that in the very case of Field against Clark, in the case construing the act of 1890—I believe it was 1897 or 1890——

Mr. PITTMAN. The Field case dealt with the act of 1890. The Altman case dealt with the act of 1897.

Mr. GEORGE. The 1897 act of Congress had two sections, section 3 and section 4. In section 3 it did exactly what I asked the Senator; to wit, it prescribed the rates on certain specific articles, and then authorized the President to put those reduced rates in force if he found that any other country would grant reciprocally equal concessions to the United States. Very well. Now, the Senator is obliged to know that the Supreme Court held that that was not a treaty. Does the Senator take the slightest consolation from the fact that there was no time fixed during which these low rates should remain in effect in that case and under that agreement, whereas in this instance the President is limited to not more than 3 years?

Mr. PITTMAN. I think that is all the distinction that would exist in such a case.

Mr. GEORGE. The Senator thinks it is?

Mr. PITTMAN. Yes.

Mr. GEORGE. Then the Senator thinks Congress was just playing with the Executive; that Congress was saying, "Mr. Executive, we are going to reduce our tariffs on molasses, on sugar, on spices, and we are going to authorize you to go out and trade, but your trade is not worth a continental darn. We may violate it tomorrow, because it is not a treaty." Is that the Senator's position?

Mr. PITTMAN. Wait a minute. I do not say it could be violated, but it could be altered, because the agreements themselves, which were only diplomatic, provided that they

could be suspended at any time without any excuse by the President or by Congress. Of course that is no contract.

Mr. GEORGE. I do not read in the act that which the Senator does. The Supreme Court clearly said that the agreements were not treaties, and it said it upon the ground that they were of a character below the level of treaties. There was not any of the kind of argument that has been made here about our ability to violate a solemn agreement at will. The Supreme Court never suggested that as a basis of its decision.

Mr. PITTMAN. There was not any argument on the treaty at all in any of these cases, and yet these are all the cases the other side has cited.

Mr. GEORGE. They are the only cases that have been to the courts. We cannot cite cases that have not yet been there.

Mr. PITTMAN. I know; but the facts were as stated by the Court in those cases, and I have introduced into the RECORD here the proclamations made, which are called agreements. They are in the RECORD here now. Those proclamations state that these understandings shall last until changed.

Mr. GEORGE. Certainly. The trade agreements say the same thing.

Mr. PITTMAN. Oh, no.

Mr. GEORGE. Yes; they do. I shall get nowhere by merely disputing the Senator's word about it.

The PRESIDING OFFICER (Mr. HATCH in the chair). The Senator from Georgia refuses to yield.

Mr. GEORGE. The trade agreements that I have read specifically provide that they may be changed.

Mr. PITTMAN. Well, what will be the agreement next week?

Mr. GEORGE. I do not know.

Mr. PITTMAN. We have to look to the statute.

Mr. GEORGE. I do not know, but in the prior decided case, in which the Supreme Court has said that Congress might fix a rate, and might say to the President, "Put this low rate in force on the merchandise and articles of another country, provided the other country will grant reciprocally equal concessions to you," if it had been put into effect without saying a single word about how long it should last, I know that when the Supreme Court says that such an agreement is not a treaty, the arrangements made under the Trade Agreement Act are likewise not treaties, because it is said they shall not last more than 3 years, and that is a limitation which the legislative branch was putting on its own power. That is a safeguard that it was imposing on itself. It did not want to tie its hands beyond 3 years, and not then if certain unfair practices were engaged in by the opposite party, but certainly the Congress was trying to do something effective. Certainly it was not merely indulging in child's play. Certainly it was not frittering away its time. Certainly the Supreme Court did not mean to say, "The only thing, Mr. President and the Congress of the United States, that keeps your act and what you, Mr. President, have done under that act from being a treaty, the only thing that takes it out of the solemn category of treaties, is that the United States has reserved the right to violate its pledged word without notice at any time that it sees fit." That cannot be the distinguishing basis between a treaty in that case and a lack of a treaty in this case.

Mr. PITTMAN. Mr. President, I trust the Senator will not attribute to me the word "violation." The word "violation" is not a suitable word to employ, because the understanding itself provided that it could be terminated by a declaration at any time.

Mr. GEORGE. Mr. President, the Supreme Court did not say anything about that. There is no place where they have emphasized that fact. In fact, they have not thought that worthy of notice; and, so far as I am concerned, I am profoundly grateful to the Supreme Court for not narrowing its determination of whether an agreement was a treaty or a mere executive agreement made by our country to the one thing which I think would be unworthy of a great nation, that is to say, its power to disregard it, to walk out from under it, to forget it whenever it wanted to do so. Certainly, so long as the conditions existed that were in existence when the President acted under a bona fide act of the Congress, there was an implied promise upon the part of the President and the Congress that these lower rates would be continued. Surely, between ordinary men upon the streets, armed traders attempting to cut each other's throats, that would be true. That is the law which I think would be recognized in any municipality.

Mr. LUCAS. Mr. President——

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

Mr. GEORGE. I yield.

Mr. LUCAS. Does the Senator agree with me that even a more powerful argument might be made when there is no limit in the treaty, as suggested by the Senator from Nevada, than when there is a fixed time, so far as limitation is concerned, as is the case in the trade agreements?

Mr. GEORGE. I do not think there is a doubt about it; but I had not reached that point. I was coming to it.

Mr. BONE. Mr. President, before the Senator yields the floor, there are one or two matters about which I should like to make inquiry. I do not, however, desire to interrupt the thread of the Senator's argument at this point.

Mr. GEORGE. I will be through in a moment, on the point I am discussing, at least, and I shall be glad to yield to the Senator, and answer as best I may.

Mr. President, there is one thing about which I do not think there can be any doubt, and that is that trade agreements are not treaties within the constitutional sense of the term, requiring the assent of two-thirds of the Senate before they become effective. I am sure it would be useless to pass an act making provision that, as treaties, they would have to be submitted to and approved by the Senate, because it would never be possible to arrive at any agreement with any trading or industrial nation with which we might wish to increase our trade or increase the flow of commerce. That, of course, is merely a practical consideration. But it seems to me to be beyond all doubt that these trade agreements are not treaties in the constitutional sense, and that was the only point which I thought vital in the discussion of this matter, save what I confess is a difficult question, whether the Trade Agreements Act attempts to carry with it an unconstitutional delegation of legislative power to the Executive.

There is one phase of that suggestion which I wish now to discuss; and I may say that I will not be able to go on with the main discussion of that point in the limited time remaining this evening, because I regard it as of very great importance. The point to which I refer is that the Supreme Court of the United States, in the recent case to which I referred, *United States* v. *Curtiss-Wright Export Corp. et al.* (299 U. S. 304), has made a very significant decision, not new, but nevertheless significant. Rather than read the Court's language, which is far more impressive than mine would be, I will confine myself to reading what we call in my State the "headnote" of the case, as follows:

> The powers of the Federal Government over foreign or external affairs differ in nature and origin from those over domestic or internal affairs.

That is necessarily true, because with reference to internal affairs the Federal Government exercises delegated powers, and only delegated powers, or those which spring by necessary implication from the powers granted; but with respect to foreign or international matters, the Federal Government is absolutely a sovereign. Not that the President may do anything and everything. He must, of course, act under the generally applicable and related constitutional provision, even in the exercise of his power as Chief Executive of the Nation.

I read further:

> The broad statement that the Federal Government can exercise no powers, except those specifically enumerated in the Constitution, and such implied powers as are necessary and proper to carry into effect the enumerated powers, is categorically true only

in respect of our internal affairs. In that field, the primary purpose of the Constitution was to carve from the general mass of legislative powers then possessed by the States such portions as it was thought desirable to vest in the Federal Government, leaving those not included in the enumeration still in the States.

The States severally never possessed international powers.

As a result of the separation from Great Britain by the Colonies, acting as a unit, the powers of external sovereignty passed from the Crown, not to the Colonies severally, but to the Colonies in their collective and corporate capacity as the United States of America.

The Constitution was ordained and established, among other things, to form "a more perfect union"—

And so forth. The point I have already covered is pertinent. I wish to call attention to one significant statement in the opinion. The court said:

In *Burnet* v. *Brooks* (288 U. S.) we said: "As a nation with all the attributes of sovereignty, the United States is vested with all the powers of government necessary to maintain an effective control of international relations."

Citing numerous authorities:

Not only, as we have shown, is the Federal power over external affairs in origin and essential character different from that over internal affairs, but participation in the exercise of the power is significantly limited. In this vast external realm, with its important, complicated, delicate, and manifold problems, the President alone has the power to speak or listen as a representative of the Nation. He makes treaties with the advice and consent of the Senate, but he alone negotiates. Into the field of negotiation the Senate cannot intrude, and Congress itself is powerless to invade it. As Marshall said in his great argument of March 7, 1800, in the House of Representatives, "The President is the sole organ of the Nation in its external relations and its sole representative with foreign nations."

So, Mr. President, in this case the court held that the delegation to the President of the power to act was not required with the same exactness or with the same high degree of accuracy that would be required if the President were exercising a function exclusively of the legislative branch of the Government. They pointed out as the basis of the decision that the President was exercising a power which he himself, as the Chief Executive, had the right to exercise, but that he did not have the authority to impose an embargo, or to prevent the shipment of goods; that that, after all, lay within the power of the legislature.

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

Mr. GEORGE. I will yield in a moment.

Mr. ADAMS. I thought the Senator had concluded.

Mr. GEORGE. I am calling attention to that principle for this purpose, to wit, that in this instance the legislative power undoubtedly is to regulate commerce with foreign countries, but in order to make effective that power the Executive is called in by the Congress itself and is invited to carry on the diplomatic end of the bargaining process which the Congress itself has established. So there is here a very clear combination of the legitimate function of the Executive under the Constitution with the legitimate power of the legislative branch under the Constitution, and, although the Supreme Court has not had occasion to pass upon the exact question, I believe it highly probable—indeed, very certain—that the Supreme Court would hold that in such a case the same precision, the same high degree of specification, in laying down the standard to be administered by the Executive who was to consummate the program, would not be required, and could not be required, as in the case of the delegation of a purely legislative power to a board or commission, as was the case under the flexible provision of the Tariff Act of 1922 and under the flexible provisions of the present act.

Mr. BARKLEY. Mr. President, will the Senator yield in that connection?

Mr. GEORGE. I am glad to yield; then I will yield to the Senator from Colorado.

Mr. BARKLEY. It seems to me the Senator's view is confirmed by the fact that in dealing purely with a domestic problem in the first act to regulate commerce the only standard set up for the guidance of the Interstate Commerce Commission was the justice and reasonableness of the rates imposed. Nothing was laid down in the statute to guide them as to what was just and reasonable.

Mr. GEORGE. Precisely.

Mr. BARKLEY. It was left entirely to them.

Mr. GEORGE. Exactly; and the Supreme Court pointed out that it was wholly beyond the power of Congress, as a practical question, to fix all the rates applicable to both freight and passengers to be transported by the carriers.

Mr. BARKLEY. Yes.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. GEORGE. I must yield first to the Senator from Colorado.

Mr. ADAMS. The Senator has largely answered the inquiry I had in mind; but I gathered from the Senator's view, and from the reading of the decision of the Court in relation to foreign exports, that the power the President has by virtue of his Presidential office may not be limited by an act of Congress; in other words, it is an absolute power, subject only to the restrictions imposed upon him by the Constitution itself. That is, we, as a legislative body, could not restrict the President in the exercise of his Executive power.

Mr. GEORGE. In international matters.

Mr. ADAMS. Yes.

Mr. GEORGE. Undoubtedly that is true, when the power is one which lies exclusively in the hands of the Executive.

Mr. ADAMS. And he can, as he did in the Curtiss-Wright case, exercise two functions. One is an executive function.

Mr. GEORGE. Primarily that was the function he exercised.

Mr. ADAMS. Congress by the passage of a resolution had delegated to the President certain legislative activities, and those two functions were exercised by the President in conjunction. The legislative powers can only be delegated subject to the proper rules and standards.

Mr. GEORGE. That is correct. But it was said in that case that the same rule of strictness did not apply because primarily the President was exercising what the Senator has described as the Executive power.

Mr. ADAMS. There are two types of executive agreements. We have one executive agreement which the Executive makes as the Executive. We have others, which we call executive agreements, which are lesser than treaties in their stature, which the President enters into by virtue of the authorization of Congress.

Mr. GEORGE. Yes.

Mr. ADAMS. I was simply trying to get those two types clear. I have some difficulty in following the Supreme Court in saying that when the President enters into an executive agreement by virtue of an act of Congress in relation to a foreign matter, there is a lesser requirement as to compliance with the theory of delegation. I know that that statement was made by the Court.

I did not mean to take up so much of the Senator's time, but let me make one further suggestion. The control over foreign commerce is vested in the Congress.

Mr. GEORGE. Undoubtedly.

Mr. ADAMS. So that the President is narrowed in his executive capacity to make executive agreements of a strictly Presidential character by the power which Congress has to control commerce. As to those things there must be a delegation.

Mr. GEORGE. No; I did not go that far. The Senator misapprehended what I was trying to say. I do think that the President, under his undoubted treaty-making power, may enter into any kind of relation that he wishes. Part of the treaty terms might apply, of course, to tariff matters as well as any other matter which he might wish to include within them, and then I do not think he would be bound by what the Congress had not previously done. In that event, of course, the treaty would come back to the Senate for ratification or rejection. I do not think the power of Congress to regulate foreign commerce can properly be regarded as restricting the treaty-making power or any other power which the President has as Executive.

Mr. ADAMS. Of course, the treaty-making power involves the executive and the legislative.

Mr. GEORGE. It involves both.

Mr. ADAMS. Both are involved in making effective a treaty.

Mr. GEORGE. Both are involved. That is, the Senate is involved in the ratification of the treaty, not in its negotiation. It has no right to interfere with or to limit the President in that regard.

Mr. ADAMS. But a treaty might involve a purely executive question.

Mr. GEORGE. It might; yes. But if it involved a purely executive question, one that lay within the jurisdiction of the Executive, I think the Congress would have nothing to do with it.

I think the Congress would have to do only with the placing of any limitations upon an action to be taken in carrying out the power granted to it, the Congress. If the power is granted to the Congress I think it might, by an act previously passed, call on the Executive, or if it were appropriate, call upon the judiciary. Of course, we cannot conceive of a circumstance under which the latter course would be appropriate. But if that power were granted to Congress it might call upon the Executive to exercise certain acts in furtherance of the execution of the power vested in the Congress, because there are manifestly some powers given to Congress which it cannot appropriately exercise, or which it can exercise only with the utmost difficulty, if at all, and particularly, it seems to me, it could not reach any general understanding with a foreign country with regard to domestic legislation. And what similar action or treatment could be expected from the foreign country unless the Congress could call on the Executive to open negotiations with the foreign country, and exercise his diplomatic power as the head of the Nation, indeed the head of the Federal Government, in dealing with a foreign government?

I do not know that I make myself entirely clear.

Mr. ADAMS. I am sorry to have taken so much of the Senator's time.

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

Mr. GEORGE. I yield to the Senator from Washington.

Mr. BONE. Mr. President, I am tempted to ask the Senator from Georgia about an aspect of this problem that parts company entirely with the question of the legality or constitutionality of these agreements. I solicit answers from the Senator because in much correspondence and in many talks I have had with people of an inquiring mind who have the highest motives—and they are very purposeful—I find much confusion. I should like to ask the Senator from Georgia, whose judgment I value highly, whether he believes that the flexible-tariff provision, which has been in our tariff law for many years, is a wise provision, that is, a provision which permits the Tariff Commission to lift or lower tariff rates by 50 percent.

Mr. GEORGE. I am very frank to say to the Senator from Washington that originally I strongly doubted the wisdom of that provision, but I lived to see the growth of the process of tariffs and other trade restrictions gradually climbing until I thought the process had reached a danger point, and looking at the question practically I concluded that the only way to meet that situation was through some agency such as the Tariff Commission, or through the President, by reciprocal-trade agreements made under the Trade Agreements Act.

I very frankly say to the Senator from Washington that originally I questioned very seriously whether the flexible provision should be enacted, and I cannot say, of course, that there are no objections to it. I do not think anyone can argue that there are no valid objections to that kind of delegation of authority, even conceding we have a right to make it. But, in my opinion, we have to look at it practically; and if there is to be any gradual cutting down of rates which are high and which have within themselves not stimulated trade or perhaps have called for various adverse restrictions upon our trade and commerce by other countries, if there is to be any remedying of that situation, looking at it practically, we have to approach it by the method now being followed. Frankly, I think if we entered into a general revision of the tariff, we would find ourselves swamped in hopeless confusion, and the net result would probably be rates less scientific than the rates now in effect. Certainly they would not be more scientific.

Mr. BONE. This formula, which I believe is to be found, logically, in our tariff statutes after the Fordney-McCumber Tariff was adopted, rests upon the assumption that the Congress of the United States in its wisdom should establish first a schedule of tariff rates as a predicate upon which the formula could rest. That job, of course, under our present tariff set-up, has to be done by this body. We are not parting company with that formula. We are resting all our arguments and our assumptions on the theory that it is the duty of Congress to pass a law establishing certain levels of tariff schedules and customs duties.

Then we give flexibility to that principle by writing into the law the flexible clause which gives a leeway of 50 percent up or 50 percent down. That was the only fundamental modification of the law, until the enactment of the Reciprocal Trade Agreements Act.

Mr. GEORGE. That also is limited by the same 50 percent up or 50 percent down.

Mr. BONE. I understand, but its application rests first upon a tariff law, which is the old orthodox tariff law.

Mr. GEORGE. That is correct.

Mr. BONE. I have listened to the argument of the Senator with much interest, and I have read a great deal about the device of logrolling, which seems implicit in the making of tariff schedules in a legislative body; so I have tried to inquire of those who are interested, with respect to the wisdom of going beyond these orthodoxies of tariff making, such as Congress has indulged in for 150 years, and to adopt an entirely new system of making tariffs. If there be vice and evil in the logrolling implicit in all tariff operations, and if the reciprocal-trade idea, which is perhaps not a new thing, but certainly new in its operations so far as the tariff is concerned, is wise and just and proper, because it gets away from legislative logrolling, and if there is absolute virtue in it which may not be legitimately and honestly challenged—and this is the point raised by many of my correspondents—would it not be the part of wisdom to vest, not a portion of the control of so vital a thing in the Presidential discretion, but to allow the President himself and his Tariff Commission to establish all schedules, regardless of any 50 percent up or 50 percent down, so as to eliminate entirely the logrolling aspect in Congress, because the inherent vice is still there? We have written into the law these revisions, and we have given ourselves a 50-percent leeway one way or the other.

If the theory underlying the trade agreements be morally and economically sound, would it not be wise to have the President take over the job of making all tariffs, and get rid of the whole business, which has so many vices inherent in it?

That question has been posed to me many times. I find it diffcult to answer.

Mr. GEORGE. In the first place, let me say to the Senator that Congress could do what the Senator suggests, but it could do it only by laying down certain principles and standards which would prevent a collision with the general constitutional provision that we cannot delegate our legislative power.

Mr. BONE. I am assuming in my question that such limitations are written into the law.

Mr. GEORGE. Let me answer the Senator further. I do not think it would be wise to do so, in any event, because from time to time the Congress may—and I think should—undertake as nearly as possible a general revision of tariffs, or a complete revision of tariffs. I think that power should remain in the hands of the Congress. I think it is quite sufficient to give the tariff at least a reasonable flexibility, and then to establish an intelligible principle or standard to be used by some expert body in running the rate up or down within fixed limitations.

Mr. BONE. Mr. President, let me ask the Senator another question.

Mr. GEORGE. I think it would be unwise and undesirable from any point of view for the Congress to undertake to put the whole burden on any agency of government.

Mr. BONE. The limit now is 50 percent either way.

Mr. GEORGE. That is the first limit; yes. There are other limits in the act.

Mr. BONE. Suppose that Congress, instead of approaching the question in the fashion I have suggested, and within such limits as would make the delegation of power constitutional, should say, "We will give the President of the United States power to regulate tariffs up or down by 80 percent or 85 percent." That would be accomplishing by indirection that which possibly might not be directly accomplished. If by giving the President 50-percent leeway either way we can do directly and constitutionally the thing we seek to achieve, possibly the court would sustain a 90-percent leeway either way.

Mr. GEORGE. Possibly. I think it would do so if adequate standards were laid down.

Mr. BONE. If that were true, the President would be permitted almost to remove tariffs, or to add to a tariff such an amount as to constitute practically an embargo.

Mr. GEORGE. That is true. I do not believe such a situation would be desirable, although I do think some flexibility in the rate is desirable, particularly to meet an emergent situation or a condition which is stubborn, as the case of constantly dwindling trade volume.

Mr. BONE. I hope I am not embarrassing the Senator by asking him to express an opinion as to whether or not a tariff commission such as the Interdepartmental Committee could exercise more discretion and wisdom than the Congress of the United States in framing tariff schedules. I have had that question put squarely and plainly to me by reputable high-minded men in both Houses of Congress. They say there is so much vice implicit in the logrolling arising from the consideration of tariff schedules that it would be much better, and would serve a higher public morality, to permit a committee such as the Interdepartmental Committee to fix schedules.

If that argument be valid, and if it has weight, it seems to me we ought seriously to consider doing so, even to the extent of allowing a leeway of 90 percent. Certainly a leeway of 90 percent would get the tariff problem out of Congress in a hurry.

Mr. GEORGE. I will say to my friend from Washington that I do not agree that that would be desirable, although it might result in obtaining a tariff which theoretically would be more nearly correct. However, it would leave out of consideration a vital principle which I think we never can afford to sacrifice. I refer to the judgment of men from every State in the Union and from every district in every State, representing the people, familiar with their purposes, wishes, hopes, aspirations, and needs. In the high sense, legislative power should never pass entirely out of Congress. It has passed out so far as making rates on our common carriers is concerned, as the Senator knows.

Mr. BONE. We retain no control over that subject.

Mr. GEORGE. No; but we could withdraw the power at any time.

Mr. BONE. That is true.

Mr. GEORGE. As the Senator says, we do not actually retain the control.

Mr. BONE. As I listen to these arguments, I am forced to ask myself whether or not the power which we have granted the Interstate Commerce Commission and all the other governmental agencies is as vital to the welfare of America as the power we grant to the President in the negotiation of reciprocal-trade agreements.

I want the Senator and my brethren to understand that in these questions I imply nothing about my own attitude. I merely seek information. If we willingly grant to the Interstate Commerce Commission and the other great agencies which we have set up, powers similar to those granted by States to departments of public works to regulate power, electric-light, and telephone rates, why are we squeamish about granting to the President or to a departmental committee the power to make tariff schedules? Perhaps we could not do any greater harm to the American economy than we did to our economy by granting similar powers to the Interstate Commerce Commission. Let me employ what may seem to be a vulgarism. Why make fish of one and fowl of the other? Why draw such subtle distinctions, which I confess as a lawyer I cannot understand?

If it be proper to give to the Interstate Commerce Commission almost the power of life and death over all the railroads, which represent billions of dollars of investment, why should we withhold approval, if such a suggestion were ever made, to a proposal to give to the interdepartmental committee on tariffs and the President of the United States the power likewise to regulate tariff rates?

I ask these questions because I have had them dumped into my lap, and I wish to know the answers before I vote on the joint resolution.

Mr. GEORGE. Mr. President, I am not willing to go all the way. However, I think a reasonable flexibility, such as the Trade Agreements Act, to meet situations which are constantly changing and which are very difficult at best, should be approved. In section 350 we have a method of carrying out the formula which I have already described as one which will adequately serve the people's needs without a reckless delegation of authority. Under the trade-agreements procedure we start with the Smoot-Hawley law. That law embodied the judgment of men from every State in the Union and every district in those States. Then finding that conditions had arisen which made it impossible for the tariff alone to serve as the regulator of foreign trade, we, as a Congress, felt that certain changes should be made in the 1930 act which would stimulate our foreign trade. We developed a formula, and said to the Executive, "Put this formula into effect." But, we also said, "In carrying out this function you must act within a limitation, that is, you cannot change existing law by more than 50 percent.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me for a question?

Mr. GEORGE. I yield.

Mr. O'MAHONEY. The question I desire to ask the Senator from Georgia bears upon the colloquy he has just had with the Senator from Washington and also with the Senator from Kentucky [Mr. BARKLEY], in which reference was made to the grant to the Interstate Commerce Commission of power to fix reasonable rates, to use the phrase of the Senator from Kentucky. The Senator from Kentucky said that the power had been entirely given to the Interstate Commerce Commission. In response to the Senator from Washington, I have just understood the Senator from Georgia to say that we had completely surrendered that power to the Interstate Commerce Commission, although, of course, we could take it back.

Mr. GEORGE. Yes. I did not mean to say that we had surrendered it, but that we are now exercising our power through the Commission.

Mr. O'MAHONEY. Does the Senator bear in mind, when he makes that statement, the fact that the reasonableness of the rates fixed by the Interstate Commerce Commission is always subject to review by the courts?

Mr. GEORGE. Oh, yes.

Mr. O'MAHONEY. They are, are they not?

Mr. GEORGE. Yes.

Mr. O'MAHONEY. Does not the Senator recognize the fact that in the present act the customs duties to be fixed by the President are not subject to any review?

Mr. GEORGE. No one has a vested interest in a customs duty.

Mr. O'MAHONEY. Of course.

Mr. GEORGE. No one has any such right. Fundamentally, we cannot give anyone such a right.

Mr. O'MAHONEY. Because of that fact, Congress has given the right in the act of 1930 and in previous acts——

Mr. GEORGE. Only in one previous act.

Mr. O'MAHONEY. Very well; to be technically correct, in the act of 1930 and in a previous act, Congress, recognizing the importance of having a review of a delegated power, gave to the courts the power to review; and section 516 (b) of the Tariff Act of 1930 was eliminated by the Reciprocal Trade Agreements Act.

Mr. GEORGE. Yes; it was eliminated.

Mr. O'MAHONEY. So there is no possibility of review.

Mr. GEORGE. The Senator is correct. However, I will not permit the Senator to lead me into the statement that that is why section 516 (b) came into the act. Let me turn the argument around. Section 516 (b) came into the act because the methods adopted in securing tariffs had run wild. Many industries in the Nation were fast becoming committed to the doctrine that they were entitled to an embargo tariff, and that every possible hampering restriction should be thrown around every import which came to our shores.

Mr. President, if there were nothing else in our whole tariff history to cause me to support the Reciprocal Trade Agreements Act, the presence of a statute with so little moral basis as section 516 (b) would do so. It was a recognition that a producer of merchandise has some sort of vested interest in maintaining a tariff or tax imposed for his protection as against an importer who brings in merchandise.

What happened under section 516 (b)? Imports were stopped at the coasts. They were tied up almost interminably. The importer virtually had to go out of business. That is one of the reasons why our trade and commerce went down so very rapidly under the 1930 act. We had carried the embargo protectionism doctrine so far, and it had provoked so many retaliatory measures in other commercial and industrial countries, that the stream of commerce was fast drying up. I grant—and I am pleased to grant it—that when any act of the Congress may be difficult of review, or may be beyond the reviewing powers of our courts, that is a very strong argument why the Congress should go very slowly in that direction, and why it should exercise its power with the utmost care and caution in placing the authority to act in any board, bureau, or other department of the Government. I grant that. I thoroughly agree with that.

Mr. O'MAHONEY. I am very happy to have the Senator say that, because we are approaching another national election, and no Senator on this floor can foresee who will administer this act in the period for which it is proposed to be extended. The persons in authority in the State Department in 1941, 1942, and 1943 may not have the high standard of morality which distinguishes the present occupant of the most distinguished position at the head of the State Department. The persons in charge of the executive arm of the Government in 1941 may have exactly the point of view which the Senator now so eloquently and clearly deplores; and I feel that he has raised a very powerful argument against the continuance of the present act when he states that the Congress should go very slowly in delegating this extraordinary power to the executive arm of the Government.

Mr. McKELLAR. Mr. President, will the Senator yield to me for a moment?

Mr. GEORGE. I yield.

Mr. McKELLAR. I was called out of the Chamber just a moment ago, and I do not know whether or not the Senator has touched upon this question.

As I understood the Senator from Michigan [Mr. VANDENBERG] earlier in the afternoon, he made an argument to the effect that it is particularly undesirable at this time to continue in force these trade agreements because of the present war conditions in the world. Is it not the opinion of the Senator from Georgia that in these war conditions we are very much better off with the power in the President to make trade agreements, and with the trade agreements we have, than if we were restored to the terms of the old Smoot-Hawley Act?

Mr. GEORGE. I think so, Mr. President, and I also think that in a time of great world stress we cannot afford to abandon the sound principle of equality of treatment of other nations upon which we have insisted certainly for a long time, and nobody more strongly insisted upon that principle than did the present Chief Justice of the United States when he was Secretary of State under a Republican administration.

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

Mr. GEORGE. I yield. I was about to yield the floor for the night.

Mr. LUCAS. I merely wish to ask one question before the Senator yields the floor.

I have listened for 2 days now to the debates upon the constitutionality of the Trade Agreements Act. I should like to ask the Senator from Georgia if he agrees with me that after we strip the frills from the amendment which is now before the Senate which, as I understand, is the amendment offered by the Senator from Nevada [Mr. PITTMAN] seeking to have the trade agreements ratified by a two-thirds vote of the Senate—the sole question comes down to whether or not the trade agreements are agreements or treaties, one or the other.

Mr. GEORGE. In my opinion, yes.

Mr. LUCAS. And, as I understand, the Senator from Georgia takes the position that they are not treaties, but they are merely trade agreements.

Mr. GEORGE. They are Executive agreements on the one side, as distinguished from treaties. They are instruments falling below the level of a treaty.

Mr. LUCAS. If, on the other hand, they are treaties, as contended for by the Senator from Nevada—who seeks through this amendment to have them ratified by a two-thirds majority of the Senate—then the question of the delegation of power from the legislative branch to the Executive, as so ably argued by the Senator from Wyoming [Mr. O'MAHONEY], is not involved at all.

Mr. GEORGE. No; if the instruments are to be treated as treaties, of course they have to be ratified by a two-thirds vote of the Senate, and no question of delegation of power is involved, because we could not restrict the President. He is free to do as he pleases, of course.

Mr. LUCAS. Then if the Senator from Georgia is correct that these instruments are purely trade agreements and not treaties, the only question which the Senate has to deal with is solely with respect to the delegation of power, and the safeguards surrounding that delegation.

Mr. GEORGE. That is correct.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. GEORGE. Yes; I yield to the Senator from Missouri.

Mr. CLARK of Missouri. If, on the other hand, the contention of the Senator from Nevada [Mr. PITTMAN] were correct, and it were considered that these agreements are treaties, then this whole act would be in limitation and in derogation of the constitutional authority of the President to negotiate treaties; would it not?

Mr. GEORGE. Entirely.

Mr. CLARK of Missouri. In other words, under the Constitution the President does not need any statutory authority from us. He may go ahead and negotiate any treaty on the face of the earth that he pleases, and send it to the Senate for ratification, and he does not need any statute of this sort; and, as a matter of fact, the whole nature of this statute would be a limitation on his constitutional authority.

Mr. GEORGE. Undoubtedly so.

Mr. President, I have concluded what I wished to say, although I have not covered all the ground I desired to cover on the question of the nature of the Trade Agreements Act, and the things done thereunder; that is, whether a trade agreement is a treaty or whether it is a mere Executive agreement. The important question in this matter, as I see it, is whether the Trade Agreements Act constitutes an unlawful or unconstitutional delegation of legislative power to the President in negotiating a treaty.

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

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

Mr. GEORGE. I shall be glad to yield. I was about to yield the floor for the day.

Mr. CHANDLER. I desire to compliment the Senator from Georgia upon his address on this very important question. I have listened to it with a great deal of interest, and I do not think I have ever heard a more eloquent or more persuasive address on this very important subject.

Mr. GEORGE. I thank the Senator.

Mr. CHANDLER. If the amendment of the Senator from Nevada [Mr. PITTMAN] were agreed to by the Senate, is it the opinion of the Senator from Georgia that that might preclude the possibility of arranging effective trade agreements between the United States and other countries in the immediate future?

Mr. GEORGE. Undoubtedly, in my opinion, it would preclude the possibility of doing anything.

Mr. BARKLEY obtained the floor.

Mr. HARRISON. Mr. President, I ask the distinguished leader on this side if we may not recess until 11 o'clock tomorrow morning?

Mr. BARKLEY. Yes; I think it would be very desirable to do so. Has the Senator from Georgia concluded his remarks?

Mr. GEORGE. There is one phase of the matter which I should like to cover in the morning. It will not take very long, I hope.

Mr. BARKLEY. I was asking merely for information. It is entirely agreeable to me to have the Senate meet at 11 o'clock, and I have conferred with Senators on the other side on the subject.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. May I understand what the request is?

Mr. BARKLEY. The Senator from Mississippi [Mr. HARRISON] asked me if it would be agreeable to have the Senate recess until 11 o'clock in the morning instead of 12 noon, and I said it would be.

Mr. AUSTIN. Mr. President——

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

Mr. BARKLEY. I do.

Mr. AUSTIN. It had been my intention to take the floor following the distinguished Senator from Georgia, whose address I have listened to without interrupting him, and with great admiration for his able presentation of his views relating to the pending amendment. I give notice that I shall try to obtain the floor after the Senator from Georgia shall have concluded his address tomorrow.

Mr. O'MAHONEY. Mr. President——

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

Mr. BARKLEY. I yield to the Senator.

Mr. O'MAHONEY. I was about to remark that there are so few Senators upon the floor at this moment that it may be difficult to ascertain whether or not 11 o'clock would be a convenient time for Senators to meet. Most of those who have departed undoubtedly have gone in the belief that the Senate would not assemble until noon.

Mr. BARKLEY. The Senator from Wyoming will recall that yesterday we discussed the feasibility and advisability of meeting at 11 o'clock today.

Mr. O'MAHONEY. The Senator was very courteous to me in not having that done, because it would have been inconvenient for me to proceed with my remarks at 11 o'clock today.

Mr. BARKLEY. The only committee which is to be in session tomorrow, I understand, is the Appropriations Committee. I have conferred with some members of that committee, and have been told that to have the Senate meet at 11 o'clock would not work any great inconvenience to them. They are close to the Senate Chamber, anyway; and inasmuch as it is desired to obtain a vote on this amendment this week, if possible on Friday, so that we may then know what the future course of the joint resolution will be, it has been thought desirable to have the Senate meet at 11 o'clock tomorrow. I hope the Senator will not object to that.

Mr. O'MAHONEY. Mr. President, I have no objection.

PAYMENTS BY RURAL ELECTRIC COOPERATIVES

Mr. BARKLEY. Mr. President, in view of certain remarks made a few days ago by the junior Senator from Ohio [Mr. TAFT] that there was not a rural electrification association in the United States which had earned the interest on the repayments it had to make to the Government of the United States, I send to the desk a telegram from one of these organizations which I ask to have read.

The PRESIDING OFFICER. The clerk will read.

The legislative clerk read as follows:

OWENSBORO, KY., *March 22, 1940.*

Senator ALBEN BARKLEY,
Senate Chamber, Washington, D. C.

DEAR SENATOR: We deeply resent the remarks made by Senator Taft about R. E. A. as quoted in today's paper. We suggest he acquaint himself with the facts before again making such unfair accusation about a matter so close to the heart of the American farmer. Here are a few facts about the Green River Rural Electric Cooperative Corporation of Owensboro, Ky., serving five counties. Fifteen months after energizing we paid $10,000 of principal and $7,000 of interest not due and have met every interest and principal payment each month since and have a sizable fund in the bank besides. After meeting all operating expenses and all interest charges 34 percent of our monthly collects are available for amortizing our loan. If the Senator wants proof these figures are on file with the R. E. A. Administration, Washington.

Sincerely,

HOWARD DANIEL,
President, Green River Rural Electric Cooperative Corporation.

Mr. McKELLAR and Mr. AUSTIN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield, and, if so, to whom?

Mr. BARKLEY. I yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, I wish to say that since the colloquy occurred last week in regard to this subject, I have made an effort to secure a statement of the facts from rural electrification associations, and I hope to be ready to submit some data covering the subject at an early date, when I can get the floor without conflicting with the pending business. I could be ready tomorrow if I could get the floor, but I do not desire to interfere with the debate on the trade-agreements measure. At the first opportunity after the pending bill shall have been disposed of I will submit the facts to the Senate.

Mr. BARKLEY. Mr. President, I am sure that the Senate will be glad to have the Senator's presentation. I have had this telegram read, because it is brief, and it states the facts as to the particular situation covered by the message.

Mr. McKELLAR. I am glad the Senator had it read.

Mr. BARKLEY. Did the Senator from Vermont desire to ask me a question?

Mr. AUSTIN. I did not realize that the Senator from Ohio had come into the Chamber during the colloquy.

Mr. McKELLAR. I may say to the Senator from Ohio that I feel confident he will have all the facts he has been desirous of obtaining.

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

Mr. McKELLAR. I yield.

Mr. TAFT. I hope the Senator will have the facts as to the 800 rural electrification cooperatives, so that we may know the whole situation, and not merely as related to 1 out of 800.

Mr. McKELLAR. The Senator will have reports from all of them.

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. HATCH in the chair) laid before the Senate a message from the President of the United States, submitting the nominations of sundry officers in the Foreign Service, which was referred to the Committee on Foreign Relations.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the nomination of Hugh Gladney Grant, of Alabama, to be Envoy Extraordinary and Minister Plenipotentiary to Thailand.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

POSTMASTERS

The legislative clerk read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the postmaster nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

IN THE NAVY

The legislative clerk proceeded to read sundry nominations for promotion in the Navy.

Mr. BARKLEY. I ask unanimous consent that the nominations in the Navy be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc. That completes the calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until tomorrow at 11 o'clock a. m.

The motion was agreed to; and (at 5 o'clock and 15 minutes p. m.) the Senate took a recess until tomorrow, Thursday, March 28, 1940, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate March 27 (legislative day of March 4), 1940

DIPLOMATIC AND FOREIGN SERVICE

The following-named persons for promotion in the Foreign Service of the United States, effective as of March 1, 1940:

From Foreign Service officer of class 4 to Foreign Service officer of class 3:

Raymond H. Geist, of Ohio.
Loy W. Henderson, of Colorado.
Laurence E. Salisbury, of Illinois.
Lester L. Schnare, of Georgia.
Samuel H. Wiley, of North Carolina.

From Foreign Service officer of class 5 to Foreign Service officer of class 4:

Charles A. Bay, of Minnesota.
Selden Chapin, of Pennsylvania.
George F. Kennan, of Wisconsin.
Samuel Reber, of New York.
Robert Lacy Smyth, of California.
Angus I. Ward, of Michigan.

From Foreign Service officer of class 6 to Foreign Service officer of class 5:

William W. Butterworth, Jr., of Louisiana.
Paul C. Daniels, of New York.
Cecil Wayne Gray, of Tennessee.
Gerald Keith, of Illinois.
George H. Winters, of Kansas.

From Foreign Service officer of class 7 to Foreign Service officer of class 6:

Sidney A. Belovsky, of New York.
Burton Y. Berry, of Indiana.
George M. Graves, of Vermont.
James B. Pilcher, of Alabama.

From Foreign Service officer of class 8 to Foreign Service officer of class 7:

Montgomery H. Colladay, of Connecticut.
William S. Farrell, of New York.
William E. Scotten, of California.
James H. Wright, of Missouri.

From Foreign Service officer, unclassified, to Foreign Service officer of class 8:

Reginald Bragonier, Jr., of Maryland.
Carl Breuer, of New York.
Mulford A. Colebrook, of New York.
Overton G. Ellis, Jr., of Washington.
Howard Elting, Jr., of Illinois.
Frederick E. Farnsworth, of Colorado.
T. Muldrup Forsyth, of Virginia.
L. Randolph Higgs, of Mississippi.
Walter W. Hoffmann, of California.
Walter J. Linthicum, of Maryland.
Aubrey E. Lippincott, of Arizona.
Robert Mills McClintock, of California.
Harold E. Montamat, of New Jersey.
Walter W. Orebaugh, of Kansas.
W. Leonard Parker, of New York.
Wales W. Signor, of Michigan.
Orray Taft, Jr., of California.
Robert M. Taylor, of Washington.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 27 (legislative day of March 4), 1940

PROMOTIONS IN THE NAVY

TO BE CAPTAINS

Herbert R. Hein
George B. Ashe
Carlos A. Bailey
Virgil C. Griffin, Jr.
Schuyler Mills

TO BE COMMANDERS

Thomas E. Flaherty
John B. Barrett
William E. McClendon
Charles E. Olsen
Elmer R. Runquist
Walton R. Read
Robert B. Crichton
Thomas B. Fitzpatrick
George V. Whittle
Herman P. Knickerbocker
Cornelius V. S. Knox
John B. McGovern
Arthur W. Peterson
Benjamin C. Purrington
Anton L. Mare
Sumner C. Cheever
Jack E. Hurff
Edward B. Peterson
William H. Ferguson
Frederick C. Sachse

TO BE LIEUTENANT COMMANDERS

Edward S. Pearce
Lewis S. Parks
Kenneth C. Hurd
William L. Benson
Everett E. Mann
Hunter Wood, Jr.
Barton E. Bacon, Jr.
George J. Dufek
Frank P. Tibbitts

TO BE LIEUTENANTS

Richard H. Best
John R. Leeds
Travis R. Leverett
George E. Hughes
Ernest M. Snowden
Herbert J. Campbell
Barry K. Atkins
Henry G. Munson
Thomas K. Bowers
Frank C. Acker
Howard F. Stoner
William E. Townsend
John H. Kaufman
Joseph H. Kuhl
Howard R. Prince
Jacob A. Lark
Milton F. Pavlic
Anthony H. Dropp
William L. Richards
William M. Ryon
William B. Short, Jr.
Ray M. Pitts
Jack I. Bandy
Thomas F. Williamson
Richard H. Blair
Nicholas J. Nicholas
John R. Spiers

TO BE LIEUTENANT (JUNIOR GRADE)

Louis J. Gulliver, Jr.

POSTMASTERS

COLORADO

Lloyd W. Failing, Craig.

INDIANA

Clarence H. Andres, Batesville.
Lawrence M. Slough, Bourbon.
William W. Workman, Kokomo.
William H. Lauterbach, Rosedale.
Walter H. Droege, Seymour.

IOWA

Edward J. Kooreman, Alton.
Martin C. Fitzpatrick, Greeley.
Wilford S. Smiley, Grinnell.
John L. Harrison, Hornick.
Albert S. Barry, Muscatine.
Philip J. Carolan, Ridgeway.
Florence Gilman, Rock Rapids.

MAINE

Annie D. Thompson, Waldoboro.

NEBRASKA

James M. McKinley, Sutherland.
May E. Nichols, Valley.

NEW YORK

Gertrude L. Miller, Accord.
Frank Crowley, Bombay.
Charles W. Dunn, Calcium.
Edward J. O'Mara, Cornwall.
Evenor A. Andre, Croghan.
Hattie D. Lyon, East Setauket.
Leon L. Rider, Falconer.
Dennis J. Sullivan, Fort Plain.
Barbara J. Kelly, Frankfort.
Grant W. Fuller, Gouverneur.
Nathan D. Williams, Highland.
John J. Gaffney, Liverpool.
George H. Bogardus, Morristown.
Chester J. Brown, Newburgh.
Thomas E. Roeber, Port Washington.
Daniel S. Foster, Saranac Lake.
Beatrice A. Sweet, Smyrna.
Marie D. Proctor, Theresa.
Edward N. Skinner, Westfield.

OREGON

Otis A. Snook, Drain.
Harry D. Force, Gold Hill.
James E. Jenks, Jr., Tangent.

PENNSYLVANIA

Robert W. Baggs, Beaver Falls.
Ann K. Hunt, Darlington.
Ralph H. Shook, Spring Mills.

WASHINGTON

Clara Wilson, Rainier.
John M. Eager, Raymond.
Clara G. L. Phipps, Spanaway.
Bert B. Schmitz, Waterville.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MARCH 27, 1940

The House met at 11 o'clock a. m.

Rev. Joseph Coleman Richards, D. D., pastor of the Pleasant Ridge Methodist Church, Cincinnati, Ohio, offered the following prayer:

Infinite Father, Thou who art the ruler of the world's destiny, we worship Thee for the wonder and glory of life, and for its terror also; because we have learned that beneath its hurt and heartache there is a wise love that never fails, never forgets, never forsakes. Earnestly we would seek Thee this day, beseeching Thee to be the spirit of our prayer, the leader of our thoughts, and the consolation of our hearts. Open our minds we humbly pray, purify our hearts, grant us eyes to see Thy truth wherever it is unveiled, and ears to hear all voices that speak to us concerning Thy will and way for us. Admit us, O Lord, if we be worthy, into the communion of vision that we may be sure of Thy truth—seeing it clearly and with honest hearts—sure of the moral order of the world, and surer of the life eternal which flashes in the dreams of great and pure minds. Forgive our sins, heal our sorrows, and so cleanse our prayer that it may lead us in that noble and faithful service of our fellow souls wherein lieth our nearest duty and our truest joy. Amen.

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

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 39. Concurrent resolution extending the time for the submittal of the report of the Joint Committee on Forestry.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1955) entitled "An act to authorize the Secretary of Agriculture to delegate certain regulatory functions, and to create the position of Second Assistant Secretary of Agriculture."

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. CALDWELL, from the Committee on Appropriations, reported the bill (H. R. 9109) making appropriations for the Government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1941, and for other purposes (Rept. No. 1886), which was read a first and second time, and, with the accompanying report, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

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

THE TOWNSEND PLAN

Mr. TABER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. TABER]?

There was no objection.

Mr. TABER. Mr. Speaker, according to the Townsend organization, H. R. 8264 represents the present ideas of the Townsend clubs. They represent to the people of the country that under it there would be paid to everyone over 60 years of age from $60 to $200 each, per month.

Assuming that the enormous tax collected would not reduce the volume of business, the greatest amount that could be paid to each pensioner over 60 years of age would be $12.25 per month. The probabilities are that the tax would slow business down and reduce the volume of gross income and that each pension would soon be less than $12.25 per month.

The bill proposes a 2-percent tax on gross incomes but provides an exemption of $3,000 per year. In other words, if a man receives a salary of $3,000 per year, he pays no tax; if a merchant has gross sales of $20,000 and has a net profit of 7½ percent, or $1,500, after taking out an exemption of $3,000 on his gross income, he would pay 2 percent on $17,000, or $340. In this particular case the man with an income of $3,000 in salary would pay no tax, while a man with a net income of $1,500 in a business would pay $340, or 22½ percent upon his net income.

Senator DOWNEY, one of the joint authors of the bill, engaged in a discussion of it in Washington on Sunday, February 25, 1940, in the American Forum of the Air. His talk appears in the Appendix of the CONGRESSIONAL RECORD, and the particular part of it to which I wish to refer appears on page 1425. Senator DOWNEY states that the gross income of the United States would be about $300,000,000,000.

Now, it appears that only 30 percent of the gross income is received by individuals and corporations whose gross income exceeds $3,000 a year. This means that a total of $90,000,000,000 would be earned by those who were subject to tax. It is estimated by the Bureau of Internal Revenue that 3,500,000 earners, both individuals and corporations, earned this amount. Therefore, the exemption would be $3,000 multiplied by 3,500,000, or $10,500,000,000. This would leave an amount subject to the 2-percent tax of $79,500,000,000, and 2

percent on this amount is $1,590,000,000, from which we would have to deduct the expense of collection and operation of the act, which at the very least would be $120,000,000, which would leave the sum of $1,470,000,000 available to the pensioners. Under the proposed bill this amount would be distributed equally.

Senator DOWNEY claims that there are 10,000,000 people who would qualify for this pension. This would mean $147 per year, or $12.25 a month to each pensioner. In other words, taking the figures offered to us by the advocates of the bill and nothing else, and using a pencil and paper to figure it out, we find that adding practically $1,600,000,000 to the taxes of the country would only result in the payment of $12.25 to each individual pensioner. Instead of meaning less taxes, it would mean more taxes. The present pay-roll taxes upon business have operated to stifle and prevent recovery. These new Townsend taxes—double the old-age annuity pay-roll taxes—would have no other effect than to make business worse. They would stifle and interfere with real estate transactions and would seriously interfere with the marketability of stocks and bonds. Its general effect would be very serious, and the benefits to the individuals would not exceed $12.25 a month. These same people have been deceived by promoters into believing that the bill would yield them from $60 to $200 a month each.

I am not going into an analysis in this statement of other bills that have been introduced by the same organization. I am simply going to say that none of these bills would have worked out as the Townsend promoters stated.

I doubt very much the ability of the people in this country under 60 years of age to pay taxes enough to provide a substantial pension to those over 60. Except in case of actual disability, I think that all old-age pensions must be limited to those above 65 years of age, and I think that it is absolutely impossible to tax the people of this country enough to pay the same pension to those in the South, where the cost of living is lower, that we pay to those in the North.

These Townsend taxes would either raise prices or drive more people out of business, and in that way they would bear most heavily on the poor.

I do not propose to support any measure that is very evidently designed to deceive the people and to get money out of them, rather than to accomplish the purpose that they pretend to stand for.

A little later on, as the opportunity comes, I propose to discuss the entire social-security problem and to make such constructive proposals with reference to that problem as are possible. [Applause.]

Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD and to insert a table.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. TABER]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DONDERO. Mr. Speaker, I ask unanimous consent that on tomorrow after the disposition of business on the Speaker's table and at the conclusion of the legislative business in order for the day and after any other previous orders heretofore entered I may be permitted to address the House for 20 minutes.

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

There was no objection.

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, in my reply to the gentleman from New York the other day, I got consent to revise and extend my remarks and I desire to insert some data which I think I have a right to include, but for fear I might be mistaken I ask unanimous consent to include it.

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

Mr. RICH. Mr. Speaker, reserving the right to object, what data does the gentleman wish to insert in the RECORD?

Mr. RANKIN. Relative to power rates in the State of New York.

Mr. RICH. I may say to the gentleman from Mississippi when he puts these articles and tables in the RECORD and he states he is the author of them I wonder when he has the opportunity to do it. Because he puts so many tables and articles in the RECORD.

Mr. RANKIN. I may say to the gentleman that I have devoted a great deal of time to getting up and compiling this information. It is accurate, I will say to the gentleman from Pennsylvania.

Mr. RICH. If I have to take information from the statements that the gentleman from Mississippi puts in the RECORD I do not want very much of it. Because he is badly guided and misinformed by someone and I am wondering who it might be.

Mr. RANKIN. I know the gentleman does not want information on this subject.

Mr. RICH. I want information that is authentic and I am not interested in putting the Government in business. I want to keep the Government out of business that competes with its citizens. The gentleman from Mississippi is interested in having the Government get into all kinds of business. That is a revolution, I will admit, from our customs. He quotes from the T. V. A., a corporation owned and operated by the Federal Government. The Federal Government pays the taxes, pays for the investment, and gives the people of Mississippi electric power for less than it costs the Federal Government, which sets up the Corporation for the benefit of Mississippi, Alabama, Georgia, and Tennessee, and the Government provides 45 percent of the money in Mississippi for electric appliances then the people go and borrow the other 55 percent from Government agencies and everything is done down in the gentleman's State at the cost of the taxpayers of Pennsylvania and my district and the other States. I object to such procedure. I think it is unfair, unethical, illogical, and dishonest. The gentleman is trying to get money out of the Federal Government for the benefit of only his people at the expense of mine. If he continues, his people down there will not amount to a tinker's darn, if they have to live completely off the Treasury of the Federal Government. He ought to teach them to work. He should be trying to get them to be independent instead of being dependent.

Mr. RANKIN. As I said, the information may not do the gentleman from Pennsylvania any good, but I think it will help the rest of the House and the country.

Mr. RICH. If it will help anybody, we will be glad to see it, but I want to see some things done that will help the country pretty soon instead of the people of the entire country taking care of the people of Mississippi. Where the utilities pay no tax, that the Government operate, such as the T. V. A.

Mr. RANKIN. It is helping the power consumers of Pennsylvania in getting reductions in their light and power rates, in spite of the gentleman from Pennsylvania [Mr. RICH].

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

Mr. RICH. Mr. Speaker, reserving the right to object, if they do something in Mississippi at the cost of the people of Mississippi, we do not object to it, but I do object to our people in Pennsylvania supporting in full all the people of Mississippi; they should do something for themselves.

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

There was no objection.

CALL OF THE HOUSE

Mr. KEEFE. Mr. Speaker, I make the point of order that there is not a quorum present.

The SPEAKER. Obviously there is not a quorum present.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 57]

Barden	Burgin	Cole, N. Y.	Durham
Bates, Mass.	Byrne, N. Y.	Cooper	Evans
Beam	Byron	Culkin	Flaherty
Brewster	Chapman	Darden	Flannery
Buckley, N. Y.	Clark	Darrow	Folger
Burdick	Clason	Dirksen	Gilchrist

Goodwin	Lemke	Routzohn	Taylor
Hancock	McKeough	Sandager	Wadsworth
Hess	McLean	Satterfield	West
Hook	Maas	Seger	Wheat
Jacobsen	Mansfield	Shafer, Mich.	Whelchel
Jarman	May	Shannon	White, Idaho
Jarrett	O'Brien	Sheridan	White, Ohio
Jenkins, Ohio	Osmers	Short	Whittington
Kee	O'Toole	Smith, Conn.	Wolcott
Kelly	Reed, N. Y.	Smith, Ill.	Zimmerman
Larrabee	Risk	Sweeney	

The SPEAKER. Three hundred and sixty-three Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with.

DEPORTATION OF CERTAIN ALIENS

Mr. STARNES of Alabama. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6724) to provide for the prompt deportation of aliens engaging in espionage or sabotage, alien criminals, and other undesirable aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 9, after "Has" insert "been convicted of, or has voluntarily."

Page 1, lines 9 and 10, strike out ", or been convicted of,".

Page 1, line 10, after "espionage" insert: ", as defined in the act of June 15, 1917 (40 Stat. 217)."

Page 1, lines 10 and 11, strike out "for a foreign government" and insert "affecting the national defense or the foreign relations of the United States."

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MURDOCK of Utah. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article by Mr. Lindley appearing in the Washington Post this morning, excerpts from an article from the Christian Science Monitor, certain excerpts from the hearings on the appropriation bill now under consideration, and a letter from Dr. Leiserson.

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

There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Southern Planter of Richmond, Va., and several letters from residents of the Southern States.

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

There was no objection.

Mr. IZAC. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a report from the N. Y. A. supervisor of San Diego, Calif.

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

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief table of statistics relating to the N. Y. A.

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

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief article from the San Francisco Chronicle.

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

There was no objection.

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio address delivered by myself.

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

There was no objection.

Mr. FULMER asked and was given permission to extend his own remarks in the RECORD.

COMMITTEE ON THE JUDICIARY

Mr. HOBBS. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may be permitted to file a supplemental report on the bill (S. 607) to amend section 40 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, as an addendum to report No. 1759.

The SPEAKER. Does the gentleman desire to include any time limit in the request?

Mr. HOBBS. No, Mr. Speaker.

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

There was no objection.

EXTENSION OF REMARKS

Mr. EDWIN A. HALL. Mr. Speaker, I am receiving scores upon scores of letters from farmers in my district regarding the hay shortage. I ask unanimous consent to extend my own remarks in the RECORD and include therein two of these letters.

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

There was no objection.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio address delivered over the Columbia network last Saturday night.

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

There was no objection.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article from the Saturday Evening Post entitled "After the Deficit—What?"

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

There was no objection.

Mr. LEWIS of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a letter from a constituent.

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

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief article by William Green on the labor question.

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

There was no objection.

Mr. MILLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter from the Superintendent of the West Point Military Academy.

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

There was no objection.

LABOR-SECURITY APPROPRIATION BILL, 1941

Mr. TARVER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9007) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further

consideration of the bill H. R. 9007, with Mr. BUCK in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. At the conclusion of the session on yesterday the Clerk had read through line 12, on page 14 of the bill.

Mr. CASEY of Massachusetts. Mr. Chairman, I have an amendment at the desk.

The Clerk read as follows:

Amendment offered by Mr. CASEY of Massachusetts: On page 14, line 9, strike out "$4,830,000" and insert "$5,865,000."

Mr. CASEY of Massachusetts. Mr. Chairman, the amendment which I have offered at this time is simply to restore the Budget figure for salaries of employees of the Wage and Hour Division. It is of tremendous importance because, ordinarily, a reduction in an appropriation means merely that the organization which suffers the reduction should tighten its belt and go on and adjust itself to the reduction, but right here I want to make it plain that the vote upon this amendment is a vote either for the Wage and Hour Act or against it. I cannot make this too plain. I say it because the Wage and Hour Division is engaged in the enforcement of wages and hours in industries throughout the United States. Colonel Fleming himself is the authority for the statement that if it is not efficiently and effectively enforced, it ought to go off the books. Let me repeat that—if his law is not efficiently and effectively enforced, it ought to go off the books.

If you allow this cut to go through and not pass my amendment, you are going to cut the contemplated personnel by one-third. It will be impossible to enforce wages and hours. The law will be inefficiently enforced, sloppily enforced, it will fall of its own weight and the enemies of wages and hours will rejoice. But make no mistake. Do not comfort yourselves with the idea, "Well, I favor the wage and hour principle, but in this instance the appropriation is more than last year and therefore I will vote for the reduction rather than to put back the Budget estimate."

Because the Appropriations Committee proposes to reduce the appropriation recommended by the President for the Wage and Hour Division by $1,346,400—20 percent of the total amount recommended by the President, which was $7,486,000. This would reduce the recommended appropriation for salaries by $1,035,000.

This would be a crippling reduction. The Division is now operating on the basis of annual expenditures of $7,716,000. Moreover, when the Wage and Hour Division appeared before the Appropriations Subcommittee of the House in July 1939 to ask for additional sums in the deficiency bill, the statement was made, and apparently was understood, as appears in the record, from both sides, that the rate of expenditure at the beginning of the fiscal year 1941, by reason of appropriations then made, would be annually $7,716,000; that is, that the money which was available for the fiscal year 1940, through the regular and deficiency appropriations, would be spent in increasing amounts each month so that in the final month of that year and the first month of 1941 the annual rate of expenditure would be $7,716,000. Consequently, the appropriation recommended by the President is $230,000 less than the annual rate that was contemplated last July.

The proposed reduction in the amount recommended by the President would mean a reduction in the inspection force of 350 men—more than a third of the total inspection staff contemplated. In addition a very substantial number of attorneys in Washington and in the field must be discharged or furloughed without pay.

The results of such reductions on inspection are obvious. With the enforcement staff so reduced it will be simply impossible for the Division to achieve adequate enforcement. Inadequate enforcement means nonuniform discriminatory enforcement. Employers who have been voluntarily complying with the labor standards prescribed by the act will be subjected to price competition by chiselers whom the Division will be powerless to bring to book. As a result of this situation noncompliance could be expected to spread like fire or pestilence. It would become too unprofitable to comply and too easy to violate.

The only motive disclosed by the committee for making this drastic reduction is found in a unique statement on page 13 of the committee report:

The committee recognize the necessity for some expansion in the work of the Wage and Hour Division as it develops its organization and proceeds with its program of properly policing the industries that fall within the terms of the act. They do feel, however, that until Congress shall adopt legislation amendatory of the Fair Labor Standards Act which will serve to clarify certain ambiguities in the existing law, and until those charged with the administration of the act have been able to bring about simplification of procedure, and clarification in the interpretation of the rules and regulations promulgated pursuant to any such amendatory legislation, it would be improvident on the part of Congress to approve a greatly enlarged administrative set-up that could only serve in lending further difficulties to an already confused administrative problem.

This is tantamount to a statement by the Appropriations Committee that they will refuse to recommend sufficient funds to enforce legislation enacted by Congress unless and until it is amended to the committee's satisfaction.

Except in minor particulars the act is not ambiguous. The drafters of this statement are not worried about ambiguities. They are attempting to coerce amendments which would exempt over 1,000,000 sweated workers who are now clearly included in the benefits of the act.

I say to you that the issue is plain, and I want to talk to my Republican brethren on this side of the House, the gentlemen who believe in a living wage, the gentlemen who believe in decent, American working conditions, the gentlemen who believe in protecting the high-type American manufacturers. You ought to vote for my amendment, and let only those who believe in the opposite of that vote against it. You cannot comfort yourselves on this side by saying, "It is a Democratic reform bill and we are going to rejoice in the fact it is going to be inefficiently enforced; that it will give us political capital," because we should not make ducks and drakes of such an important measure that means so much in the lives of the men who labor and the manufacturers who employ labor. What happens is this. You have in an industry a man who is obeying this law and you have in the same industry a man who is a chiseler and does not want to obey the law. What great comfort he will take from the fact it cannot be enforced. The decent, law-abiding manufacturer is going to obey this law, whether it is enforced or not, as long as it is on the books, but the chiseler or the profiteer, the one who will take comfort out of employing people at 10 or 12 cents per hour—and this is being done—will slip by because it is being inefficiently enforced. You are giving comfort to the chiseler, you are giving comfort to the type of manufacturer who should be punished, by not appropriating the amount asked for by the Budget and by the President.

I say to you that the issue is plain and it is this. If you want wages and hours, if you believe in the philosophy of a floor under wages and a ceiling over hours, you will vote to put back the Budget figure and the President's figure. [Applause.]

[Here the gavel fell.]

Mr. HOUSTON. Mr. Chairman, I rise in opposition to this amendment, reluctantly. I voted for the creation of the Wage and Hour Act, and I am for it today, and if I thought for a moment that the disapproval of this amendment would effectively imperil the efficiency of the Wage and Hour Division, I would support the amendment. I do not believe it is necessary to send an army of inspectors all over the entire United States to police industry, when only 7 percent of the industries of the country are complained against. Furthermore, I do not believe it is essential to have an army of inspectors at this time, until the Congress itself has the courage to sit down in a legislative committee—and I am speaking for myself alone, and not the Appropriations Committee—such as the Labor Committee of the House, and define what the area of production is. The way it is today, there is great confusion all over the country. Nobody seems to be able to tell what the area of production is; certainly not Congress, nor

the Administrator of the Wage and Hour Division. At one time it was said that it was from Maine to Ohio.

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

Mr. HOUSTON. Yes.

Mr. WOOD. How would the gentleman define the area of production? What does the gentleman mean? Has the gentleman anything in mind?

Mr. HOUSTON. When this bill was passed by the House and the Senate, it went to conference. The bill was rewritten in conference, and in that conference there was inserted in the bill the item "area of production." It has never been clearly defined by the Congress; it is left to the Administrator, and they, themselves down there, are confused upon it, and until such time as the Congress sits down and defines what it is, we shall always be in a state of confusion.

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

Mr. HOUSTON. Yes.

Mr. KELLER. How many industries are there in the United States to which the wage and hour law would apply?

Mr. HOUSTON. About 259,000.

Mr. KELLER. How much would 7 percent of that be?

Mr. HOUSTON. It would be 7 percent of that amount.

Mr. KELLER. About 17,500?

Mr. HOUSTON. Yes.

Mr. KELLER. How many men does the gentleman think it would take to investigate 17,500 businesses intelligently during the period of 1 year?

Mr. HOUSTON. I agree with the gentleman to this extent: That I think complaint cases should be investigated, and our objective is to work toward routine inspection; but I call your attention to one item here in the hearings, on page 346, where the gentleman from Georgia, Judge TARVER, asked these questions, and the replies which were given by Colonel Fleming:

> Mr. TARVER. I notice, for example, that during the next fiscal year you have 32 inspectors for location at Charlotte, N. C. My recollection is that in the evidence last year it was indicated the purpose was to have, during the fiscal year 1940, 74 inspectors located at that office. How many have been in fact located there during the present fiscal year?
>
> Colonel FLEMING. We now have at Charlotte 1 supervising inspector and 12 inspectors.
>
> Mr. TARVER. There is, then, no necessity for stationing an extremely large number of inspectors which I mentioned, 74, at Charlotte for the present fiscal year?
>
> Colonel FLEMING. It so happens you have selected a region which is a little different than all other regions, in that we have recently entered into an agreement, which is permitted under our act, with the State of North Carolina whereby they are undertaking our inspection work for us there, using inspectors of their own department of labor, supplemented by others whom we pay for.

It should be remembered that these hearings were held only about 2 or 3 weeks ago.

They are allowing States to do that and paying for it with Federal funds.

Mr. KELLER. That is in one State?

Mr. HOUSTON. No; in others.

Mr. KELLER. In what States?

Mr. HOUSTON. Well, in Minnesota and Wisconsin and others.

Mr. KELLER. Nevertheless, if the amount were provided, they would not be able to do the work, even with all of it.

Mr. HOUSTON. As a matter of fact, they have not assigned the number of inspectors that they have been authorized to appoint and have appropriations for under the present law and for the present fiscal year.

Mr. KELLER. The gentleman knows the reason for that, does he not?

Mr. HOUSTON. Oh, I understand that the Civil Service Commission is slow. I cannot yield any further.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. HOUSTON. Yes.

Mr. VOORHIS of California. Is it true or not that in the case where the State law-enforcing officers carry on for the Wage and Hour Division the State is reimbursed for the salaries of those people?

Mr. HOUSTON. They are reimbursed by the Federal Government.

Mr. VOORHIS of California. Then the expense might be just as great in one case as in the other.

Mr. HOUSTON. Not necessarily because after a man has been trained and put into the work you can eliminate the traveling expenses.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. HOUSTON. Yes.

Mr. LUTHER A. JOHNSON. What is the amount of this appropriation as compared with the appropriation for the same item last year?

Mr. HOUSTON. The entire thing?

Mr. LUTHER A. JOHNSON. No; on this particular item involved in this amendment.

Mr. HOUSTON. We are increasing the appropriation by $1,576,000 over last year.

Mr. LUTHER A. JOHNSON. A million and a half?

Mr. HOUSTON. Yes; more than that. On page 44 of the report there is a comparative statement made.

Mr. LUTHER A. JOHNSON. One million five hundred and seventy-six thousand dollars?

Mr. HOUSTON. That is correct.

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

Mr. HOUSTON. I yield.

Mr. THOMASON. That is an increase over what is being spent this year, but there is a reduction of more than a million dollars in the amount recommended by the Budget?

Mr. HOUSTON. That is correct for the entire item.

Mr. THOMASON. In the RECORD of yesterday, at page 3467, the gentleman from Georgia [Mr. RAMSPECK] inserted a statement, which he says came from the Wage and Hour Division, in which he says it will be necessary to discharge a large number of employees. Immediately following the statement of the gentleman from Georgia [Mr. RAMSPECK] was a speech made by the gentleman from Georgia [Mr. TARVER], in which he concludes with these words:

> It would be very apparent to anyone who reads the hearings with a desire to find out what the true facts may be that there is not only not any reduction of personnel in the employment contemplated by the provisions contained in the pending bill, but that the appropriations contained in the bill will be sufficient to very considerably enlarge the existing personnel.

Now, what is the truth about that? Are we going to have a lot of employees discharged, or is the chairman of your subcommittee right when he says there will be none discharged? That is what I want to know.

Mr. HOUSTON. I would like to know how any employees could be discharged when we have given them $1,644,000 more than they have during the current year. They might discharge some, but others will be engaged to take their places, and if the committee recommendation is approved by the House 744 additional jobs will be created. I now call your attention to page 400 of the hearings on the area-of-production item. I ask you to read the discussion before the committee on that subject.

[Here the gavel fell.]

Mr. TARVER. Mr. Chairman, I would like to see if we cannot agree on a limitation of time on this matter. We had considerable discussion of this item yesterday. I am sure the House wants to consider the matter fully. May I submit a request that in addition to the debate already had this morning we have 20 minutes of additional debate?

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

Mr. TARVER. Let me submit this request, Mr. Chairman, that we have 30 minutes' additional debate.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that all debate on this amendment and all amendments thereto be limited to 30 minutes. Is there objection?

Mr. MARCANTONIO. Reserving the right to object, may I say to the Chairman, who I know has been very fair and

generous throughout this debate, that yesterday many of us would like to have taken part in this particular discussion when the gentlewoman from New Jersey [Mrs. NORTON] offered an amendment, but, unfortunately, the time was limited then. This is one of the most controversial items in the bill, and all the Members requesting time now should at least be given 5 minutes.

Mr. TARVER. The time limitation was had yesterday by unanimous consent.

Mr. MARCANTONIO. That is right. I am not complaining about that.

Mr. TARVER. I have no desire to try to foreclose reasonable debate, but there are several controversial items in the bill. Another bill is coming up tomorrow, so it is absolutely necessary to finish today, if possible.

Mr. Chairman, I submit this amended request—that the debate be limited to 40 minutes.

The CHAIRMAN. Is there objection to the amended request?

Mr. EDELSTEIN. Mr. Chairman, reserving the right to object, this affects my particular district and is of utmost importance. I think that sufficient time should be allowed, so that I at least will be granted 5 minutes to be heard.

Mr. TARVER. Mr. Chairman I have exhausted every means to reach an agreement with the Members with reference to debate on this matter. So I move that all debate on this paragraph and all amendments thereto close in 1 hour.

The CHAIRMAN. The question is on the motion of the gentleman from Georgia that all debate on this paragraph and all amendments thereto close in 1 hour.

The motion was agreed to.

The CHAIRMAN. The gentleman from Missouri [Mr. COCHRAN] is recognized for 3½ minutes.

Mr. COCHRAN. Mr. Chairman, I come from one of the great industrial centers of this country, St. Louis. I have not as yet received what I feel is one legitimate objection to the Wage and Hour Act as a whole, nor have I heard one legitimate objection from any section of the country to the administration of that act. True I have letters, inspired propaganda, against any form of wage and hour legislation but none advocated a legitimate objection. Now, remember this amendment is simply to restore the figure submitted by the President through the Bureau of the Budget.

It is no crime to ask to restore an amount recommended by a House committee. That committee is simply the agents of the House. They recommend, the House approves or rejects.

The first Administrator made an excellent record.

The present Administrator is likewise making an excellent record. All I ask is to give him a fair chance to do what you said you wanted done when you passed the law.

This is a new law. Why was it enacted? It was enacted to do away with the chiseler and the sweatshops and to give legitimate business an equal opportunity with those who followed unethical business methods in dealing with their employees and in production. Its enactment was advocated after the Supreme Court held the N. R. A. unconstitutional. I bow to the decision of the Court but I challenge anyone to say the N. R. A. was not beneficial to business as well as to the wage earner. The little-business man especially suffered by this ruling of the Court.

I understand that many of the arguments advanced by employers are being settled across the table. In other words, a real determined effort is being made to make this new law work. I am not speaking for jobs, I am speaking for proper enforcement of a good law and I do not want to see the intent of Congress destroyed by failure to properly provide the machinery to carry out the provisions of this act.

As I said, this is a new law. Anyone will admit that from time to time it is necessary to perfect a new law, and when experience has shown that amendments to this law will be beneficial to the employer and employee, then I think the Congress will respond and pass the necessary amendments.

I am just as much for economy as anyone in this body, but I do not believe in destroying progressive legislation by failing to appropriate sufficient money to properly administer the law. If this law is not properly administered, it will be due solely to the failure of the Congress to provide the proper and necessary tools to do the job. We were liberal at the outset, but as it became necessary to build up, to investigate and consider complaints, naturally there must be expansion.

We have one organization where the personnel is being blamed today for the manner in which the law has been administered. No such complaints come to us with reference to the administration of this act.

I have never been in the Wage and Hour office but once, and that was on a legal holiday. The one man that I saw working there was the attorney who was attacked on this floor the other day, one of the most brilliant young lawyers who has ever worked for this Government.

I was at my office and received a telegram urging me to send by air mail a copy of a decision of the Administrator. I called the office and an attorney answered, saying while the office was closed, still he would be there for the day, and said if I could call he would give me his copy and would replace it the following day. When I called I met the assistant to the general counsel, Mr. Rauh. He has charge of the opinion section of the Legal Division. I was rather surprised when I read in the hearings how critical some had been of this young man. True, he is a young man; but if they had looked into his background they would have found, young as he is, his brilliant record does not warrant criticism. He graduated from Harvard in 1935 at the head of his class. He improved his legal education during the period he was law clerk to Justice Cardozo, of the United States Supreme Court. After the death of Justice Cardozo he became associated with the National Power Policy Committee, and while in that position he was called upon and assigned to assist Judge Calvert Magruder, then the general counsel of the Wage and Hour Division, prepare the regulations. Mr. Rauh was drafted to help get the act in operation. He was not on the Wage and Hour pay roll. So exceptional was his work, about a year after he was offered and accepted a position with the Wage and Hour Division. Colonel Fleming, in defending the appointment and service of Mr. Rauh, called attention to outstanding generals in our Army who were less than 30 years of age when they reached the grade. He insisted there are individuals who at a young age are competent to hold responsible jobs. I agree with him fully in this case. The day I called on Mr. Rauh was the only time I ever contacted him, but I have looked into his record and service and commend those who were responsible for assigning him to this important post.

Let us not cloud the issue before the House at the moment. Remember this is not an increase over Budget figures, but is to make the bill carry the amount the President says is necessary for proper administration. I sincerely hope the amendment is adopted. [Applause.]

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. The Chair is in a very embarrassing position. The time has been apportioned among the 16 gentlemen who were on their feet at the time the debate was limited to 1 hour.

Mr. EDELSTEIN. Mr. Chairman, there has already been much debate on the Labor Department-Federal Security Agency 1941 appropriation bill. At this time I only wish to discuss three items, those relating to the Wage and Hour Division of the Labor Department, the National Youth Administration of the Federal Security Agency, and the National Labor Relations Board. I shall deal briefly with each.

The first item I shall examine relates to the Wage and Hour Division of the Labor Department. The Fair Labor Standards Act was enacted to protect the workers of this country from being underpaid and overworked by unfair employers, thus injuring workers, fair-minded employers, and the prosperity of our country. We all know that when labor is exploited in this way society must bear the burden of making up the difference between low wages paid and the minimum necessary for bare existence.

The Fourteenth Congressional District of New York is primarily a district inhabited by those who earn their living by physical labor. In the many tenements to be found in that district, women and children for many years have supplemented low family incomes by doing industrial home work. Instead of being able to play in the streets, children have stayed in the dark, unhealthy tenements working long hours on the making of artificial flowers, feathers, and various types of ornaments. All this heavy and confining work has resulted in an income of only a few cents a day for each worker. The bill the community has had to pay for this industrial home work has been a heavy one. It has meant a deprivation of the right of children to grow up as normal Americans. It has meant a heavy health bill for the city and State. It also has meant that those employers engaged in the same line of endeavor, using modern sanitary factories, paying decent wages for a reasonable number of hours per week, were placed at a disadvantage against their unfair competitors. It meant that eventually those employers, despite their best intentions and their desires to do what was right, would be forced to change over to the other type of production.

All this has been ended by the Fair Labor Standards Act. That act was a declaration by Congress that industry in this country would operate on the single standard and not a double standard. It has meant that the people of my district engaged in certain lines of work for which there is no union protection as yet, have been brought under the shield of minimum standards as to hours and wages set up by this act. It has meant for the children of my district who were forced to aid in industrial home work the end of a system imposed only because of economic necessity.

That is what the declaration contained in the Fair Labor Standards Act has meant to them. All this, however, is only a promise. The reality is yet to be accomplished. This can only be done by a fair but vigorous enforcement of the various provisions of the Fair Labor Standards Act. If we do not appropriate enough funds so the Wage and Hour Division of the Labor Department can maintain its present staff of inspectors and increase them in order to cope with the duties required of them by this act, the promise will remain a vision never to be realized.

In the light of this situation, let us see what appropriations were requested for enforcement of this act for the coming fiscal year. The Wage and Hour Division asked for $6,185,000 and got $5,105,000 for salaries and expenses. In my opinion, in view of the task which confronts the Wage and Hour Division, this sum is far from adequate. This House in considering various appropriation bills has been plunged into an atmosphere of economy. I do not believe that reasons of economy are sufficient to justify what the Appropriations Committee has done.

The committee report at page 13 gives the following reasons for allowing less than the amount requested:

> The committee recognize the necessity for some expansion in the work of the Wage and Hour Division as it develops its organization and proceeds with its program of properly policing the industries that fall within the terms of the act. They do feel, however, that until Congress shall adopt legislation amendatory of the Fair Labor Standards Act which will serve to clarify certain ambiguities in the existing law, and until those charged with the administration of the act have been able to bring about simplification of procedure, and clarification in the interpretation of the rules and regulations promulgated pursuant to any such amendatory legislation, it would be improvident on the part of Congress to approve a greatly enlarged administrative set-up that could only serve in lending further difficulties to an already confused administrative problem.
>
> The present Administrator of the Wage and Hour Division has been but recently confirmed in his office. The committee are confident that he will satisfactorily work out means and methods of administering this act that will be in conformity with elements of reasonableness and good judgment. The committee further know it is the intention of the present Administrator to build up the enlarged organization in a slow and methodical manner in order that a real selective and efficient personnel may be acquired.

Even the hasty reader can easily see that the cut in this item would frustrate the purpose of the Fair Labor Standards Act. The objection that Colonel Fleming has only recently been confirmed cannot be intended as a statement that he does not know what the Division is all about. He has been on the job ever since Commissioner Andrews left.

At page 341 of the committee hearings, Colonel Fleming said as to the 1941 estimates:

> I think I should say, first of all, while this is an apparent increase over last year, it is really not an actual one.

Colonel Fleming then pointed out that in July 1939 it was understood that by the end of the present fiscal year, the annual rate of expenditure would be $7,716,000. The estimate was for $7,486,000. Colonel Fleming never indicated that a lesser appropriation would be satisfactory to him.

I believe that too often legislation has been destroyed by cutting down appropriations to carry out the law. The amount reported out by the committee, in the face of Colonel Fleming's statement, at page 345 of the committee hearings, that the Budget estimate will do only 70 percent of the job, with only incidental routine inspections, is clearly subject to this charge. The committee is to be commended for its effort to save $11,000,000 from the Budget estimate but I cannot approve this saving. Instead of waiting for the Senate to correct this mistaken economy, we should do so.

As I have already stated, my district has a very vital interest in this matter since a large part of my constituency is employed in industries affected by the Wage and Hour Act. If adequate funds are not provided for the proper enforcement of this act at this time, a psychology of noncompliance will be set up in business which will make enforcement, when it is attempted, extremely difficult. The promise of betterment held out by this act, to underpaid and overworked employees will be only an empty promise, never to be fulfilled.

There is another consideration involved which, while secondary, is still important. According to Colonel Fleming's statement at page 340, the Division and the Appropriations Committee mutually understood in July 1939 that expenditures would be at about $7,716,000 annually by this June. Increases in personnel were made on this understanding. This recruiting program involved expense in the selection and training of these new employees. The reduction in the appropriation will require the dismissal of many of these employees. The expense incurred in hiring them will have been wasted and the morale of these employees will be seriously injured. They will be discharged, or shall I say "furloughed" through no fault of their own and even though the Government actually stands in need of their services. The reduction of this appropriation proceeds along no scientific lines of personnel management. It has no real relation to economy. It simply expresses dissatisfaction with legislation enacted by this Congress.

The appropriation for the National Youth Administration of the Federal Security Agency once more calls to mind that one-third of our unemployed come from the youth of this country. Experts and Dorothy Thompson may differ as to the extent of unemployment today, but however they resolve their dispute, this body cannot afford to ignore the existence of our 4,000,000 young people, ranging in age from 18 to 24, who are unemployed and who want to work. The National Youth Administration is an effort to ameliorate their plight. I cannot conceive it to be a solution of their problems. Nevertheless, it is better than nothing and I regard it as a disastrous mistake for this House to agree to the curtailment of N. Y. A. activities in any way, and they are limited enough even now. Last year, before I was a Member of Congress, N. Y. A. was given over $100,000,000. For the coming fiscal year we are only allowing it $85,000,000. Is the need any less than before? No one has said that it is and all evidence points to a contrary conclusion. Shall we go along with the Appropriations Committee because it chooses to go along with the Budget Bureau? The answer is obvious. One Member of this House has charged it with saving blood money. I do not think that is an overstatement.

We are dealing here in millions of dollars, but concretely what does the N. Y. A. program mean? It means aid in many ways for American youth at a minimum cost to this country. Remember, if the school program of N. Y. A. were to cease, almost half a million students would be forced onto our overglutted labor market. The meager average stipend of $4.41 per month for 300,000 high-school students over 16, and $12.59 per month for 117,000 college students for work profitable to themselves and their schools, keeps them in school.

In New York City almost 13,000 high-school students and 4,311 college students in 200 schools and 54 colleges were given part-time N. Y. A. work which enabled them to remain in school so that they could benefit not only themselves, but our country. The total funds allotted to New York City for the current fiscal year were a little over $5,000,000. Two-thirds of this sum went to the work program and only one-third to the school program. Think of it, for only $1,665,000, 23,000 young people were enabled to stay in school for 1 year.

The cut in this year's appropriation will require a reduction of the program by one-sixth. This means that in the next school year over 57,000 high-school students will be forced out of schools to hunt for jobs that do not exist. Twenty-one thousand college students who would otherwise achieve their goal of higher education will achieve only heartbreak instead. They will become fertile soil for the unrest and disaffection which "isms" seek to implant in order to destroy democracy.

The lower East Side of New York City has long realized that the salvation of its youth lay in higher education. No sacrifice was too great to obtain knowledge that would be the open sesame to security. Today no sacrifice avails to achieve that end. There are few enough from my district who can afford to go even to the free colleges New York City provides. That small number have been materially aided by N. Y. A. assistance.

Six hundred and three students at Brooklyn College received N. Y. A. aid. One thousand one hundred and twenty-eight received similar aid at City College, 700 at Hunter College, 110 at Queens College. The money paid to these students is not a dole but compensation for work that they have done which has benefited their schools. I know that the president of each of these free colleges, if asked, would assure this body that the N. Y. A. program has been of inestimable benefit to their institutions in getting work accomplished for which they had no funds, as well as aiding students, most of whom rank high in scholarship. Pass this bill as it stands, at $85,000,000, and you deprive them of the right to go to school and college, to acquire a vocation or a profession.

N. Y. A. also has a program for youth out of school. Four million youth are unemployed. With this year's appropriation 322,000 were given aid at an average salary of $15.09 per month, with a minimum of $12 for 40 hours' work per month. A reduction of one-sixth will mean that 45,000 of these next year will be left without hope when there are 300,000 already certified as being eligible for N. Y. A. work projects and at least 2,000,000 who would be if adequate funds were given to N. Y. A.

An N. Y. A. project is no sinecure and it pays no princely wages. It provides useful work and training for the unskilled so that they will have a better chance to obtain private employment. The monthly turn-over is about 9 percent, so that on the average each project annually has a complete change in its workers. About one-third of N. Y. A. workers find jobs in private industry and the other two-thirds wish they could.

The achievements of N. Y. A. under this aspect of its program have been of material value to those engaged in its work projects and those public agencies which have sponsored them. In New York City last month almost 11,000 people from 18 to 24 were engaged in various sorts of useful work. One thousand seven hundred and seventy-six helped construct and preserve various types of minor recreational facilities. Almost 4,000 were employed on clerical and service projects. Over 3,500 acted as leaders for community recreational activities. Four hundred were engaged in making useful articles in workshops established to provide training for those who were unskilled. Five hundred were employed as assistants for public-health work, library work, and other work of a professional nature. Seven hundred were employed in preparing and serving lunches to needy school children, conducting nursery schools and acting as homemakers. The diversification of projects is even greater outside of New York City.

With $100,000,000, only 322,000 young people out of work could be given N. Y. A. work and training. The other 3,678,000 were left out in the cold. Dare we add to that number by cutting that appropriation still further to $85,000,000? I dare not. I shall vote for $85,000,000 only when I realize that economy—false economy—trafficking with the lives of our youth, refuses to squeeze out any more from the Budget for their salvation and that of our country.

If we let our youth go their way, unaided by us, their way will be the way of youth in other lands which have succumbed to dictatorship. If we do not provide for them by democratic means, they will throw away their birthright of democracy for the security, slavery, and militarization of the labor battalions. Erika Mann, daughter of Thomas Mann, noted German exile, in speaking of the importance of the Hitler youth organization, has well said: "Who has the youth—of a nation—behind him has all."

The issue before us is not economy but democracy, the maintenance of America and real Americanism, as against a saving of $15,000,000. We have heard much of 100-percent Americanism. We can show ours by voting 100 percent for a 100-percent appropriation of $100,000,000. If we vote for only $85,000,000, we shall go down in history as the 85-percent patriots.

I shall be very brief in dealing with the reduced appropriation of the National Labor Relations Board, reported by the Appropriations Committee on the ground, as set forth at page 35 of its report, that new cases docketed are decreasing and the firm belief of the committee that the Board is overstaffed. In addition, the committee recommends the entire elimination of the Division of Economic Research.

As to the reduction of the Board's case load, while it is true that representation cases are on a current basis, complaint cases are not and are steadily falling behind. This is shown at pages 556–7 of the subcommittee hearings. In view of this fact and until the committee substantiates its firm belief that the Board is overstaffed by tangible proof, the reduction from the Budget estimate should not be approved.

Although the subcommittee hearings show that the importance and necessity of the Division of Economic Research were fully stressed, the Appropriations Committee recommends its abolition. This cannot be economy, since, according to page 579 of the hearings, $45,600 is the amount paid to 15 economists who used the services of 14 other people who received a total compensation of $23,700. If the economists necessary to establish the jurisdiction of the Board are to be fired, why in the name of economy and common sense should their clerical help be retained?

I believe that this reduction is merely an indirect way of amending the Wagner Act out of existence, and on that ground I oppose it. Without the work of this section of the Board, it could not establish the existence of interstate commerce in each case. If that fact were not proven, the Board would not have jurisdiction, and it is a fact which must be established to the absolute satisfaction of the courts.

The National Labor Relations Board should be allowed the full amount of the Budget estimate.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. LAMBERTSON] for 3½ minutes.

Mr. LAMBERTSON. Mr. Chairman, I am very much astonished to hear the gentleman from Missouri say that he has heard no objection to this act and its administration.

At the outset let me confess that I am opposed to it. I was opposed to it when it was originally brought before the House, and I moved to recommit it. The act passed not because of the will of Congress but because it came from the White House. It was passed because it was forced on this House from the White House. It was defeated the first time it was

presented. This is one of the places where the White House won its victory.

One real result of this act is that small businesses are being destroyed. Another aim of its friends is to comprehend all labor obliterating State lines. Under the interstate-commerce phase it is obliterating State lines, and the act as conceived and passed was intended to comprehend all labor within its scope. If those administering the act dealt with the problem of subnormal conditions in really interstate business, if they stayed within the original purposes of the act, they would not need as much money as they had for the current fiscal year; but they are trying to run the world, they are trying to run everybody's business. They are concerned now about subnormal bank clerks. Is it not ridiculous? The sweatshops have been forgotten. Labor accepted this act as a device to raise all labor. That is the impetus behind it, and at a time when agriculture was way below parity.

I never was more satisfied with any fight ever made than the one I made against the passage of this act. It stands next to the Labor Relations Act in the hamstringing of business in America. If I had my way I would wipe it out and let business have a chance again. I would at least limit it to the correction of subnormal conditions such as it was intended to correct.

This law may not be held constitutional when it reaches the Supreme Court, because it is a substitute for the N. R. A.; it is a stepchild of the N. R. A., forced on us against our better judgment.

In closing let me say that I resent the appointment of Army officers as administrators of these acts. The Army officer knows but one thing, loyalty to his Commander in Chief. The President of the United States is the Commander in Chief of every Army officer in particular, and he obeys the chief, the man who made this act.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. MARCANTONIO] for 3½ minutes.

Mr. MARCANTONIO. Mr. Chairman, the committee should be judged by its own language. We find set out on page 13 of the committee's report the underlying reason why this cut was made against this particular agency. I think this language most significant. It tells the whole story, it tells the tale of substituting for orderly procedure in the House a new doctrine, that of dictatorship by appropriation. The language on page 13 reads as follows:

WAGE AND HOUR DIVISION

The committee recognize the necessity for some expansion in the work of the Wage and Hour Division as it develops its organization and proceeds with its program of properly policing the industries that fall within the terms of the act. They do feel, however, that until Congress shall adopt legislation amendatory of the Fair Labor Standards Act which will serve to clarify certain ambiguities in the existing law, and until those charged with the administration of the act have been able to bring about simplification of procedure, and clarification in the interpretation of the rules and regulations promulgated pursuant to any such amendatory legislation, it would be improvident on the part of Congress to approve a greatly enlarged administrative set-up that could only serve in lending further difficulties to an already confused administrative problem.

In other words, in one sentence the committee says, "Yes; this money is necessary; it is necessary to keep up with the expansion of the operations of this law"; but in the next sentence it says, "Until you amend this law, until you virtually tear it to pieces, then, and then only, will we give any thought to appropriating adequate funds."

What does this constitute? It constitutes a dictatorship on the part of the Committee on Appropriations, a dictate to the effect that unless we change this law, unless we bow to the will of a few in this House who want to destroy the law, this agency will not receive the funds which are necessary for a proper administration of the act. This is an indirect method of destroying this law by crippling its administration. This procedure lends aid and comfort to every chiseling and labor-exploiting employer in the country. True friends of the wage and hour law have only one alternative, and that is to vote for the Casey amendment.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New Hampshire [Mr. JENKS].

Mr. JENKS of New Hampshire. Mr. Chairman, on an important question such as this is 3½ minutes seems a very limited time to make any sort of an argument.

Mr. Chairman, I do not know how many Members of this House have ever worked in industry and received a pay envelope on Saturday night; I do not know how many Members of this House have ever been at the head of industry and therefore know what it is to meet competition and their pay roll every Saturday night; but any of those who are here must realize that this wage-hour law that we put on the statute books is one of the greatest things for not only the employee but the employer. [Applause.]

I am mighty glad to have the remembrance that I did my small part in passing this wage-hour law. I was a member of the Labor Committee of the Seventy-fifth Congress that reported this bill. I shall remember and I shall always feel pleased and gratified that I did my part toward helping labor.

The law may not be administered 100 percent in all respects, but no law can be immediately effective in all particulars. However, if we pass a law in this Congress, why should we not appropriate sufficient funds to put that law into effect and to adequately carry it out? [Applause.] When we fail to do that, we fail to do our whole duty. I have had something to do with industry, and I know what competition is when I say to you that we should appropriate this money to clean out these rats who are infecting industry, who are sucking the lifeblood from the innocent women and children who are being subjected to low wages in this country.

I clipped an article from my home paper last night which states that 6,000 New Hampshire workers in the shoe industry out of 20,000 members of the shoe industry have been benefited by recent decisions of the Wage-Hour Board.

Mr. Chairman, as we all know, from the viewpoint of the employee, the general purpose of this act was to abolish sweatshop conditions in interstate industries, to build a floor below which wages could not sink—the minimum is now 30 cents an hour—and a ceiling above which hours should not rise, the maximum now being 42 hours a week. Through the enforcement of these provisions, the standard of living of millions of workers is gradually being raised to the level to which every human being is entitled.

From the viewpoint of the employer, the general purpose of this act was to free him from the unfair competition of the "chiseler," who, through sweatshop methods and unfair tactics, would and could undersell the industrialist who took pride in his organization and community, and wanted to do the right thing by his employees.

The enactment of the Fair Labor Standards Act will gradually correct a great evil in our economic life. The passage of such an act was long overdue, but now that we have it on our statute books, let us do our best toward its equitable and efficient enforcement, thus equally benefiting employee and employer.

I do not contend that the administration of the Fair Labor Standards Act has been perfect, but I do contend that we are on our way toward improving conditions. No longer can child labor be exploited nor can men and women be reduced to a wage level that does not afford them at least the necessities of life.

I shall always feel a great satisfaction in the knowledge that during my tenure as a Member of Congress I contributed something toward bringing into being this Fair Labor Standards Act.

I hope that the Members on my side of the House will realize that the adoption of this amendment is vital to the success of the enforcement of the Fair Labor Standards Act.

[From the Manchester (N. H.) Leader of March 25, 1940]

SIX THOUSAND IN NEW HAMPSHIRE WILL RECEIVE WAGE BOOST—DAVIE DISCLOSES SHOE INDUSTRY EMPLOYS 20,000—THIRTY-FIVE-CENT RATE HELPS THOSE ON LOW-PRICED PRODUCTS

CONCORD, March 25.—Between 6,000 and 7,000 of New Hampshire's 20,000 shoe workers will be benefited by the new 35-cent minimum wage for the industry, labor authorities estimated today.

The 35-cent-per-hour minimum wage was recently approved by the Federal Wage and Hour Division on recommendation of a national wage board for the boot and shoe industry, which was appointed on March 17, 1939, and submitted its findings several months ago.

TWENTY THOUSAND TWO HUNDRED AND THIRTY-FOUR EMPLOYED IN ALL

Statistics on file in the office of State Labor Commissioner John S. B. Davie show that the fiscal year ending June 30, 1939, there were 68 shoe plants in New Hampshire, furnishing employment to 20,234 persons, of whom 10,525 were men and 9,706 were women.

Of this number, 7,081—3,431 men and 3,650 women—were employed by 24 shops, making low-priced shoes, and this is the group which will benefit chiefly from the new hourly minimum rate, it is believed.

Commissioner Davie said that there had been virtually 100 percent compliance on the part of New Hampshire shoe establishments with the provision of the Federal wage and hour law. The law required payment of a 25-cent minimum hourly wage during the first year of its operation, for a 44-hour maximum workweek, rising to 30 cents for a 42-hour week last October 24.

HOURS DROP NEXT OCTOBER

Next October the ceiling on hours will drop to 40, but the minimum wage will remain unchanged for 5 more years, when, unless the law is changed, it will rise to 40 cents. Payment of time and one-half for overtime will continue to be required in the shoe industry, as in other industries, of course.

New Hampshire had two representatives on the committee for the shoe industry which recommended the 35-cent minimum wage. They were James F. Molloy, president of the Farmington Shoe Co., of Dover, who resigned because of ill health last June, and Homer O. Rondeau, treasurer of the Rondeau Shoe Co., of Farmington.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. THOMASON].

Mr. THOMASON. Mr. Chairman, I think it very evident from the remarks made by the gentleman from Kansas [Mr. LAMBERTSON] that he would if he could absolutely make ineffective the wage and hour law by a denial of adequate appropriations that seems to be the issue here. I come with no criticism of the Appropriations Committee. I am willing to admit that perhaps the law needs amending but I doubt if a single Member would vote for its repeal. We have our regular legislative process for amending and perfecting laws. But what I am interested in is to see to it that we at least retain the status quo and give this law a fair opportunity to work. I think since Colonel Fleming took charge they are doing a swell job, and they have only started.

This law is founded upon justice and right. It is not yet perfect. It was intended to stop child labor, to close sweatshops, and to see to it that laboring people have fair wages and decent hours. I concur in the remarks made by the gentleman from Missouri [Mr. COCHRAN] when he said that so far as he knew there is very little, if any, criticism of the administration of the act. They are entitled to a chance and cannot succeed without adequate appropriation.

The gentleman from Kansas complains that an Army man is now the Administrator. If I remember correctly, he and others were claiming that some politician was at the head of this agency when it was first established. All I have to say about Colonel Fleming is if you will look up his record, whether in Army life or serving his Government in an administrative capacity you will find that he has been a fair, just, and successful administrator in everything he has ever touched. He was drafted for this job. He is not in politics. If given proper support he will make an outstanding record in his present position.

Mr. Chairman, if the Members will look at page 3467 of the RECORD of yesterday they will find that a very sincere friend of labor, the gentleman from Georgia [Mr. RAMSPECK] placed in the RECORD a brief report made to him by the administration. I do not have time to read it in detail, but among other things it says:

(1) It would prevent the expansion of the Division in accordance with the 1940 Budget. The expenditure of 1940 funds was planned on a monthly increment basis. If the Division expanded according to plan, the total personnel on the pay roll on June 30 could not be carried during the 1941 fiscal year on the reduced amount proposed by the committee.

(2) It would require the discharge of employees now working for the Division. The recruitment of inspectors has been retarded by the necessity of setting up civil-service lists. Other branches of the Division have been able to expand to their June 1940 personnel already. It will therefore be necessary to discharge employees in these branches of the Division in order to have an inspection staff proportionate to the rest of the Division.

(3) The Appropriations Committee slash equals roughly 460 inspection personnel and 30 legal personnel.

If we are to believe this statement, then more money is needed. It is interesting to note that 93 percent of industry is complying with the law without protest. The balance should be made to do so. If the law needs amending or the regulations changed, let us meet the issue squarely. I hope the amendment is adopted. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Chairman, the question of determination of the area of production or any other question having to do with specific provisions of the Wage and Hour Act is not at stake here today. The only question before us is the question of an adequate appropriation for proper enforcement of this law. It seems to me as yet the argument made by the gentleman from Massachusetts [Mr. CASEY] has not been answered in one single respect. Now let us see exactly what the present situation is.

It is obviously impossible, when a new law is passed, for the enforcement machinery to swing into full operation overnight. It is necessary to begin on a comparatively small scale and build up your force for the purpose of the enforcement of the law over a period of time. Clearly, these expenditures in the early months of enforcement will be less than it will when the work gets fully under way. That is the way the Wage and Hour Administration has been doing. The rate of expenditure for the last month of the fiscal year 1940, as stated by Colonel Fleming in the hearings on page 341, has been expected to be at the rate of an annual expenditure for all items of $7,716,000. The Budget figure submitted and which this amendment seeks to restore is some $230,000 below that figure. That is the estimated rate of expenditure for the last month of the current fiscal year. What has happened here is that the committee has cut below that rate of expenditure so that the enforcement machinery planned for over a period of time to bring into operation an effective enforcement machinery will necessarily be crippled in the year that lies ahead. The whole plan has been to build the enforcement around a corps of inspectors and to pattern the rest of the personnel around that force. The corps of inspectors that has been planned for from the beginning of this administration will have to be cut unless the Casey amendment is adopted.

On page 341 of the hearings Colonel Fleming makes a most significant statement. He says:

We feel we have a very serious enforcement problem ahead of us and, unless we enforce promptly and thoroughly, we probably will have an increasing load of work, whereas if we do enforce thoroughly, I think we will have a rather decreasing problem afterward.

The point is a matter of justice as between the employer who is in voluntary compliance with the act, on the one hand, and the one who is not, on the other hand. Most of the employees of the Nation are no doubt complying with this law with absolute faithfulness. In justice to those employers it is essential that an adequate amount of money be provided for the enforcement of this act, so that other people can be brought into proper compliance.

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

Mr. VOORHIS of California. I yield to the gentleman from Kansas.

Mr. HOUSTON. I believe the gentleman wants to be correct.

Mr. VOORHIS of California. I certainly do.

Mr. HOUSTON. The gentleman mentioned the figure "1940" in connection with the proposed expenditure of $7,716,000. The gentleman meant that as of the beginning of the fiscal year 1941?

Mr. VOORHIS of California. That is right. I was referring to the rate of expenditure at the close of the fiscal year 1940 and the beginning of the fiscal year 1941. As I read the hearings, the figure for 1941 is based on the rate of expenditure in the closing month of 1940.

Mr. HOUSTON. Does the gentleman believe that if he had the $7,716,000 that would be adequate?

Mr. VOORHIS of California. I am not in a position to judge, obviously, but I believe the head of the Wage-Hour Administration is in a position to judge and, furthermore, that is the Budget figure. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. FULMER].

Mr. FULMER. Mr. Chairman, I voted for the wage and hour bill for the reason that I believed the purpose and the intent of the bill was in the interest of the wage earner of the country and that if properly administered in line with the purpose and the intent of the act, it would not operate against industry. We have had considerable trouble in connection with the administration of the wage and hour law, but it is my firm belief that the trouble was with Mr. Andrews and those who had charge of administering the act. The trouble in connection with the administration of this legislation is largely in line with the administration of many constructive pieces of legislation passed by the Congress. That is, under rules and regulations written by the Administrator, many of which are not in line with the real purpose and intent of the bill, therefore, as stated, in my judgment, the trouble has not been with the Wage and Hour Act, but as administered under the rules and regulations written by the Administrator. I believe Colonel Fleming is deeply interested in working out and rewriting the rules and regulations governing the administration of the Wage and Hour Act so that he will be able to more nearly carry out the real purpose and intent of the legislation. This being true, naturally, Colonel Fleming and his assistants will have to be in a position to employ proper personnel, including many investigators, so as to be able to send them into the various sections of the country for the purpose of securing information and real facts in the interest of properly administering the act.

Therefore, the pending amendment, as far as I am concerned, is a good, common-sense, businesslike amendment, and I shall be very glad to support this amendment. One of the major complaints in my country has been against the manner in which the act had been administered in that the administration has not been based on a practical, common-sense basis.

For instance, in my district there can be several cotton mills in one county. Some of these cotton mills have continued to operate with old machinery which necessitated the employing of a large number of employees. Other mills, perhaps in the same community, have been operating with improved machinery, which naturally have cut their employment considerably.

I visited one of these mills and had the privilege of looking over one piece of machinery that was taking the place of 25 employees. The mill that did not install that type of machinery, as stated, continued to employ these 25 persons. This is true in many other industries. For instance, some time ago I visited two or three large sawmill plants in Alabama. They own thousands of acres of timberland where they are largely carrying on proper forestry practices. In other words, they are using a considerable amount of Federal fire-protection money and their timber resources are growing into wealth. These large sawmill operators have installed improved and up-to-date machinery. From their logging operations on up to and through their sawmills and even in loading the lumber on trucks, it is done by machinery.

Therefore, they do not employ the number of people that those mills do that continue operating with wage earners instead of improved machinery. Many of the small sawmill operators and other small industries are being forced out of business because they are unable to pay the wages that the large operators, who have installed improved machinery, as stated. I believe that the wage earners in the small plant should receive a fair wage; but certainly if you are going to place them on the same basis with the operator of a large sawmill plant, or the operator of any other type of large industry, then you simply force the small operators and small industries out of business, which brings about increased unemployment and tends to assist the large operators in bringing about a hogtied monopoly.

Let me refer to one problem we have in the Southeast, and I particularly call this to the attention of the Members from the Southeast. During recent years we have had some forty-odd pulp and paper mills locating in the South. Not only are these people paying very small wages to a great many of their own employees, but in that they have a hogtied monopoly in buying pulpwood from farmers; farmers are not getting anything like the cost of production for their pulpwood, and thousands of employees engaged in cutting and hauling pulpwood are not getting enough to support their families. They are not only robbing the farmers of one of the greatest resources we have in that area, but they are bleeding the wage earner white. We have wonderful resources in the South, and if we had proper prices for our raw material and fair wages for thousands of wage earners, all of which would mean proper income, it is my firm belief that the years would not be many before we would have the greatest section in the South to be found anywhere in the United States.

This amendment, I understand, will increase the amount carried in the bill to the figures suggested by the Budget Director. I have every confidence in Colonel Fleming and his ability and his good intentions in rewriting many of the rules and regulations so as to secure a proper administration of the act which we should have in behalf of the innocent wage earners of the country. The wage and hour law should be amended in several instances, and I think it is very unfair on the part of those who are doing everything possible to keep down the consideration of proper amendments for the reason that unless this act is properly amended and properly administered, it will prove to be a failure, and if so it will prove to be the biggest blow and set-back to labor we have had in many years. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. WOOD].

Mr. WOOD. Mr. Chairman, those who are in favor of the Wage and Hour Act and want to see it adequately administered in the interest of all the people should vote for this amendment. This law has been honestly, conscientiously, and ably administered by both Mr. Andrews and Colonel Fleming. The act has been very difficult to administer. You must remember that the law has undergone changes each year. The start was made with the 25-cent minimum, and in the year 1939 it was stepped up to a 30-cent minimum. The hours began at 44 hours a week, and the next year they were reduced to 42 hours. In October they will be reduced to 40 hours a week. Therefore, in order to administer the act properly, they must go over the field again. In order really to weed out the chiselers they must have the proper personnel. Think of it; 815 employees is the personnel of the Wage and Hour Division.

In my State there are nearly 900 in the personnel of the Social Security. The reason the law has not been administered as some think it should be is because of a lack of personnel. There is no confusion, as held by the Appropriations Committee, in the administration of this act, but if there was it would not be because agricultural labor is not clearly defined in the act. This confusion has been brought about by the processors, the packers, and those who want to make legal home work, this disgraceful and damnable home work we have been fighting to abolish for 50 years. They want to legalize home work. They want to exempt from the act every employee that in any manner touches any farm products, Swift and Armour and Dole, the large packing companies. They all want to be exempted. They want to exempt 2,000,000 industrial workers and call them agricultural workers. Mr. Andrews tried to institute the area of production, and that is why he got into most of his trouble. He tried to define the area, and within that area the canners and packers and processors were under the act, but those

over the line were not under the act, and he immediately caused chaos and received condemnation everywhere from the men who were inside the area.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. THOMAS F. FORD].

Mr. THOMAS F. FORD. Mr. Chairman——

Mr. HOUSTON. Mr. Chairman, will the gentleman yield to me just a half minute?

Mr. THOMAS F. FORD. I cannot yield now if it is to be taken out of my time.

Mr. Chairman, I am in favor of the Casey amendment for three reasons. The first is because I am convinced that the Wage and Hour Division needs the money to effectively enforce the law, and if the amendment is not adopted the Wage and Hour Division is going to be hogtied and hamstrung and prevented from carrying out the most important provisions of the law; and, second, because if the law is not fully enforced, many of the honest, fair-minded employers will be injured because of the existence of and the encouragement of that most reprehensible of human bloodsuckers, the chiseler; and, third, because it has for its purpose the raising of the standard of living among workers in these industries that have heretofore refused to or by reason of the existence of the chiseler, been forced to refuse to, pay a decent wage.

The increased pay due to this act has increased purchasing power, this increased purchasing power increases business and makes for a better type of employee, and in increasing business it increases employment and in increasing employment it gives a stream of new lifeblood to the entire economic system of the United States. Labor needs this act in the interest of justice, industry needs it in the interest of fair dealing among competitive industries. For these reasons I urge that the Casey amendment be adopted.

I now yield to the gentleman from Kansas.

Mr. HOUSTON. I want to reply to a statement made by the gentleman from Missouri [Mr. WOOD] when he spoke of 896 employees as being the personnel. Did I understand the gentleman from Missouri correctly on that?

Mr. WOOD. I just got that information from Colonel Fleming this morning.

Mr. HOUSTON. The personnel of Wage and Hour?

Mr. WOOD. That is it.

Mr. HOUSTON. They are just the field employees. Altogether in administrative employees they are authorized to have at this time 1,446 and if the bill, as reported by the committee, goes through they will have 744 more.

Mr. WOOD. The information Colonel Fleming gave was that they have 815 men now and if this appropriation carries they will have 2,000, and that is what they need.

[Here the gavel fell.]

Mr. IZAC. Mr. Chairman, 2 years ago I was a supporter of this legislation. When I went back home and told the chamber of commerce what I had done they were very much disappointed in their Congressman. However, I told them I thought I was right. We talked it over and they said, "Yes; but you are doing all of this from a humanitarian standpoint. You are all for the worker, and here we are composed of manufacturers, and where do we come in on this picture?" "Ah," I said, "that is the question I wished you would ask me. You are going to find that nobody in this country is going to use California products if they can get some State's products cheaper, and when I vote for wage and hour legislation that equalizes these dollars and cents and hours, you are going to find that they will use your products, not to the detriment of any other State's products but on exactly the same basis, and as good businessmen I think you will like that."

I did not hear any more on this question until about 3 weeks ago. Imagine my surprise to receive a complaint from the chamber of commerce and some of the canners in my district. They complained that under the California law they had to pay the women workers 33⅓ cents an hour, which is correct, and they were competing against certain sections of this country where employers were paying that same type of labor 7 cents an hour. All were engaged in interstate commerce and therefore my people felt that the Wage and Hour Division should do something about it. I thought so, too, and so I took it up with the Division and I found that they did not have enough of a field force to go into these competitive districts and actually enforce the Wage and Hour Act that we had placed on the statute books. Now, there is a case that comes right straight home to me.

You can well imagine how I feel on this question. I shall vote for the Casey amendment, and I shall vote for enforcement of this law right down into every section of this country; and if they want to make the rate of pay 50 cents an hour, all the better with me. [Applause.]

Mr. GIFFORD. Mr. Chairman, just a word to my delightful friend from Massachusetts [Mr. CASEY]. He says if you vote against this increase you are unfriendly to the act itself. Mr. Chairman, I was one of the original few who favored the act. I even signed the petition, a most unusual proceeding for me, and the gentleman will recall it. However, I must support the committee. As the ranking man on the Committee on Expenditures, I must try to stop these raids on the Treasury. I favor this law, but I do not wish a large police force that will be greatly increased yearly, as in every other bureau, and later impossible to pry from the pay roll. I desire to proceed carefully with this law. There are many groups that we did not mean to include in it, and who are now suffering hardships as a result and should obtain immediate relief. Again I want to be reasonable. Among other items in this bill, I might like to vote to increase the appropriation for the N. Y. A., but if I refuse to increase the appropriation, that does not signify that I am opposed to the project. I believe in the wage-hour law, and I want it to remain on the statute books. I want it enforced reasonably and not in a way that will harass business too much. I have naturally been hesitant to vote for measures that would harass business. I felt that this law was necessary. I am now speaking from the standpoint of the Expenditures Committee. I am greatly worried about this attempt to increase the liberal appropriations that the committee has made. I am worried about the recent huge appropriations made for agriculture. I have given a little bit of advice. I share it with you. If you want to get greatly increased appropriations "make a noise like a farmer."

Mr. DUNN. Mr. Chairman. I intend to support the Casey amendment. If the amendment presented by the gentleman from Massachusetts is not adopted, it means that several hundred persons will lose their jobs. Congress has been quite successful this year in cutting appropriations and when appropriations are cut it means that men and women are forced out of employment and are compelled to go into the bread lines. The honest businessman is not opposed to this act but the unscrupulous businessman is. The unscrupulous businessman knows it would be a difficult task to have this law repealed so he resorts to underhanded methods by having his friends in Congress cut the appropriations and that is what has been taking place. As I said on the floor yesterday, and I say it again today, there are at least ten or twelve million people out of work and do not think for a moment they are going to be satisfied with these conditions, and we Members of Congress are responsible for the troubled conditions existing in the United States. [Applause.]

Mr. GEYER of California. Mr. Chairman, the case of the businessman has been very well explained by the gentleman from New Hampshire [Mr. JENKS]. I want to say a word or so from the standpoint of labor. I have in my hand several telegrams that I have received from labor organizations out in my area, and I shall read some of them to you:

United Furniture Workers of America, Local 756, demands that slash bill for N. L. R. B. and Wage-Hour Administration not be effected. Imperative that you exert all efforts toward this end.

Labor Non-Partisan League of Los Angeles County urges you vote against slashing appropriations for administration of National Labor

Relations Act and Wage and Hour Act. These poorly disguised efforts to starve out effective administration of these laws must be defeated by those who believe in fair play for labor.

HUGH WILKINS,
Los Angeles County Chairman of Labors.

Oil workers union, Long Beach, 4,000 members, unanimously ask you vote against reduction appropriations National Labor Relations Board and Wage and Hour Administration. You vote against all amendments National Labor Relations Act.

J. C. COULTER,
Oil Workers Union, No. 128.

Los Angeles handlers urge you represent them by voting against reduced appropriations of Wage-Hour Administration and National Labor Board.

P. W. O. C. STOCKHANDLERS, LOCAL 68, C. I. O.

Armour workers against reduced appropriations of Wage-Hour Administration and National Labor Board. Oppose this vicious antilabor legislation.

P. W. O. C., LOCAL 12, C. I. O.

The International Longshoremen's Warehousemen's Union protests slashes Labor Board and Wage-Hour Administration proposed by the House Appropriations Committee. Urge you actively oppose and vote against vicious underhanded attack on labor legislation.

Vote against reduced appropriations of National Labor Board and Wage-Hour Administration. Swift & Co. workers need action from these agencies.

P. W. O. C., LOCAL 67, C. I. O.

Organized Pacific coast packing-house workers and livestock handlers need more Wage Hour Act enforcement and Labor Board action. Fight reduced appropriations for these agencies.

DISTRICT 5, P. W. O. C.

One hundred thousand California C. I. O. members protest slashes Labor Board and Wage-Hour appropriations proposed by House Appropriations Committee. Urge you actively oppose and vote against vicious, underhanded attack on labor legislation. Please advise us your action.

CALIFORNIA STATE INDUSTRIAL UNION COUNCIL.

Reduced appropriations to National Labor Board and Wage-Hour Administration deprives Los Angeles Cudahy workers of their rights. Oppose these reductions.

P. W. O. C., LOCAL 107, C. I. O.

In view of tremendous responsibility resting upon shoulders of our democracy to take care of its youth in these times of mass unemployment and poverty, this organization urges you vote against cutting down original appropriations of $100,000,000 for National Youth Administration.

HUGH WILKINS,
Los Angeles County Chairman, Labor Nonpartisan League.

I have another group of these telegrams on my desk, which I did not bring, but I say that labor as well as industry will benefit by a real administration of this act. It might be of interest to know that among those who are fighting most viciously against this measure are to be found some people from a certain section of the country, where democracy is unknown, the poll-tax States.

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

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. KELLER].

Mr. KELLER. Mr. Chairman, I first want to put my unqualified mark of approval upon the short but very effective speech of the gentleman from South Carolina [Mr. FULMER], especially for this reason: The gentleman comes from that part of the South that makes his word largely a matter of law to me, because it is the result of experience and clearly indicates what possibilities are involved there.

I also want to endorse what the gentleman from New Hampshire [Mr. JENKS] said a few moments ago, because he also speaks from the facts in actual business. Then I want to point out to this Committee as best I can the perfectly evident fact to any student of this subject that a law that really benefits labor also in the long run benefits the investor in legitimate industry. You cannot separate the two. Our difficulty is a matter of lack of getting together, a failure to understand, because that part of this country that is in most continuous prosperity is the place where wages are high and where those wages are acceptable to the men who are paying them just as well as they are to the men who are receiving them. If we are going to solve the problem we are up against at the present time, we ought to understand that much about it at least.

Now, actually what we are driving at is to do exactly what the gentleman from South Carolina, Mr. Fulmer, says is necessary in South Carolina, and I add in every other State where wages are below what they ought to be as well. That is, we must come, as soon as possible, to the 40-hour week and the 40 cents per hour wage as a basis. When we get to that, as we are going to, we will be where we can make a new start along economic lines in this country. Until we do, we are going to find ourselves doing futile things that we ought not be doing. We have to understand that this is one country economically as well as politically. We have to learn that in those sections where wages are low, they will be more benefited by a raise in wages than any other part of this country—the employer, the merchant, the professional man, all alike. We have to understand that in those places where the wages are highest, it is only through the raising of the wages in the low-wage sections to a certain general level that we can get what we are driving at, a national standard of wages and living conditions, and thereby make prosperity permanent throughout our whole country. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I do not think that the argument in this case, which involves an appropriation, should justify the assertion that the Appropriations Committee is seeking to emasculate and destroy the wage and hour law. Nor do I think that the argument, typified by that of the gentleman from Massachusetts [Mr. CASEY], that every person who contemplates voting against this amendment is necessarily voting to crucify the wage and hour law, is justified. That type of argument is of the character that has been used by prosecuting attorneys for years, who stand before a jury when a man is charged with a crime and say to the jury, "Unless you vote to convict this man you are voting against law and order generally, and in order to sustain law and order you must vote to convict this man."

The fact of the matter is your subcommittee gave intelligent study to this question, and has given to this Wage and Hour Division $1,640,000 more than it had last year.

Mr. CASEY of Massachusetts. Mr. Chairman, will the gentleman yield right there?

Mr. KEEFE. I do not have time to yield.

Mr. CASEY of Massachusetts. I would like to answer the gentleman.

Mr. KEEFE. Just a moment. I refuse to yield. I call your attention, if you will read the testimony of Colonel Fleming, to the fact that he, himself, stated that they had immeasurable difficulty with this so-called area-of-production situation that is involved in this law. The general counsel, Mr. McNulty, does not know what it means. The Administrator does not know what it means. They are trying to enforce regulations, by inspections, that they do not understand, and they have so testified. They want additional inspectors to go out and enforce a law which they testified before our committee they, themselves, do not understand.

Mr. PATRICK. Mr. Chairman, will the gentleman yield right there?

Mr. KEEFE. I do not yield. I do not have time to yield.

The argument has been made repeatedly that if this appropriation bill is passed as reported by the committee it will result in the discharge of employees. That statement has been made repeatedly. The fact of the matter is, if you will read the record, that the Department has not even appointed the number of inspectors they were provided for in the appropriation for the current fiscal year. You will also find the statement made, "Oh, we know that, but they had to put on

the supporting personnel in the Department, and they built up their secretarial staff and their attorneys in contemplation of the appointment of additional inspectors." The fact is, if you will turn to page 342 of the hearings and read the testimony of Colonel Fleming—and that is what I am going by—that that is not the fact. He says it is not the fact; that the supporting personnel is not put on in the Department until the inspectors are first appointed.

Now, will somebody be kind enough to tell me how there will be any discharge of employees when we have given them $1,600,000 increase in their appropriation, and when they could still appoint some 50 inspectors more than they have now, on their present appropriation?

Mr. CASEY of Massachusetts. I would like to answer the gentleman if he will yield.

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

Mr. KEEFE. I yield to the gentleman from Kansas.

Mr. HOUSTON. Is it not a fact that, in the event this bill passes the House the way the committee brought it in, they still will be authorized to appoint 744 additional employees?

Mr. KEEFE. Exactly. The impression has been given out that, instead of giving this Department an increase in line with what it needs to gradually carry on the enforcement activities of the Wage and Hour Division, that the Appropriations Committee is going to cut the personnel. The fact is, we are giving them over 700 new personnel if this appropriation carries as your committee reported it. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. FITZPATRICK].

Mr. FITZPATRICK. Mr. Chairman, as a member of the Committee on Appropriations I feel that we should give the Wage and Hour Administration sufficient funds to carry out the act. I do not believe we should do anything to limit their activities which are so necessary if they are to carry out what Congress intended them to do. For that reason, as a member of the Appropriations Committee, I am in favor of and will support the Casey amendment. [Applause.]

In the Appropriations Committee meeting I opposed the cutting out of the appropriation of $3,000,000 for administrative increases for Federal employees. I appreciate the good work done by the subcommittee on this bill and their sincerity in making their recommendations. However, I believe the House should accept the amendment offered by the gentleman from Massachusetts [Mr. CASEY] which will restore the Budget recommendation. [Applause.]

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Chairman, I hope I may be permitted to proceed without any of my colleagues who have spoken in favor of this amendment feeling that I am unduly critical. Most of the arguments I have heard advanced in favor of this amendment if valid would be equally valid in favor of an appropriation of $10,000,000, $15,000,000, or any other sum which might be suggested.

The thing I believe we ought to consider is: What sum is reasonably necessary for the Wage and Hour Administration to carry out its functions in an orderly way? I feel sure that no Member of the House desires to make provision for their use of funds in excess of such amount as may be reasonably necessary, especially under existing financial conditions of the Government.

Lest we forget, may I again make reference to the fact that in the number of field inspectors they have as of February 1, 1940, they are still 64 below the number authorized for the present fiscal year. This information will be found on pages 345 and 346 of volume I of the hearings. If you will turn to page 360 of the hearings you will find that in the field force they have 868 people at the present time. They intend to recruit 757 more during the present year, and they propose to add 411 for the fiscal year 1941, making a total in excess of 2,000 that they propose to have next year in the field force as against 868 at the time the hearings were conducted, or an increase of approximately two and one-half times the number of the present field force.

The appropriation we have recommended here, which envisions an increase of $1,644,000 for their use for the next fiscal year, will provide them with nearly twice the field personnel they have now. May I advert to an item we discussed yesterday?

The travel item is connected with this item. The House decided not to allow the increase of $140,000 for this purpose additional to that proposed in the Budget estimate. I said to the House then that if you intended when we reached the salaries item to increase that you ought to increase the travel item, otherwise you would have an increase in salaries with no travel money to enable the additional field personnel to function.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. TARVER. So I think that, unless the House has changed its mind on that subject, we certainly should not adopt the pending amendment, because it is inseparably connected with the other item which the House rejected on yesterday.

I yield to the gentlewoman from New Jersey.

Mrs. NORTON. On yesterday, when the gentleman made a similar remark, I tried to say that the amendment I offered yesterday was the first of a series of three that dealt with the Wage-Hour Division.

Mr. TARVER. The gentlewoman is entirely correct. If the personnel is to be increased, then, of course, the travel item also ought to be increased, as was proposed in the gentlewoman's amendment.

If you grant the increase of personnel which is here requested, in view of the action which you took yesterday upon the amendment offered by the gentlewoman from New Jersey, you would have additional personnel but no money on which they could travel to enable them to function.

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

Mr. TARVER. I yield.

Mr. KELLER. Is there any reason why if this amendment is passed the small item proposed yesterday could not be inserted in the Senate?

Mr. TARVER. The gentleman will understand, of course, that I am not interested in the action of the Senate; I am simply endeavoring to be consistent in the position which I take with regard to this bill. I am sure the membership of the House desire to be consistent in the votes they may cast on the pending amendment. I do not believe that the Wage-Hour Administration, in its operations for the next fiscal year, will in any way be hampered by the action which has been recommended to the House by the subcommittee. I want to say to you frankly that if I did feel it would be so hampered I would not have participated in the action.

[Here the gavel fell.]

The CHAIRMAN. All time has expired. The question is on the amendment offered by the gentleman from Massachusetts [Mr. CASEY].

The question was taken; and on a division (demanded by Mr. CASEY of Massachusetts) there were—ayes 90, noes 98.

Mr. CASEY of Massachusetts, Mr. VOORHIS of California, and Mr. WOOD demanded tellers.

Tellers were ordered, and the Chair appointed Mr. HOUSTON and Mr. CASEY of Massachusetts to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 115, noes 148.

So the amendment was rejected.

The Clerk read as follows:

Miscellaneous expenses (other than salaries): For all authorized and necessary expenses, other than salaries, of the Wage and Hour Division in performing the duties imposed upon it by the Fair Labor Standards Act of 1938, including contract stenographic reporting services, purchase (not to exceed $2,250), maintenance, repair, and operation outside the District of Columbia of motor-propelled passenger-carrying vehicles, law books, books of reference, periodicals, manuscripts and special reports, newspapers and press clippings, supplies, office equipment, advertising, postage, telephone and telegraph service, reimbursement to State, Federal, and local agencies and their employees for services rendered, $275,000.

Mr. CASEY of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to explain the situation as it now exists. I have several amendments pending on the desk, but I am not going to speak on them. I am going to allow them to be presented pro forma because I consider the last amendment the most important amendment, the one on which we joined issue. I am happy to have this opportunity to thank the Republicans as well as the Democrats who joined in swelling our total to 115 to restore the Budget and the President's estimate of what is necessary in order to efficiently administer the Wage and Hour Division.

Mr. Chairman, I want to talk to some of my Republican friends, because I cannot get anywhere talking to those on the Democratic side who voted against my amendment. They voted against it because they are opposed to the principle of wages and hours. I am happy to speak to those on the Republican side who are in favor of this principle. In the original wage-hour fight we had some Republican support. As a matter of fact, we could not have passed this act had we not had Republican support. I want to speak to those Republicans who favor wage and hour legislation and ask, Why did you oppose the Budget estimate? Did you take consolation and comfort in the fact that this is a higher estimate than last year? If so, let me disabuse your minds. The chairman of the subcommittee who instigated this cut in the Budget is unfriendly to wage-hour legislation. I do not believe he voted for the wage-hour legislation originally.

The Appropriations Committee virtually promised Colonel Fleming last July that it would go through with his estimate made then. On page 341 of the hearings the first thing he said to this subcommittee was:

> I think I should say first of all while this is an apparent increase over last year, it is really not an actual one.
>
> When the Wage and Hour Division appeared before the subcommittee last July to ask for additional sums in the deficiency bill, the statement was made, and apparently was understood, as appears in the record, from both sides, that the rate of expenditure at the beginning of the fiscal year 1941 by reason of appropriations then made, would be annually $7,716,000.

My amendment was in accord with that rate of expenditure. In other words, while not signed, sealed, and delivered, it was understood by the deficiency subcommittee of the Appropriations Committee that it would go along on these figures.

Mr. MAY. Will the gentleman yield?

Mr. CASEY of Massachusetts. I yield to the gentleman from Kentucky.

Mr. MAY. May I say to the gentleman that I voted with him to raise this amount to the Budget estimate. However, I do not believe it is fair to the other members of the Democratic Party who voted the other way that they should be criticized for having done so, in view of all the legislation the Democratic Party has put on the statute books for labor.

Mr. CASEY of Massachusetts. Mr. Chairman, in answer to the gentleman, may I say that I would rather not have the wage-hour law on the books at all than to have one which cannot be enforced. I would not have it there if it cannot be properly enforced. I believe Colonel Fleming is in agreement with that statement. If we do not appropriate the necessary money to properly enforce that law, it will fall of its own weight, and it will become unpopular. You cannot say to the manufacturer in Massachusetts that we have not enough money to enforce the law in other sections and make him live up to the provisions of the act. The manufacturers in my district, the manufacturers of New England, never needed a Wage and Hour Act. They were paying over and above the minimum. They were paying time and a half for overtime. If we do not have a force sufficient to crack down on the manufacturers who are not obeying this law, we are being unfair to the employers who do obey it; and I say to the Members who say it is unnecessary to have the amount set forth in my amendment that I will stake the opinion of Colonel Fleming, the Budget Bureau, and the President against the chairman of the subcommittee, who is not in favor of the sentiment expressed by the wage-hour law. [Applause.]

[Here the gavel fell.]

The Clerk read as follows:

> This title may be cited as the Department of Labor Appropriation Act, 1941.

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

Mr. Chairman, I have offered this motion for the sole purpose of making a further explanation of my position in respect to this matter, which my colleague refused to let me do a few minutes ago by not further yielding. I am not one of those who believe in enacting legislation and making it law, then crippling it by withdrawal of sufficient appropriations. I voted for the raising of the amount back to the Budget estimate, for enforcement of the wage and hour law, not only on that principle but because I feel when we have a statute on the books we ought to see to it that it is enforced. I regret that my splendid colleague the gentleman from Massachusetts [Mr. CASEY] has seen fit to criticize our Democratic colleagues who voted against the amendment offered by the gentleman.

I differ from my colleague from Massachusetts in this respect: If there is any party under the sun that is entitled to full credit for dragging labor out of a hole in America, and freeing it of economic slavery, it is the Democratic Party and the present administration. When men have views based on conscientious objections in opposition to some proposal here and they happen to be Democrats, I do not think they ought to be singled out and lambasted and criticized by one of our colleagues. I think the House Committee on Appropriations has done what its members thought was right, and ordinarily they ought to be upheld. I believe in economy, but I do not believe in economy at the expense of the workers of this country.

I regret the amendment was not agreed to and I do not think it is a proper or fair way of controlling the methods of enforcement of the law, to withdraw appropriations which can only have one effect and that is to weaken rather than strengthen enforcement. Strict and adequate enforcement is imperative if honest labor is to be protected against the enemies of the wage and hour law and that cannot and will not be accomplished by reducing this appropriation. I have stated that the present Democratic administration has been the real friend of labor and, what are the facts to support our claim? Early in the New Deal administration we Democrats, in full control of both branches of the Congress, enacted what is known as the National Industrial Recovery Act that broke the shackles of slavery from the limbs of the toilers of this land and guaranteed the right to collective bargaining. Having that right, labor marched forward and set up the finest and best system of organized effort known to all our history in behalf of labor. As a result of collective-bargaining agreements wages have been raised from a rate that was a disgrace to any nation, to a living wage, and, as a direct result, economic recovery was made possible and our country was saved from economic chaos. That was followed by the enactment of the wage and hour law that fixed a floor under wages and a ceiling over hours of labor. It is the difference between economic liberty on the one hand and servitude without adequate compensation on the other. That was followed by enactment of the Labor Relations Act, to insure enforcement and protection of the rights of organized labor. That has been supplemented by the enactment of laws to provide for social security in the form of old-age pensions, unemployment insurance, maternal and child welfare, public health, and numerous other things I have not time now to mention. The people know too well the merits of the achievements of our party.

My position is that I shall never, under any circumstances, rise on the floor of this House and question the right of any man to vote as he pleases on any matter that comes before the House for consideration. To that extent I wholly disagree with my splendid colleague from Massachusetts, and

I shall vote to reinstate the appropriation for the Labor Board. [Applause.]

Mr. BENDER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I was glad to hear the gentleman from Massachusetts [Mr. CASEY] pay tribute to the Republicans in Congress and to the Republican Party for their support of labor, and that tribute is well deserved. Frankly, in every State legislature which the Republican Party has dominated, the Republicans have for many years sponsored, voted for, and voted for consistently, every important measure providing for labor benefits, such as minimum-wage laws for women, workmen's compensation laws, and many other similar laws which I could name.

I respect the gentleman from Kentucky, but I wish to take issue with him when he says that the Democratic Party has done so much for labor. We find labor now divided into two armed camps, and ever since this administration came into power labor has been divided.

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

Mr. BENDER. No; I do not yield.

Labor has never been so divided.

Mr. CASEY of Massachusetts. Mr. Chairman, will the gentleman yield? The gentleman has mentioned me.

Mr. BENDER. I will yield in just a moment.

To me, this is the crux of the whole matter. As I understand, $1,644,000 more has been appropriated for the conduct of this Division than was appropriated last year by the committee and by the House, according to its action today. There were 896 inspectors provided for in 1940. According to the Casey amendment, the number would be raised to 2,018. On February 1 of this year there were 334 field inspectors, although the Budget authorized the employment of 398 inspectors; in other words, we had fewer field inspectors employed by the Department than the Budget authorized. Further, we have increased the number of field inspectors in the present Budget as of February 1 from 334 to 661. In my opinion, we are increasing the number of field inspectors for better enforcement of the law.

Mr. CASEY of Massachusetts. Mr. Chairman, will the gentleman yield now?

Mr. BENDER. Yes; I yield.

Mr. CASEY of Massachusetts. The gentleman has distorted my remarks. I did not praise the Republican Party; I praised the few, the all-too-few members of the Republican Party sitting here who voted progressively on labor. However, there were not enough of them. I do not believe the Republican Party is friendly to labor, but it has a few progressive members who are. The Democratic Party by a vast majority has always shown its friendship to labor.

Mr. BENDER. I will take issue with the gentleman on that question and will be pleased to compare notes with him.

Mr. CASEY of Massachusetts. How many Republicans voted for the wage-hour bill?

Mr. BENDER. In the Ohio Legislature the Republican Party, when in control, has consistently supported legislation for labor. I was a member of the Ohio Senate for five terms, and there was a great deal of labor legislation passed during that decade for the improvement of labor. That was long before we ever heard of Franklin D. Roosevelt. Some people in this country have the idea that everything began as of March 4, 1933. I believe, and there are many who support my contention, that the worst period for labor in the history of our country started on March 4, 1933, and labor will pay the price and will continue to pay the price in the years to come. As I say, instead of labor being united and being on one side of the fence, we now have labor almost evenly divided into two camps. [Applause.]

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

Mr. Chairman, I wish to make this statement in justice to the able chairman of this committee. I worked on this bill personally for weeks before the subcommittee went into session. We worked on this bill in committee week after week from 10 o'clock in the morning until 12:30 and from 1 o'clock until 5 o'clock, going over the bill item by item. This bill came out of the committee with every member of the subcommittee, Republican and Democrat, supporting every item in it.

I believe it is unfair for any Member, be he Republican or Democrat, to insinuate that any personal opinion the chairman of this subcommittee may or may not have had with regard to the wage and hour bill was the guiding influence in his actions on any part of the work the committee has done. Nothing was said on or off the record that I can recall by our able and distinguished chairman of the subcommittee that would display any unfairness of any kind. He gave the best that is in him to this bill and to the wage and hour part of the bill. He worked fairly, hard, and impartially on it.

Up until this moment, Mr. Chairman, the word "Republican" or "Democrat" has not been mentioned in the discussion of this bill. The votes on these amendments have not been along party lines. I regret that partisanship has been injected into this issue. I sincerely hope that from now on we can discuss whatever may come before the committee not as Republicans or Democrats but as Members of the House who are interested in the issues before us. [Applause.]

[Here the gavel fell.]

Mr. TARVER. Mr. Chairman, there are no amendments to this paragraph except pro forma amendments. In the interest of conservation of time I ask unanimous consent that all debate on this paragraph and all amendments thereto do now close. This will not prevent the gentlemen who wish to speak from getting time a little later, but let us move along now.

Mr. HEALEY. Reserving the right to object, Mr. Chairman——

Mr. SACKS. Mr. Chairman, reserving the right to object, I want 5 minutes.

Mr. HEALEY. I object to the request, Mr. Chairman.

Mr. TARVER. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto do now close.

The question was taken; and on a division, demanded by Mr. HEALEY, there were—ayes 115, noes 23.

So the motion was agreed to.

The Clerk read as follows:

For the Division of Personnel Supervision and Management, $427,520.

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

Mr. Chairman, I listened with a great deal of interest to my colleague from Ohio when he stated that it was only under Republican-controlled legislatures that labor got anything in these United States. I think it has come time to look at the record. Let us find out what labor did receive under the Republican administrations. I can best do this by citing the record in my own State, a neighboring State to the one of the gentleman from Ohio.

Before the 1938 election, the Democratic Party in Pennsylvania, through the legislature, gave to labor for the first time such important bills as the little Labor Relations Act and the anti-injunction bill. They raised the standing of the State in compensation payments from No. 20 up to about No. 2, increasing the minimum payments from about $9 to $15. They gave them much additional labor legislation.

Let us look at the record since 1938.

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

Mr. SACKS. I yield to my colleague from Pennsylvania.

Mr. McGRANERY. After the Democrats gave these things to the working people of Pennsylvania, what happened after the Republicans took control of the Legislature of Pennsylvania in 1938?

Mr. SACKS. I am just coming to that. In 1938, during the campaign, the Republican Party went up and down the State promising the voters that they would continue with a liberal administration. But let us look at the record of Mr. James and let us look at the record of the Republican Party. The first thing they did when they got control of the legisla-

ture was to send back the standing of the State of Pennsylvania on compensation from No. 2 to No. 20. They reduced, Mr. Chairman, the minimum payments under workmen's compensation from $15 back to $9. That was the gods' gift of the Republican Party to the workers of Pennsylvania, but that was not enough. They repealed the Anti-Injunction Act. They went further and sabotaged the administration of the Labor Relations Board. They even went further than that and, in conjunction with their administration, sabotaged the Women's Minimum Age Act.

The Republican Party in Pennsylvania today, by its own admission is not the friend of labor and would return labor to the control of the manufacturers and the special interests, which was the situation that existed before the advent of the Democratic administration in Pennsylvania in 1934.

What else did they do? They came along and promised in our own city of Philadelphia, where they were in control, that they would take care of labor, and what did they do? They dug down into the pockets of the wage earner in the city of Philadelphia and put a tax on the salary of even the relief worker in Philadelphia.

This is their shining record for labor; and how about my friend's own State? What did Governor Bricker do when labor needed help in the State of Ohio? The record speaks for itself.

Mr. BENDER. What did he do? Will the gentleman answer that?

Mr. SACKS. I will tell the gentleman what he did. He allowed the State of Ohio to go back to where it was before the Democrats took control of that State. [Applause.]

Mr. BENDER. Is it not a fact that Governor Bricker——

Mr. SACKS. I do not yield any more. The gentleman did not yield to me.

I want to say now that if the Republican Party wants to stand on its record in the legislatures of the various States, then I say that we can go to the country and ask labor whether the Democratic Party gave them a fair deal or whether the Republicans gave them a fair deal.

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

Mr. SACKS. I yield.

Mr. McGRANERY. Did Governor Bricker do a little head knocking with the militia on labor?

Mr. SACKS. Certainly, and everybody knows that in the State of Ohio. [Laughter.]

I say to my friends there is only one thing to do. If my friend wants to stand on the record of 1938, we will stand on the Democratic record for the last 7 years. [Applause.]

Mr. TARVER. Mr. Chairman, I shall proceed only for a moment or two. I very regretfully shall have to make points of order against gentlemen who do not discuss the bill. I shall not make a point of order against any gentleman who moves to strike out the last word and who talks about the subject matters included in the bill. I shall not attempt to hold him to a discussion of the last word, which could be done under the rules, but in view of the unanimous-consent agreement reached in the House that general debate would be confined to the bill itself after the first day, I think I am acting in accordance with the will of the House when I say that I shall hereafter make points of order against any gentleman who undertakes to discuss matters, under a pro forma amendment, that are not related to the bill.

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

Mr. TARVER. Yes.

Mr. RICH. Does the gentleman think it is fair when we have Members of Congress get up and condemn things that are going on in Pennsylvania—and we know what happened there during the Earle administration for 4 years—that we ought not to have a chance to get up here and tell the gentleman from Philadelphia, Pa. [Mr. SACKS], that he is absolutely wrong?

Mr. TARVER. Permit me to say to the gentleman that in view of the speech which has just been made, if the gentleman from Pennsylvania or any other gentleman on his side of the aisle desires to address the House for 5 minutes on the same subject matter, I shall make no point of order against him, because I deem it fair that you have an opportunity to reply to what a gentleman has said; otherwise, I shall insist on the point of order.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield.

Mr. BRADLEY of Pennsylvania. I would like to ask the gentleman this question: In view of the speech that my friend possibly would make, does not the gentleman think we should be accorded the same opportunity?

Mr. TARVER. Mr. Chairman, I do not think we ought to have a general field day on political matters. We have a bill here which we are considering which involves $954,000,000.

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

Mr. TARVER. Yes.

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

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania, a member of the committee.

Mr. McGRANERY. Mr. Chairman, but I was on my feet and had asked the distinguished chairman of the committee, the gentleman from Georgia [Mr. TARVER], to yield to me and he graciously did yield.

Mr. LAMBERTSON. Mr. Chairman, will the gentleman from Pennsylvania yield?

Mr. RICH. Yes; I yield to the gentleman from Kansas.

Mr. LAMBERTSON. Is it not a fact that the Member from Pennsylvania [Mr. SACKS] who spoke just a moment ago, until 6 years ago was himself a member of that terrible Republican Party in Pennsylvania, which he now condemns?

Mr. RICH. Absolutely that is the fact.

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

Mr. RICH. No; I cannot yield. The gentleman had his 5 minutes. Mr. Chairman, I want to answer this gentleman from Pennsylvania. Under the Earle regime, with the terrible new dealers that we had in Pennsylvania—it almost wrecked Pennsylvania. It was a bad administration for our State.

Mr. HOOK. Mr. Chairman, I rise to a point of order. The gentleman from Pennsylvania is not addressing himself to his amendment.

Mr. RICH. But I was permitted by the gentleman of Georgia to have 5 minutes out of order; he is chairman of the subcommittee and promised me that courtesy.

Mr. HOOK. Mr. Chairman, I make the point of order.

The CHAIRMAN. The gentleman from Pennsylvania must confine himself to the amendment.

Mr. RICH. Mr. Chairman, I hope this will not be taken out of my time.

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

Mr. RICH. I yield to the distinguished gentleman from Ohio.

Mr. BENDER. A gentleman who previously spoke referred to Governor Bricker and to the militia. In answer to that——

Mr. HOOK. Mr. Chairman, I make the point of order that the gentlemen are not addressing themselves to the amendment.

The CHAIRMAN. If the gentleman from Michigan insists upon his point of order, the Chair will reluctantly be obliged to state that the gentleman from Pennsylvania must either confine himself to the bill or cease.

Mr. RICH. I am confining myself to the amendment, when I yield to the gentleman from Ohio, who will reply to the gentleman from Pennsylvania [Mr. SACKS].

The CHAIRMAN. The gentleman from Ohio must also confine himself to the amendment.

Mr. BENDER. I am confining myself to a statement made previously, I understood, with permission to reply to that statement.

The CHAIRMAN. But no point of order was made previously to any such argument.

Mr. MARCANTONIO. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Pennsylvania yield to the gentleman from New York to submit a parliamentary inquiry?

Mr. RICH. I do not. I yield now to the distinguished gentleman from Ohio [Mr. BENDER].

Mr. BENDER. Is it not a fact that during the administration of Governor Bricker, of Ohio, the militia has not been called out at any time? The Democrats are confused; it was Davey, the Democrat, who called out the militia, and not Bricker.

Mr. RICH. The gentleman is exactly right. Governor Bricker is a fine Governor and obeys the law and enforces it.

The CHAIRMAN. The gentleman from Pennsylvania will proceed in order.

Mr. RICH. Mr. Chairman, it seems to me that there is a great deal of discussion here this afternoon relative to matters as to which some Members of the House would like to protect themselves from the criticism they are receiving back home because of legislation that was passed, especially back in the State of Pennsylvania, when we had the Earle administration 4 years ago in Pennsylvania whereby many bad laws were passed.

Mr. HOOK. Mr. Chairman, I make the point of order that the gentleman is not addressing himself to his amendment.

The CHAIRMAN. The gentleman from Pennsylvania will proceed in order or the Chair will advise him to take his seat.

Mr. RICH. But whenever I start to get to a conclusion on something that pertains to the bill, then some of these fellows who do not understand what the discussion is about try to interrupt with a point of order. They can give it, but they cannot take it.

The CHAIRMAN. The Chair sustains the point of order. The gentleman from Pennsylvania will proceed in order.

Mr. RICH. Mr. Chairman, we were discussing this labor bill, and the gentleman from Georgia made the statement that because of the fact that certain accusations had been made in reference to the party in power in Pennsylvania, which is the best administration we have had for a great many years—on labor and jobs. A great Governor is James.

Mr. HOOK. Mr. Chairman, I renew my point of order.

Mr. RICH. Mr. Chairman, I would like to have order.

Mr. HOOK rose.

The CHAIRMAN. For what purpose does the gentleman from Michigan rise?

Mr. HOOK. To insist upon my point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HOOK. I make the point of order that the gentleman from Pennsylvania is not confining himself to his amendment.

Mr. TABER. May I be heard, Mr. Chairman? The gentleman from Pennsylvania had not concluded his sentence so that anybody could tell whether he is speaking to the bill or not.

The CHAIRMAN. The Chair sustains the point of order and the gentleman will proceed in order.

Mr. RICH. If the gentleman from Michigan [Mr. HOOK] would keep his seat long enough so that we could get to the point and be able to explain this amendment, he would probably be able to see the point, but if anybody is so dense—then I am sorry for him.

Mr. HOOK. Mr. Chairman, I renew my point of order.

Mr. RICH. Mr. Chairman, the new dealers can give it but they cannot take it. Their day is about over, and over for good, we hope.

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

Mr. TARVER. Mr. Chairman, I ask unanimous consent that the bill be considered as read and printed in the RECORD, down to line 20 on page 17, which relates to the C. C. C., with the right on the part of any Member to offer any amendment if he so desires. I am not advised that anyone desires to submit amendments.

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

Mr. TABER. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard. The Clerk will read.

The Clerk read as follows:

For all authorized and necessary expenses to carry into effect the provisions of the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937, including personal services in the District of Columbia and elsewhere; the purchase and exchange of lawbooks, books of reference, periodicals, and newspapers; rents in the District of Columbia and elsewhere; the purchase (including exchange), operation, maintenance, and repair of motor-propelled and horse-drawn passenger-carrying vehicles to be used only for official purposes; hire, with or without personal services, of work animals, animal-drawn and motor-propelled vehicles, and watercraft; printing and binding; travel expenses, including not to exceed $2,000 for expenses of attendance at meetings concerned with the work of the Corps when specifically authorized by the Director; construction, improvement, repair, and maintenance of buildings, but the cost of any building erected hereunder shall not exceed $25,000; and all other necessary expenses; of which $143,130,000 shall be available only for pay, subsistence, clothing (and repair thereof), transportation, and hospitalization of enrollees; and $325,000 may be expended in the District of Columbia for salaries and expenses of the office of the Director; $230,000,000: *Provided*, That an enrollee in the Civilian Conservation Corps, or member, or former member of the Military Establishment, who shall furnish blood from his or her veins for transfusion to the veins of an enrollee or discharged enrollee of the Civilian Conservation Corps undergoing treatment in a Government or civilian hospital authorized to treat such patient, shall be entitled to be paid therefor a reasonable sum not to exceed $50 for each of such transfusions undergone: *Provided further*, That the Director may authorize the exchange of motor-propelled and horse-drawn vehicles, tractors, road equipment, and boats, and parts, accessories, tires, or equipment thereof, in whole or in part payment for vehicles, tractors, road equipment, or boats, or parts, accessories, tires, or equipment of such vehicles, tractors, road equipment, or boats which the Corps has acquired: *Provided further*, That expenditures under the several classes of objects of expenditure for which this appropriation is available shall not exceed by more than 10 percent the amounts estimated for such objects of expenditure by classes, in the schedule for the fiscal year 1941 appearing in the Budget for such fiscal year under this head, and any such excess must be approved in writing by the Federal Security Administrator in such amounts as he shall designate: *Provided further*, That the foregoing proviso shall not apply, to whatever extent the President shall direct, in the event of an emergency declared, by the President, to exist.

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

The Clerk read as follows:

Amendment offered by Mr. SCRUGHAM: On page 18, lines 14 and 18:

On line 14, strike out "$143,130,000" and insert "$150,000,000."

On line 18, strike out "$230,000,000" and insert "$240,000,000."

The CHAIRMAN. The gentleman from Nevada is recognized for 5 minutes.

Mr. TARVER. Will the gentleman yield to see if we can reach an agreement as to time on this matter?

Mr. SCRUGHAM. I yield.

Mr. TARVER. What time does the gentleman suggest?

Mr. SCRUGHAM. I have no suggestion.

Mr. TARVER. Would 30 minutes be sufficient?

Mr. SCRUGHAM. As far as I am concerned; yes.

Mr. PITTENGER. Mr. Chairman, I would like to have some time.

Mr. TARVER. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto be limited to 30 minutes.

Mr. CASE of South Dakota, Mr. ELLIS, and Mr. HOOK rose.

Mr. TARVER. There are no amendments except with reference to the amount, and the amendment offered by the gentleman from Nevada covers that point. I think 30 minutes should be sufficient.

Mr. PITTENGER. Mr. Chairman, I have an amendment increasing the amount from $230,000,000 to $280,000,000.

Mr. TARVER. I say all the debate will relate to the question of amount. Therefore it seems to me this is a reasonable time. There are no amendments except those which will relate to the amount, as I understand it.

I modify the request, Mr. Chairman, to make it 45 minutes.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that all debate on this paragraph and all amendments thereto close in 45 minutes. Is there objection?

Mr. KEEFE. Mr. Chairman, reserving the right to object, this is a very important provision in this bill and we should have at least 1 hour of discussion on this subject.

Mr. TARVER. Mr. Chairman, in deference to my colleague, who has been very cooperative in connection with this bill in all of its phases, I modify my request and I ask unanimous consent that the debate on this paragraph and all amendments thereto be limited to 1 hour.

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

Mr. PITTENGER. Mr. Chairman, reserving the right to object, I understand the gentleman from Oklahoma [Mr. JOHNSON] will offer an amendment which may perhaps develop to be a better amendment than the one now offered. I do not want all the time put on this amendment and have the gentleman from Oklahoma deprived of any time on his amendment.

The CHAIRMAN. As the Chair understands the unanimous-consent request, the time is not devoted entirely to this amendment, but to the paragraph and all amendments thereto.

Is there objection to the request of the gentleman from Georgia [Mr. TARVER]?

There was no objection.

Mr. SCRUGHAM. Mr. Chairman, the increase sought in this amendment will not increase the total appropriation carried in the bill to exceed the total Budget estimate. I wish that fact to be distinctly understood, although it is not an essential feature. This amendment, if carried, will permit operation of a minimum of 55 additional C. C. C. camps and the employment of at least 10,000 additional enrollees. If the C. C. C. item as carried in the bill is adopted, it means abandonment of 273 camps, including 27 veteran camps. It will mean that about 168,000 worthy boys such as made application for enrollment in the C. C. C. camps as of January 1, 1940, will practically be denied, even the hope of future enrollment, unless Congress permits new vacancies to occur. If there lies a choice between reducing our vast civilian and military bureaucracies by the relatively small amounts proposed, or in giving another chance to 10,000 or more unemployed boys for useful employment, I do not think that any Member in this House should hesitate in making the latter choice.

Acceptance of the proposed amendment will still permit all reasonable demands for economy in appropriations to be fulfilled, and many thousands of boys will be given an opportunity for employment and to learn useful trades.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. SCRUGHAM. I yield.

Mr. MURDOCK of Utah. If the gentleman's amendment carries, how many camps below the present number will we lose?

Mr. SCRUGHAM. A minimum of 55 camps will be added; 273 is the total number proposed to be destroyed. So subtract 55 from 273 and that will give you the result.

Mr. PITTENGER. You mean that even with your amendment 218 camps will be abolished?

Mr. SCRUGHAM. Exactly.

Mr. O'CONNOR. Will the gentleman yield?

Mr. SCRUGHAM. I yield.

Mr. O'CONNOR. Would the gentleman favor a continuance of the present number of C. C. C. camps?

Mr. SCRUGHAM. Certainly, I favor the continuance of all of them, but inasmuch as the subcommittee feels bound to keep within total Budget estimates, by direction of the Appropriations Committee, I offer this amendment, but I expect the total to be raised by further amendment to enable all of the camps to be retained.

Mr. COFFEE of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. SCRUGHAM. I yield.

Mr. COFFEE of Nebraska. In the event the gentleman's amendment carries, how many reclamation camps will be restored?

Mr. SCRUGHAM. I do not know, but on a pro rata basis about two of them. That is my best recollection.

Mr. COFFEE of Nebraska. In what States?

Mr. SCRUGHAM. I cannot tell what States will benefit by the restoration.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. SCRUGHAM. I yield.

Mr. CASE of South Dakota. And the figure that the gentleman is suggesting will still not raise this bill to the total of the Budget estimate.

Mr. SCRUGHAM. The total of the Budget estimate for the entire bill will not be exceeded by this proposed amendment. We have kept within the reasonable expectations of economy. It is entirely unjust to place the burden of reductions so heavily on the C. C. C. administration.

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

Mr. SCRUGHAM. I yield.

Mr. HARRINGTON. The fact still remains that we are going to lose 218 of these C. C. C. camps if the gentleman's amendment is not adopted.

Mr. SCRUGHAM. Yes. Somewhere in the report, I think on page 18, the facts relating to these camps are set forth in detail. I have not the time to read it in full, but no proper minded man can read the fine record of accomplishment and realize the opportunity for employment which has been given to some two-million-odd boys, and not support the C. C. C. movement.

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

Mr. SCRUGHAM. I yield.

Mr. KEEFE. Do I understand the gentleman to state that if his amendment is carried it will still be necessary to curtail the C. C. C. camps to the extent of the elimination of 218 existing camps?

Mr. SCRUGHAM. Yes; and also some 45,000 enrollees will have to be dropped that otherwise would not be dropped.

Mr. KEEFE. And if the Budget estimate is carried through what will be the result?

Mr. SCRUGHAM. Fifty-five thousand enrollees and 273 camps that heretofore have been carried will cease to be supported unless we adopt this or a substitute amendment increasing the funds provided, thus allowing more camps to continue in existence.

[Here the gavel fell.]

Mr. PITTENGER rose.

The CHAIRMAN. The Chair will first inquire if any member of the committee desires recognition.

Mr. CASE of South Dakota. Mr. Chairman, I ask for recognition.

The CHAIRMAN. The Chair recognizes the gentleman from South Dakota for 5 minutes.

Mr. CASE of South Dakota. Mr. Chairman, the gentleman from Nevada has offered an amendment which does not increase the bill above the total that was recommended by the Budget for the total of the bill. The item for the C. C. C. camps that was recommended by the Budget is the item in the bill as it appears, but other cuts were made in the bill, so that the total bill as reported to the House is approximately $11,800,000 below the total Budget estimate.

The pending amendment to increase the C. C. C. item by ten million may not represent what a great many friends of the C. C. C. would like to see, but still it will save at least 55 camps and will keep the total of the bill within the amount recommended by the Budget for the bill as a whole.

Much has been said with respect to the value of the C. C. C. work and its benefits to veterans, to young men, and to the families who share in the pay checks. As you know, about $22 a month goes to the family of each enrollee. It means a lot. Not merely is the young man in camp getting a great deal out of his experience, but the family at home is kept from going on relief. The C. C. C. is not the millenium for the

enrollee or his family, but under present conditions something can be said for any activity that helps young men. I had rather see them in work camps than in Army camps. I wish, however, to emphasize a different point. It is that most of the C. C. C. work is performed for the Federal Government. It is directly valuable to the Federal establishment. This is not true in the same degree of general relief expenditures. Most of the work done by the Civilian Conservation Corps is done on the public domain or on public property in the public forests and parks—all of it, I believe, except that performed for conservation districts. Thus the Federal Government itself receives a direct return from the improvement work that is done by the Civilian Conservation Corps.

Let me give you a concrete illustration. My home town is situated within the confines of a national forest. Last year during the dry season there were over 100 fires in that forest, yet the total acreage burned by these fires was less than 150 acres. In other words, the average area burned by a forest fire was less than 2 acres, because these boys were there, and no matter what work they were engaged in doing they were subject to call for the control of these fires. The experience in my district shows that the saving to the public domain, the actual saving in public property, by the work of the C. C. C. exceeded the cost of maintaining these camps. So this work should not be regarded as made work, but as distinctly and definitely of benefit for the protection and conservation of public property—most of it Uncle Sam's property.

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

Mr. CASE of South Dakota. I yield.

Mr. BROOKS. I know there are differences of opinion about it, but does not the gentleman feel that the fact that these young boys are employed in outdoor, wholesome exercise, eliminates a great deal of crime which otherwise might be committed in the United States?

Mr. CASE of South Dakota. Yes, that is true; and if the gentleman has had as I have, personal contact with some of these boys, he knows that many of them have received new ideals, and many have been trained in vocations through which they are better fitted to make a living than they otherwise would be.

Mr. PLUMLEY. Will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Vermont.

Mr. PLUMLEY. I am interested in ascertaining if anybody knows to what sections of the United States the additional camps provided for under the provisions suggested by the amendment offered by the gentleman from Nevada would be allocated? If I could be sure that Vermont would get the four camps now being stricken from the list I might be interested in voting for the amendment.

Mr. CASE of South Dakota. Of course, I have the same problem. I do not know whether any of the camps that will be saved will go to my particular district or not, but I do believe this work as a whole has justified itself and I am sure the authorities will make a fair distribution of the camps according to the funds made available.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. LEAVY].

Mr. LEAVY. Mr. Chairman, I offer a substitute to the amendment offered by the gentleman from Nevada [Mr. SCRUGHAM].

The Clerk read as follows:

Amendment offered by Mr. LEAVY as a substitute to the amendment offered by Mr. SCRUGHAM: Page 18, line 14, after the word "which", strike out "$143,130,000" and insert "$166,880,000", and in line 18, after the word "Director", strike out "$230,000,000" and insert "$280,000,000."

Mr. LEAVY. Mr. Chairman, this substitute amendment is also being offered by the gentleman from Arkansas [Mr. ELLIS] and the gentleman from Oklahoma [Mr. JOHNSON], both having demonstrated many times their friendship for the C. C. C. This substitute amendment will insure the keeping of the C. C. C. camps at the present level of 1,500 camps. It is $15,000,000 under the amount for this fiscal year, but by the practice of certain economies and by reason of the fact that these camps are generally established, we will maintain the camps as they are, 1,500 in number, and where they are at this time if the work being undertaken is not complete at the particular place where the camp is located. In this manner we will be able to avoid a reduction of enrollees anywhere in the United States for the coming year and still be able to save $15,000,000 in costs of this wonderful activity.

It is true that we will exceed the Budget slightly; there is no question about that; but the Budget cannot be held so sacred, nor must this Congress regard it so solemnly that we cannot change any item fixed by it. The Budget Bureau fills an important place in our Government, but it has never asserted that we as a Congress do not have final responsibility. The C. C. C. activity has directly touched the lives of more than two and one-half million boys. It has directly benefited 13,125,000 American people in their homes. Its record of accomplishment is one that men with far more ability than I have could not paint in hours of time. But more than the dollars-and-cents side of this picture is the human salvage side of it. Thousands and thousands of young men are now valuable, useful American citizens, whereas, if we had not had the C. C. C., hundreds of them—and I can say this from personal contact and experience in my work previous to coming here—would be occupying felons' cells and would have to go through the remainder of their lives branded as ex-convicts. Why, in 1 week in 1933, just before C. C. C. came into the picture, 9 boys appeared in my court in the city of Spokane and pleaded guilty to major criminal offenses, of crimes against property. In every case poverty and lack of a chance to get work was the controlling cause. Every one of these boys could have qualified for C. C. C. activity if it had been in effect. It was my painful duty to send those 9 young men, between the ages of 17 and 23, to State prison. The taxpayers of the State of Washington had to pay from $100 to $125 a month to keep them there, not taking into consideration the fact that the individual's life was ruined and his family shamed, and he has the gloomy prospect of going through life an ex-convict. Have we become so sordid that we measure human life and happiness entirely in terms of balanced financial budgets?

Are we going to stand back in order to say that we have saved $50,000,000 and tell thousands of deserving boys and other thousands of needy families, "We are going to cut you off in the interest of a balanced Budget"? This substitute should be agreed to. Again I reiterate, we save $15,000,000 over what we are spending this year, and we do not cut out a single camp.

Every time a camp is moved it costs this Government around $20,000. Every time one is constructed, it costs somewhere in the neighborhood of $60,000. Why let these beautiful camps, ready to serve the needy boys of this country, stand idle during this next year and many of the boys themselves allowed to go down the path to complete destruction?

Mr. DEMPSEY. Will the gentleman yield?

Mr. LEAVY. I yield to the gentleman from New Mexico.

Mr. DEMPSEY. What is going to happen to the boys who are now employed if the reduction takes place?

Mr. LEAVY. They will be thrown out to become drifters. They will be a fertile field from which subversive groups will secure recruits.

Mr. DEMPSEY. And will we not have to increase the relief appropriations?

Mr. LEAVY. There is no question about that. Every one of these boys represents a needy family if he has family connections and if we take the family source of income away, then we will be adding to the relief burden.

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. LEAVY. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. If the present bill is adopted without the pending amendment it will force 54,000 young men who are now in the C. C. C. camps out of those camps. Not only that, but in doing so it will place a very large percentage of those enrollees on relief, if it is possible for them

to get on relief. It also will mean that a majority of the families of such boys will be forced on relief rolls.

Mr. LEAVY. The gentleman is correct.

Mr. ENGEL. Will the gentleman yield?

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

Mr. ENGEL. Does the gentleman say all these boys come from relief families? That is not in accord with the testimony.

Mr. LEAVY. One of the prerequisites is that the boy shall be from a family that is needy and $22 of the $30 paid the boy goes back home to the family, or if no family connections, he must be personally in need.

Mr. ENGEL. The gentleman will find in the hearings that Mr. McIntee testified they did not all come from the relief rolls.

Mr. LEAVY. They may not be people who have been compelled to go on the relief rolls, but they are from families in straitened financial circumstances.

Mr. Chairman, I hope my substitute amendment will be agreed to. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. PITTENGER].

Mr. PITTENGER. Mr. Chairman, I rise to support the substitute amendment.

Mr. Chairman, there are two national forests in the district I have the honor to represent. One of them is the Superior National Forest. I called the attention of the House the other day to what it meant to the United States Forest Service to have the C. C. C. camp in that area discontinued. I now wish to call attention to another national forest, the Chippewa National Forest, which is partially in the eighth district. There is a fine stand of timber in that forest, and it is worth millions of dollars. Under this new economy program it is proposed to discontinue C. C. C. camp No. 707 near Deer River, Minn., and take away from the United States Forest Service one of the finest fire-protection agencies it has. It is proposed by this economy program to scrap 273 camps throughout the United States and make it possible for forest fires to rage throughout regions where forests are located and destroy millions of dollars worth of timber belonging to the people of the United States. That is false economy.

I wish to subscribe to what the last speaker said with regard to the problem of unemployed youth. There is no more valuable agency of this Government than the Civilian Conservation Corps when it comes to offering unemployed young men an opportunity to earn money. I do not care about your theory and I do not care about your figures about administrative expense. I know what you say about those things. This appropriation ought to be increased by $50,000,000 if you are going to prevent the discontinuance of these 273 camps. Four of these camps are in the district I represent, and they ought to be continued.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. PITTENGER. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. Does not the gentleman agree that it is a good insurance policy to keep these camps at the full force now existing—if for no other reason—in order to save our national forests?

Mr. PITTENGER. I do.

Mr. MURDOCK of Arizona. I feel that it would be a serious mistake to cut down on this program. I have that opinion from the secretaries of the chambers of commerce in my State and from many substantial businessmen.

Mr. PITTENGER. Mr. Chairman, I shall insert in my remarks a letter from Mr. H. E. Wolfe, publisher of the Deer River News, of Deer River, Minn., near which C. C. C. camp No. 707 is located, indicating that if the Federal Government abolishes this camp a great mistake will have been made in removing fire protection to the forest. It is no theory that the camp may be abolished. Announcement has already gone out from persons who know to those who are interested that this camp is gone, and so are the other three camps in my district, and so are camps in other sections of this country where this program of youth rehabilitation and of affording opportunity to a young man to do something worth while, where the Government can help make an honest and clean citizen out of him, has been carried on. This program must be continued and this substitute amendment adopted, or else this Congress will make one of the major mistakes of this session.

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

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

Mr. HARRINGTON. Does the gentleman have any knowledge of whether or not any soil-conservation camps, which have been doing such good work, will be continued if this appropriation is increased by $50,000,000, as contemplated by the amendment offered by the gentleman from Washington?

Mr. PITTENGER. No; I cannot answer that question.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. PITTENGER. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I was going to ask whether or not the work of the C. C. C. camps for the benefit of the agricultural sections of the country would be continued if this amendment is adopted.

Mr. PITTENGER. I understand, and I believe my information is correct, that if the substitute amendment is adopted the Civilian Conservation Corps will carry on the present program.

Mr. BROWN of Ohio. We have in Ohio a number of the soil-conservation camps of the C. C. C., and they have been doing good work in the agricultural districts. I am informed that the abandonment of them means that the work will not be completed and that much of the investment already made will be lost.

Mr. PITTENGER. I may say that if those camps are included in the present program, then I do not know of any reason they would not be continued. [Applause.]

Mr. Chairman, the letter to which I referred earlier in my remarks is as follows:

DEER RIVER, MINN., *March 20, 1940.*

Hon. W. A. PITTENGER,
Representative Eighth Minnesota District,
Room 244, Old House Office Building, Washington, D. C.

MY DEAR MR. PITTENGER: Ever since it was first rumored here, which I announced in my paper a few weeks ago, that Company 707, C. C. C., was to be taken out of the Chippewa National Forest, I have been waiting for people to come to their senses and set the order aside.

Mr. PITTENGER, this order simply must be vacated. It is unbelievable that the C. C. C. heads should make such a disastrous decision.

Company 707 is now the only one in western Itasca County. It is located right close to the eastern line of the most heavily timbered portion of the Chippewa Forest. Within the range of its patrol, stand more then 200,000,000 feet of the finest timber in the Chippewa, most of it virgin. It must not be left to the mercy of spring fires.

This timber, lying northeast, north, and northwest of Lake Winnibigoshish, is probably the best in Minnesota. This region is a favorite spot for tourists to visit, thousands coming every year with the opening of the fishing season in May. This increases danger of fires, always great enough. It is a matter of record that Company 707 has, during the fire seasons of the spring and fall, been called upon as many as six times in a single day for aid in fighting fires.

It is also a matter of record that the Chippewa is the most productive and profitable forest in the Lake States region. In substantiation of that statement, I am enclosing a release from the regional office, sent out last December. And the best district in the Chippewa is that of Cut Foot Sioux, in which Company 707 is located.

Read this release. It is from forest authority. Then read newspaper clippings enclosed. If they do not afford ample reasons why Company 707 should be kept here, then I do not know what argument could.

May I implore you to lay this before the proper authority at once? If nothing more can be done, ask them at least to leave the camp here until July 1 to carry us over the spring fire season.

The Government can afford this. It is just good plain business sense. Left without protection, this area could have a single fire that would do more damage than it would cost to keep the camp there. That statement is amply proved by conditions which existed before the C. C. C. camps came in.

Very truly yours,

H. E. WOLFE,
Publisher, Deer River News.

The CHAIRMAN. The Chair recognizes the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, I rise in support of the substitute amendment. Should the Committee unfortunately reject that amendment, I shall support the amendment offered by the distinguished gentleman from Nevada.

I wish to congratulate the members of the Committee on Appropriations on the splendid arguments they offered here this afternoon in support of these amendments. Specifically I refer to the gentleman from South Dakota [Mr. CASE] and the gentleman from Washington [Mr. LEAVY]. As always, in this instance they have risen to the occasion and shown that they are the friends of the youth and the needy of this country.

Mr. HARE. Mr. Chairman, will the gentleman yield for an observation?

Mr. O'CONNOR. I yield to the gentleman from South Carolina.

Mr. HARE. May I suggest that the gentleman from Nevada [Mr. SCRUGHAM] also made a grand argument, and he is a member of the Committee on Appropriations.

Mr. O'CONNOR. I thank the gentleman. I will say to the gentleman that just as he asked me to yield to him I was going to specifically mention the gentleman from Nevada [Mr. SCRUGHAM], who, as the gentleman has just said, made a most convincing and elaborate argument in favor of the youth and needy. I may say to the gentleman from South Carolina that the gentleman from Nevada [Mr. SCRUGHAM] has always shown his sympathy and supported all measures which had to do with the relief and betterment of the condition of the young and poor, and today, stronger than ever, he did himself proud in their behalf.

There are 4,000,000 unemployed youths in this country. If the choice arises as to persons being idle, it is safer to have a man of 60 or above walking the streets without employment than it is to have a youth in his late teens or his early twenties unable to secure employment or make a living or find a place to sleep and a place to eat and hungry. The young man is going to get those things, and if in order to do so he finds his way into the penitentiary it is our fault and not the fault of the boy, because he is a victim of circumstances over which he has no control. How well I know, as I have defended in cases like this.

One-third of the State I have the honor to represent is owned by the Federal Government, and nearly two-fifths of the State is in national forests. I have personal knowledge from observation of how these boys protect the forests. I well remember one day a year or so ago when I was on a ranch that I unfortunately own in a territory that is very sparsely settled. Looking over toward the mountains early one morning I saw smoke rising toward the heavens from virgin forest that fire had theretofore never touched. Before sunset that evening the flames were licking the topmost limbs of those magnificent trees and spreading fast, leaving destruction in its wake. During that night, I may say, four or five gray trucks wended their way up to this territory loaded, if you please, with C. C. C. boys, and before the sun set upon the next day, that fire was out. That magnificant forest was saved. These young men put it out at the danger of losing their lives. We could not get any of the citizens over there to go to these fires because they were afraid of being destroyed by the fire and we had to rely upon these C. C. C. boys. What is true in this instance is true in many other instances of the same kind throughout our country. In all ways they have proven their worth. Our country is getting value received and more. Also we are making character.

I hope the amendment will be carried. [Applause.]

Mr. MOTT. Mr. Chairman, where the President first got the idea of the C. C. C. I do not know, but wherever he got it there is little doubt that it is the most popular of all the emergency activities of his administration. I have heard some Republicans say that it is the only good piece of New Deal legislation that has been offered during the present administration. I would not go so far as to concur entirely in that view, but I have heard a great many Republicans praise the C. C. C. who are opposed to the New Deal generally, and I have never heard any serious objection made against the C. C. C. by Republicans, either in Congress or out of it.

You have heard a number of gentlemen speak here within the last few minutes from the land-grant States. The land-grant States are the 11 Western States which came into the Union with some strings attached to their admission. In my own State, for example, 56 percent of the area of the State of Oregon belongs to the Federal Government. This Government ownership was one of the conditions of its admission, and the people of our State are not allowed to tax that federally owned area in order to raise the revenue to defray the expenses of the State and local governments. This is the situation which obtains largely in all of the 11 land-grant States.

Now, in these States particularly the Civilian Conservation Corps performs a very valuable and a very necessary work by building trails in the forests, by protecting our forests from fire, and by doing a great deal of useful work which would not otherwise be done and which, probably, could not otherwise be done. Most of the C. C. C. camps in these States are located in the national forests, which comprise a large portion of this Federal domain.

In my own State of Oregon, unless this appropriation is increased, 15 very useful camps are slated, under the curtailment program, to be discontinued. I have made a personal investigation of every one of these 15 camps, most of which are in my own district, and of my own knowledge I know that these camps are all doing excellent work, and that their discontinuance would result in very great detriment to the areas in which they are located.

As I said a moment ago, there is no criticism of the C. C. C. From the viewpoint of useful work, it comes near being a perfect organization, and from the viewpoint of relief its record is not surpassed by any governmental agency. The boys and the families of the boys who are employed in the C. C. C. camps are in need of relief, and if it were not for the C. C. C. the taxpayers of this country would be obliged to raise the money to give this relief in some other form. The C. C. C. not only gives the relief to the boys and to their families, but furnishes to the country and to the Government, on whose property the camps are located, a great deal of useful and valuable work.

Like everyone else I favor economy, but I think by abolishing or curtailing some of the useless activities of the Government we can practice economy and still not handicap the functions of this very necessary agency. [Applause.]

[Here the gavel fell.]

Mr. NICHOLS. Mr. Chairman, I shall, of course, support the substitute amendment to bring this appropriation back to the point where the C. C. C. can operate and function. My purpose in doing this is that it seems to me if the Civilian Conservation Corps has in the past been doing a good job and an adequate job they should be permitted to go ahead. If they have not, then let us wipe them out entirely upon the basis that it is a useless expenditure of public funds to carry on their work.

Most of the cuts that will be made in this bill, I understand, will be made in what is called park camps. Oklahoma will suffer very little from a reduction of soil-conservation camps. We have no forests in Oklahoma which these C. C. C. boys can protect, but we have forests of human beings down there and there are forests of human beings all over the United States who are not being destroyed by the ravages of forest fires that wipe out timber, but who are being destroyed by the ravages of unemployment, and the most eloquent argument that can be made in support of this substitute amendment is contained in the report from this committee that now recommends the reduction in the appropriation.

I quote briefly from the report of the Committee on Appropriations under the heading of Civilian Conservation Corps:

The Civilian Conservation Corps began its work in 1933 and from the time the first camp was established on April 17 of that year until February 1 of the current year 2,615,000 young persons have been given employment, and on a basis of estimates, something

over 13,000,000 persons have received direct benefits through the program.

The enrollees receive $8 per month and the balance of $22 is sent to their families. As a matter of statistical interest, during the period the C. C. C. has been operating more than 1,700,000,000 forest trees have been planted; forest-stand improvement has been completed on nearly 3,500,000 acres; fire-hazard reduction has been prosecuted on nearly 2,000,000 acres; enrollees had devoted over 5,000,000 man-days to fighting forest fires; 75,000 miles of telephone lines have been constructed; 109,000 miles of truck trails and minor trails have been completed with nearly 500,000 miles maintained; saving check dams numbering nearly 5,000,000 have been built to prevent erosion; and tree-, plant-, and pest-control operations have been carried on over 18,600,000 acres. The camps are operated under the general supervision of the Civilian Conservation Corps with immediate supervision of the camps in the hands of the Department of the Interior and the Department of Agriculture and the various bureaus under those Departments. The War Department acts as fiscal officer in the program and furnishes all supplies, equipment, and medical care.

I agree with my friend, the gentleman from Oregon [Mr. MOTT] that the Republicans will surely support this amendment, because they must agree that the Civilian Conservation Corps has done a good job. [Applause.]

Mr. LEAVY. Mr. Chairman, I ask unanimous consent to change the figure in my substitute amendment from "$166,880,000" to "$176,880,000," as there is an error in my calculation. I do this in order to maintain the same ratio in these increases.

Mr. O'CONNOR. Mr. Chairman, I reserve the right to object, to find out if we allow this whether it would preserve the status quo.

Mr. LEAVY. It would.

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

There was no objection.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Washington, as a substitute for the amendment offered by the gentleman from Nevada [Mr. SCRUGHAM], as modified by the unanimous-consent agreement.

The Clerk read as follows:

Page 18, line 14, after the word "which", strike out "$143,130,000" and insert "$176,880,000"; also in line 18, after the word "Director", strike out "$230,000,000" and insert "$280,000,000."

Mr. TARVER. Mr. Chairman, I ask to be recognized in opposition to the amendment. I think it is advisable at this time that the position of the subcommittee be stated. Let us understand at the beginning of the discussion of this subject matter that this subcommittee has made a smaller reduction below the Budget estimates in comparison to the total amount of the bill than any subcommittee reporting an appropriaiton bill to this House during the present session. The reductions below the Budget in this bill aggregate only about $12,000,000 out of total estimates of approximately $966,000,000. If gentlemen will read the report, they will find that the committee is not only not antagonistic to the C. C. C., but is highly enthusiastic about its work. Personally I do not believe, and I think I am speaking the sentiments of all of the members of the subcommittee, that there has been any work undertaken during recent years by the Government which has been more productive of good, both in the conservation of our natural resources, and in the conservation of our human resources. The committee has allowed the full amount of the Budget estimate. In addition to that, it has added $6,000,000 to the item for the pay, subsistence, and hospitalization of enrollees.

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

Mr. TARVER. I cannot yield at this time. That will have the effect of adding at least 10,000 to the number of enrollees, and will amount to an addition of 55 camps beyond the 1,227 camps estimated for by the Budget. It is true that we do not add anything to the lump sum total of the appropriation, but in the examinations of the witnesses which we had, it was clearly developed that it is possible to make savings in expenses to a greater amount than the $6,000,000, without in any way crippling the administrative part of this organization, and that the proposed $230,000,000 can properly take care of at least 1,282 camps.

I am sure that it is the purpose of the House to cooperate with the committee in an effort to bring about a reduction in the administrative expenses. It will be observed from the hearings that the estimated expense per enrollee, including all items, in the next fiscal year, is approximately $1,000. The cost of every enrollee for pay and subsistence items alone is approximately $600; or, in other words, the administrative cost, equipment cost, and other costs in addition to pay, subsistence, and hospitalization items, averages, according to the estimates submitted—or will average for the next fiscal year—$400 per enrollee. If you will examine the evidence we took day after day, you will find that if this appropriation could be broken down into the various activities it covers, there are many portions of those activities where very substantial reductions could be made. In addition to that, the substitution of civilian supervisory employees for Army Reserve officers which has now been accomplished, is estimated to bring a reduction in cost for the next fiscal year of $3,800,000. Yet there is no reflection in the Budget estimates of that saving. Last year the Civilian Conservation Corps had four and a half million dollars which it did not expend. This year, they have failed to expend during the first 6 months of the present fiscal year, approximately $4,000,000 less than one-half of the appropriation for the present fiscal year, although they have maintained 1,500 camps. We have not only no desire to cripple the work of this corps but we want to help carry it on in as great volume as reasonably possible, but we do think if we are to have any economy, that we must be willing to economize in those things near and dear to us, which we all value very highly, because if we do not economize except in things we do not like, we will never accomplish a substantial saving.

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

The Chair recognizes the gentleman from Oklahoma [Mr. JOHNSON].

Mr. JOHNSON of Oklahoma. Mr. Chairman, of course, I shall support this pending amendment. In fact, I gave notice several days ago that I would offer such an amendment if someone else did not offer it.

If this amendment is adopted, it means that every C. C. C. camp in the United States will continue to operate. If it is not adopted, then there is no use of our kidding ourselves; there will be a closing of 273 camps in the United States, even though the subcommittee made a heroic effort to open 55 of those camps on paper, without any concrete evidence on which to base such an unusual action.

Now, who is the best authority on this matter of the actual expense of operating C. C. C. camps? It seems reasonable to say that Mr. McEntee, the able, active, and popular Director of the C. C. C., is considered the best authority on the subject. The committee has complimented Mr. McEntee on the savings he has made. The committee has made it plain that he has done a good job. I have asked Mr. McEntee the point-blank question if he can do what the committee says he can do—keep 55 camps open without additional funds. I placed in the RECORD yesterday Mr. McEntee's reply to me over his own signature. He says in his letter:

The action taken is administratively impractical and will, I fear, seriously interfere with the craftsmanshiplike job the corps has been performing over the last 7 years.

Again he says:

To operate 55 more camps with no increase in funds simply means that all camps will be very seriously curtailed with regard to proper expenditure for education, training, supplies, equipment, and competent supervisory personnel.

Of course, we could cut down the price of the meals these fine young men are eating. We could cut 2 to 4 cents off of their meals and make a pitiful little saving. We could cut down on the clothing they wear, but I am sure that Congress does not want to do that, and Congress is not going to do anything like that in the name of economy.

Further Mr. McEntee says:

The same is true of the 10-percent limitation which the committee has added to the appropriation language. In addition to

other arguments against this 10-percent limitation clause, it may be stated that the bookkeeping cost or accounting cost of the Civilian Conservation Corps will be considerably increased. These blockages will constitute a separate appropriation in the eyes of the Comptroller General.

Then he goes on to speak about this overhead that we hear so much about. Many people think that overhead is just the overhead of the camp, the personnel, educational director, and so forth, but a great deal of this overhead is behind the lines. Some of this overhead is down here at the regional office of the Forest Service. Several hundred people are employed there. Mr. McEntee says further about overhead:

The additional accounting work will run into a very large sum. It is our opinion that the recommended changes, if put into effect, would be likely to disrupt the corps.

I submit if we want to keep these camps open we will support this amendment, and if we do not we will vote against it. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. ELLIS].

Mr. ELLIS. Mr. Chairman, to do anything less than is proposed by this substitute amendment—prepared by myself and offered by the gentleman from Washington, a member of the committee—is to mark the beginning of the end of the C. C. C. The committee has proposed that this reduction can be had and 55 camps retained over and above the reduction that would come if 273 camps were deleted. The Administrator of the C. C. C. says it cannot be done. Then to follow the committee is certainly to eliminate 273 camps and mark the beginning of the end. If the first amendment which was offered this afternoon is adopted, that means a substantial reduction in the number of camps, and that, too, means the beginning of the end of the C. C. C.

The committee itself and the chairman of the subcommittee both make eloquent appeals actually for this amendment, when they say in their report, and when the gentleman from Georgia [Mr. TARVER] says here on the floor substantially the same thing—that the C. C. C. in this country has planted more than 1,700,000,000 forest trees; that the C. C. C. has accomplished fire-hazard reductions in this country on 2,000,000,000 acres of American forests; that 75,000 miles of telephone lines have been constructed by the C. C. C. boys; that 109,000 miles of truck trails and minor trails have been constructed by the C. C. C. boys; and when they say that 5,000,000,000—not 5,000,000 but 5,000,000,000—saving check dams have been constructed in this Nation to prevent soil erosion by the C. C. C. The C. C. C. boys of this Nation have been adding to the capital wealth of the United States. This money has not been wasted; no, indeed. We have been building ourselves a greater nation.

Gentlemen, when you turn 54,600 of these boys out of these camps onto the streets, representing a quarter of a million people, you have not only added to the relief rolls of this Nation but you have added to the crime rolls of this Nation. Some of these days the time may come when these boys who today are in despair and walking the streets will be in the majority in this country, and if they react like the youth of Europe have reacted this democracy may no longer be safe. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Chairman, the Springfield (Mass.) Republican, certainly not a publication which could be branded new dealish in any manner, has this to say of the Civilian Conservation Corps program:

Hundreds of thousands of unemployed youth, who under similar conditions in China or even Mexico would have recruited bandit armies, were taken and made a social asset instead of a social liability through the C. C. C.

Nonpartisan support for this amendment should be given this afternoon because it will bring about the continuation of a program not only to build better land, but also better youth. [Applause.]

Mr. CARTWRIGHT. Mr. Chairman, I rise to support the Leavy substitute amendment. I wish to strongly urge that the cut in funds for the Civilian Conservation Corps be restored in order to maintain the present number of camps now in operation.

Since its inception, I have been an enthusiastic supporter of the C. C. C. program and believe that its success in the conservation of youth and natural resources has made it one of the outstanding achievements of the present Administration which has met with almost universal approval. The C. C. C. is rendering a real service, not only in the constructive work it is doing, but in the development of high ideals of citizenship among our youth. As a Nation we are giving more and more recognition to the inherent value of our youth and have come to appreciate how necessary it is to the welfare of the state that our young citizens be healthfully and profitably employed. In addition to actual work accomplishments in drainage, forestry, soil erosion, recreational parks, emergency wildlife feeding, stream and lake protection, and so forth, it has stimulated a new interest on the part of States, private individuals, and other Federal bodies in conservation. For instance, in Oklahoma, where no State parks existed prior to the coming of the C. C. C., we now have a chain of eight such areas. This program affords many unemployed veterans who are unable to obtain employment in private industry, an opportunity to provide for the needs of their families and at the same time render a useful service to the community and to the Government.

I understand if this cut in appropriation is made, it will mean that 273 camps will have to be abandoned and Oklahoma will lose 9. My district is scheduled to lose 3 of the 7 camps now in operation.

I have received over 300 letters and telegrams from civic organizations, educators, ministers, and prominent businessmen of the towns where these camps are to be terminated, and would like to read some excerpts from a few of them:

Abandonment of the camp at this time would be about as logical as starting into constructing a home, laying the foundation, erecting walls, and then moving in or abandoning it without putting on a roof. I am sure no one would call that kind of procedure sane economy. Our State treasury has just issued a warrant paying for more land, completing approach of this park area from previous boundaries to the river. If abandonment is to be an inflexible rule once a camp is designated, why could not such a step have been taken in time to prevent such extra investment, which, by the way, not only lies there idle but also removed perhaps 80 acres of land from McCurtain County tax rolls? Furthermore, how about the minor personnel of our country's citizens who are now constructively earning for themselves, learning trades, etc., which would be discharged and perhaps become roving waifs? I recently attended a citizenship program out at the camp one evening for those youths arriving at a majority in the last 90 days. I wish you could have been present and seen those young men in the vim, vigor, and vitality of youth, the earnest hope expressed by their faces.

Unemployment is one of the greatest problems in our country, so what will become of the thousands left jobless? There were 20 illiterate boys at the Beaver's Bend Park camp last year, and they are learning more in camp than they would at any other place.

The dissolution of the Beaver's Bend C. C. C. camp would impose upon the people of this part of the State a great hardship by forcing many boys out on the highways looking for jobs that do not exist for them and for the families that would be left in destitute circumstances were it not for the money sent home each month by these boys, meager as it is.

A magnificent road has been built; camp cabins, water system, and sewer connections are almost finished, and fencing is well under way. Should this camp be abandoned now, all that money, time, and labor will be lost. On the other hand, if the camp could be maintained long enough to finish the improvements already begun, in a short time it would be able to meet its own expenses.

If these forest camps are ended it is going to greatly affect the preservation of our forests and game, the vacation spots of Oklahoma, and the general trade and commerce of our particular locality.

The businessmen of McCurtain County have been out quite a sum of money on the purchase of this park, and if abandoned now we feel that it would remain forever an unfinished monument. If the

camp could remain there for 2 more years the park would be in a state of completion and would be something of which the entire State would be proud.

Two hundred boys and families are being aided in Nashoba camp and doing excellent work. Four years' needed work in view. It would be detrimental to county to move this camp, as this is only camp in county. Forest protection is necessary, as it is county's principal resources.

We are for economy, but to discontinue a program on which the work is not completed would be a waste. It is no use to review to you that Lake Murray State Park contain more area than all other State parks in Oklahoma. The program of roads around the lake and to picnic grounds is not completed. Then there are a number of cabins started but about one-half completed.

I wish to give a brief summary of the work done by the C. C. C. camps in the Third District of Oklahoma.

Major items of work completed by Civilian Conservation Corps camps in counties of Carter, Latimer, Leflore, McCurtain, Pittsburg, and Pushmatah, Okla., during period April 1933 through December 1939

Structural improvements:		
Bridges, vehicle	number	295
Lookout houses and towers	do	9
Fences	rods	25,981
Guard rails	do	651
Telephone lines	miles	686
Springs, waterholes, small reservoirs	number	31
Transportation improvements: Truck trails and minor roads	miles	1,326
Erosion control:		
Bank sloping, gully control	square yards	72,898
Check dams, gully control	number	360
Tree planting, seeding and sodding	square yards	578,803
Erosion control—Continued.		
Terracing	miles	27
Outlet structures, terrace outletting	number	481
Sheet erosion planting	acres	263
Contour furrows and ridges	miles	241
Preparation for strip cropping	acres	157
Forest culture:		
Trees planted (reforestation)	number	157,600
Forest stand improvement	acres	46,532
Nurseries	man-days	1,568
Tree seed collection, conifers (cones)	bushels	3,295
Tree seed collection, hardwoods	pounds	116,716
Collection of tree seedlings	number	64,100
Forest protection:		
Fighting forest fires	man-days	51,636
Fire breaks	miles	1,380
Fire hazard reduction, roadside and trailside	do	719
Fire hazard reduction, other	acres	22,019
Fire prevention and presuppression	man-days	33,048
Tree and plant disease and insect pest control	acres	3,380
Landscaping and recreation:		
Moving and planting trees and shrubs	number	273,549
Public picnic- and camp-ground development	acres	263
Seed collection, other than trees	pounds	41,850
Range:		
Range revegetation	acres	1,025
Pasture sodding	do	2,334
Pasture and range terracing	do	87
Wildlife:		
Food and cover planting and seeding	acres	460
Fish stocked	number	40,000
Stream development (wildlife)	miles	5

I trust we can keep the C. C. C. camps at their present strength. [Applause.]

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. VOORHIS] for 3 minutes.

Mr. VOORHIS of California. Mr. Chairman, I want to make just one point: In my judgment, with the economic condition of the country as it is today, a sound minimum rule for this Congress to follow would be to say that it was not going to cut the employment of anybody at the present time. Unless you adopt the amendment offered by the gentleman from Washington it means, as has already been stated, that you are going to deprive some 50,000 C. C. C. enrollees of employment at a time when employment in private industry is not expanding but going down. You will be contributing to the same tendency unless you adopt this amendment. I believe most earnestly that it should be adopted because I think, as has been stated by many other gentlemen, that this program has been a real character-building program. Not only has it been that, but it has saved the forests and soil of America. In my own country it has prevented forest-fire damage of an inestimable amount.

I hope the amendment will be adopted.

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

Mr. VOORHIS of California. I yield.

Mr. MAY. Does the gentleman know of a single program this administration has adopted that has been more successful than this one?

Mr. VOORHIS of California. I think it is one of the very best and finest things that has been done by any government at any time.

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

Mr. VOORHIS of California. I yield.

Mr. JOHNSON of Oklahoma. The gentleman has mentioned the unemployed rolls of the country. The gentleman knows, does he not, that on January 1 last there were 165,000 unemployed eligible youth who applied for positions as enrollees in the C. C. C.? With only 60,000 places open, this meant that 105,000 of the eligibles had to be turned down.

Mr. VOORHIS of California. That is right; and unless we take action to increase the appropriation for this item, we will be adding 55,000 more to that number.

In the year 1937 Congress did exactly the same sort of thing that is proposed here today by opponents of this amendment. The consequence of it was one of the sharpest drops in industrial production and activity that this country has ever known.

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

Mr. VOORHIS of California. I yield to my able and distinguished colleague from San Diego.

Mr. IZAC. I wonder if my colleague is not also aware that 70 Members of this House are now engaged in an effort to solve the unemployment problem at the very time it is proposed to take 50,000 enrollees from the C. C. C.

Mr. VOORHIS of California. I thank the gentleman for his contribution. I may say that these 70 Members, of whom I am proud to be one, are working mighty hard on that job. We believe the solution of the unemployment problem is the main task of this Congress. I know the gentleman from California [Mr. IZAC] believes that, for he is one of the most earnest Members of our unemployment conference, of which he spoke.

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

Mr. VOORHIS of California. I yield.

Mr. SHEPPARD. Does the gentleman know of that number how many enrollees are returnable enrollees in the current year?

Mr. VOORHIS of California. I am sorry, but I do not.

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

Mr. VOORHIS of California. I yield.

Mr. ALEXANDER. I have no national forests in my district, but I am interested in this amendment and I am for it. It seems to me it is a good dollars-and-cents proposition, for when we study the crime figures we find that the crime bill amounts to $15,000,000,000 a year and that half the criminals are under 21 years of age. This is an average of $3,750 apiece. Is it not a good investment to pay the cost of keeping these boys in the C. C. C. rather than to have to pay the higher cost of those who might otherwise go bad?

Mr. VOORHIS of California. There can be no question about it. I may say to the gentleman from Minnesota that I have been a school teacher most of my life and that a good many of the boys I used to teach in school have found in the C. C. C. program an opportunity to work to build up their physique, to help their families, and to gain a feeling that they are pulling their own weight in the boat of our national life. My only suggestion and hope is that the vocational training opportunities in the C. C. C. camps might be extended.

Mr. KEEFE. Mr. Chairman, I ask for recognition.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. KEEFE], a member of the committee, for 5 minutes.

Mr. KEEFE. Mr. Chairman, I shall not take the entire 5 minutes.

Mr. Chairman, I addressed the House yesterday on the subject of the N. Y. A. and stated clearly my position in reference to that organization and the work it is doing. I also stated rather briefly, in answer to a question of the gentleman from South Dakota, my opinion in reference to the C. C. C. Everything I said in reference to the N. Y. A. yesterday can be said for the work of the C. C. C., so far as I am concerned.

I think the report of the committee itself very definitely and clearly indicates that the committee feels that the work of the Civilian Conservation Corps at least represents one contribution to the welfare of our youth in this country that no very serious-minded person may challenge. The serious question, however, is: Are we going to stultify ourselves by standing here at one time arguing in support of a proposed amendment because it is claimed the President and his Budget asked for an amount, and at other times using the argument that we ought to increase the Budget which has been sent here by the same individual?

I stated at that time that it was my firm conviction from what I had learned that there would not be serious objection on the part of the head of the budgetary department of this Government if this appropriation for the C. C. C. were perhaps increased, but I want to propound the inquiry again, Why do we not have presented to this Congress an honest Budget? Why did not the President and his Budget committee bring before this Congress a Budget asking for enough money to take care of the existing needs of the C. C. C.? Why is it necessary always for the Congress to go beyond the budgetary estimates in connection with great humanitarian movements such as this in order to carry out the will of the people of this country?

Mr. CASE of South Dakota. Will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Of course, the gentleman knows as well as anyone that under the Constitution appropriations must originate in the House of Representatives?

Mr. KEEFE. Oh, I understand that appropriations must originate in the House of Representatives. It seems that there is not any particular necessity for a Budget at all, because we hear people say every day, "We do not intend to pay any attention to it." When they want the Budget to support their contention, then they rely on it, but when they do not like the way the Budget handles the thing then they say, "Pay no attention to it." It seems we ought to have an honest Budget.

Mr. O'CONNOR. Will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Montana.

Mr. O'CONNOR. May not the President and the Director of the Budget very honestly assume that the Congress is going to exercise its constitutional powers on the question of appropriations and not rely entirely on what they say?

Mr. KEEFE. I think that is very clear in this particular case, and I think it is very clear in a number of other cases. Why have a Budget at all unless it is an honest Budget? Why have one at all unless it is honest?

Mr. O'CONNOR. They may think it is an honest Budget but in the final analysis it is up to the Congress.

Mr. KEEFE. Yes; in the final analysis it is up to the Congress, and I am going to exercise my right as a Member of Congress to vote what I think this organization ought to have, Budget or no Budget. [Applause.]

Mr. RANDOLPH. Will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. The Senate of the United States has on at least one occasion voted to make this program a permanent part of our governmental policy. The House did not do so. Does the gentleman think it might be advisable for this body to give a permanency to this program?

Mr. KEEFE. I am not prepared to pass on that question yet. I hope the time will come in America when we are able to offer something else to the youth of America beside the chance to work in C. C. C. camps, and I think that time is rapidly approaching, if you please. When we abandon some of the wild extravaganzas of the New Deal and give some inspiration to the people of this country, we will not have to make it a permanent agency of the Government. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. BOREN].

Mr. BOREN. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Nevada [Mr. SCRUGHAM].

The Clerk read as follows:

Amendment offered by Mr. BOREN as an amendment to the amendment offered by Mr. SCRUGHAM: On page 18, line 18, after the word "Director", strike out "$240,000,000", as proposed by the Scrugham amendment, and insert "$300,000,000."

Mr. BOREN. Mr. Chairman, I only wish to announce at this time that my amendment to the amendment will give the House an opportunity to do what it ought to do; that is, increase rather than decrease the C. C. C. There was a time when we had the C. C. C. on a proper footing and this will put it back where it was 1 year ago today. If we want to do what should be done we will expand the C. C. C. and make it permanent. Everyone knows it is a good investment. Everyone admits it is one of the best Government programs. Does the Congress have the courage to trade one battleship for 300 C. C. C. camps. I am giving you a chance to do that, or, better still, I am giving you an opportunity to trade 6,000 useless bureaucrats for 300 C. C. C. camps to benefit 60,000 boys, 60,000 families, and 300 soil-conservation districts. Let us make the trade and vote this amendment. Let us economize on the battleships or bureaucrats.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, let no one here today mistake the issue. The President of the United States submitted a budget to this Congress, and in that budget he told us the amount of money he thought we ought to allow for the various projects or activities of Government. He also told us the amount of revenue we would receive, and that it would require approximately a half billion dollars in new taxes to balance the Budget without raising the debt limitation.

The Appropriations Committee has worked hard, in the face of criticism, and I may say even abuse, in trying to make a saving of a half billion dollars so that it would not be necessary for the Congress to pass either a tax bill or legislation increasing our debt limit.

Mr. Chairman, the issue here today is not the question as to whether or not we are going to raise the C. C. C. ten, fifty, or seventy-five million dollars. The issue is whether this House is going to stand behind the Appropriations Committee in its effort to reduce or maintain the Budget estimates and make unnecessary the passing of a tax bill or legislation increasing the debt limit.

Mr. Chairman, I have a 3,000,000-acre national-forest area in my district. I have C. C. C. camps that will be discontinued if this Budget estimate is maintained, but I am going to support the President's recommendation of $230,000,000 just the same. Let us see whether we can save enough money for the additional 55 camps the committee provides for. Thirty-two thousand civilian employees this year are receiving over $58,000,000 in pay, while the 270,000 enrollees are receiving approximately $100,000,000 in pay. There are from 14 to 16 civilian employees in each camp, drawing as high as $3,600 per year each. If we could cut off from the pay roll of each camp 2 of these employees in the higher brackets, you would have a saving of $5,000,000 to $6,000,000, or the amount the committee transferred from overhead to the enrollee pay-subsistence item.

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

Mr. ENGEL. I have only 5 minutes. Everyone has been talking for the increase and the gentleman from Georgia [Mr. TARVER] and I are practically the only ones giving the other side of the question. I cannot yield.

In 1937 the C. C. C. made a survey of the 350,000 enrollees with this result: 55 percent of the enrollees came from rural areas or cities with a population under 2,500; 12 percent of them came from cities with a population between 2,500 and 10,000. Only 33 percent of them came from cities of 10,000 or over. If this bill were passed as submitted by the President, of the 221,000 enrollees there will be about 73,000 coming from cities of 10,000 and over. To say that these 73,000 all come from the slums and the pool rooms is absolutely ridiculous. The 1930 census shows that we have 9,000,000 boys between the ages of 17 and 25, so we would be helping about 1 out of 130 of these boys if they all came from the city slums which, of course, they do not. We gave the C. C. C. an additional 25 percent last year, adding 300 camps to the Budget estimate. They justified $16,326,296 for supplies and materials but they spent $18,645,062. We gave them $8,965,026 for travel of persons and they spent $11,718,475. For repairs and alterations we gave them $10,518,056, and they spent $15,114,133. For structure and parts we gave them $9,330,777, and they spent $10,285,159. For equipment we gave them $4,198,486, and they spent $12,635,879, or three times the amount we gave them. If, in the face of these facts, Mr. McEntee cannot save enough out of this appropriation for 55 extra camps he had better get out and let somebody come in who can do it.

The record shows that only 23 percent of the total amount of money appropriated for the C. C. C. since its beginning went to the families of the enrollees. The record shows on page 85 of the hearings on my questioning that they did not go into the question of relief in selecting these boys, and I do not believe they should. Nowhere near all these boys are taken from families on the relief rolls. I know most of the rural boys are not. Anyone who thinks he is going to reduce the relief rolls by increasing this appropriation is just kidding himself.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. BOREN] to the amendment offered by the gentleman from Nevada [Mr. SCRUGHAM].

The amendment to the amendment was rejected.

The CHAIRMAN. The question now recurs on the substitute amendment offered by the gentleman from Washington [Mr. LEAVY] to the amendment offered by the gentleman from Nevada.

The question was taken; and on a division (demanded by Mr. LEAVY) there were—ayes 108, noes 87.

Mr. TARVER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. SHEPPARD and Mr. LEAVY.

The Committee again divided; and the tellers reported that there were—ayes 134, noes 100.

So the substitute amendment was agreed to.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Nevada [Mr. SCRUGHAM] as amended by the substitute amendment.

The question was taken; and the Chair announced that the noes seemed to have it.

Mr. SCRUGHAM. Mr. Chairman, I demand a division.

Mr. FITZPATRICK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FITZPATRICK. If this amendment is now defeated, that will defeat the Leavy amendment?

The CHAIRMAN. The gentleman is correct.

Mr. FITZPATRICK. So if this amendment is voted down, we will defeat the amendment that was just adopted.

The question was taken; and on a division there were—ayes 104, noes 103.

Mr. ENGEL. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. SHEPPARD and Mr. SCRUGHAM.

The Committee again divided; and the tellers reported that there were—ayes 134, noes 109.

So the amendment was agreed to.

Mr. WOODRUM of Virginia. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. WOODRUM of Virginia moves 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. WOODRUM of Virginia. Mr. Chairman, this is not a pro forma amendment. I do not offer amendments often on the floor of the House and I never offered one more seriously in my life than the one I have just offered, and I do not yield to any Member of the House of Representatives in my appreciation of the importance of the Civilian Conservation Corps and the work that it has done.

Last year the Budget cut the C. C. C. $50,000,000, and I presented a joint resolution, and the Congress adopted it, reinstating that amount. I would be perfectly willing to join in any kind of a movement to prevent the reduction of these C. C. C. camps, but I say to my colleagues here today, in humility, respecting your judgment as I respect my own, that I think what we have just done is a tragic thing in the history of this country.

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

Mr. WOODRUM of Virginia. No; I have only 5 minutes.

Now, put the C. C. C. out of it. This action has shown a reversal of the spirit which the Congress adopted in the beginning to try to live within the Budget estimates, to try to hold down appropriations and to try to assist the President in keeping the deficit down in order to avoid taxes or raising the debt limit. If we are now going to go ahead, pell-mell, and appropriate above the Budget, then I submit to you that it is only legislatively honest to decide how you are going to pay the bill. Are you going to have a tax bill or are you going to raise the debt limit and borrow the money? You know as well as I know that the Congress has no idea of doing either one of those things at this session of the Congress. I do not know anything else to do but to do myself what you are doing—try to make your record and take your position and stand on it, but I feel this afternoon very much like the poet who said:

I was at the funeral of all my hopes
And tombed them one by one;
Not a word was said, not a tear was shed,
When the mournful task was done.

Ah, very much more important, my fellow Americans, than keeping that C. C. C. camp in my district and yours is to try to protect the economic foundations of this country and, today, they are in danger. [Applause.]

Mr. SCRUGHAM and Mr. JOHNSON of Oklahoma rose.

The CHAIRMAN. Does the gentleman from Georgia desire recognition?

Mr. TARVER. Mr. Chairman, I simply want to call attention to the fact that, insofar as pro forma amendments that may hereafter be offered are concerned, all debate on amendments to this paragraph has been closed by action of the Committee.

The CHAIRMAN. The Chair will state that this is a preferential motion.

Mr. TARVER. I understand that. I am only referring to gentlemen offering further pro forma amendments.

Mr. SCRUGHAM. Mr. Chairman, I rise in opposition to the motion.

Mr. Chairman, the gentleman from Virginia [Mr. WOODRUM] spoke most feelingly of the tragedy of adding $50,000,000 to this appropriation bill. In deepest sincerity, I call your attention to the much greater tragedy of throwing thousands, tens of thousands, and even hundreds of thousands of barely matured boys into a hopeless wandering of the streets through a denial to them of opportunity for wholesome employment. [Applause.]

If this Congress can approve of appropriations of $50,000,000 or even $100,000,000, for the purchase of instrumentalities of destruction and sudden death, they certainly should not oppose an appropriation of $50,000,000, for the benefit of underprivileged young men coming to maturity, and which will give them employment and an opportunity

to become useful citizens. I have little or no sympathy with the idea of a spoon-fed young manhood, but likewise have no patience whatever with arguments about the tragedy of disturbing a subcommittee recommendation. The mighty economic strength of this Nation gives us the privilege of offering continuous opportunity of employment for our youth.

The CHAIRMAN. The question is on the motion offered by the gentleman from Virginia.

The question was taken; and on a division (demanded by Mr. MARCANTONIO) there were—ayes 94, noes 117.

So the motion was rejected.

Mr. TARVER. Mr. Chairman, so far as I am advised, no amendments will be offered to the language making provisions for the Office of Education, and if there should be, the request which I desire to submit will take care of the situation.

I ask unanimous consent, Mr. Chairman, that the language providing appropriations for the Office of Education, beginning in line 20, on page 19, and ending at the bottom of page 25, be inserted in the RECORD at this point and that the entire provisions be open for amendment on the part of anyone who may desire to offer amendments.

Mr. TABER. I object, Mr. Chairman.

The Clerk read as follows:

Salaries and expenses, vocational rehabilitation: For carrying out the provisions of section 6 of the act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry, etc.," approved June 2, 1920 (29 U. S. C. 35), and the acts of June 5, 1924 (29 U. S. C. 31), June 9, 1930, and June 30, 1932 (29 U. S. C. 31, 40), August 14, 1935 (49 Stat. 620), and August 10, 1939 (53 Stat. 1381), and for carrying out the provisions of the act entitled "An act to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes," approved June 20, 1936 (49 Stat. 1559, 1560), $111,200 including not to exceed $2,000 for expenses of persons attending conferences called to meet in the District of Columbia and elsewhere, $113,000.

Mr. TARVER. Mr. Chairman, I offer the following committee amendment.

The Clerk read as follows:

Amendment offered by Mr. TARVER: Page 24, line 22, strike out "$111,200."

Mr. TARVER. That is an amendment to strike out surplusage in the language of the bill. It does not make any change.

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

The amendment was agreed to.

The Clerk read as follows:

Grants to States for aid to dependent children: For grants to States for the purpose of enabling each State to furnish financial assistance to needy dependent children, as authorized in title IV of the Social Security Act, approved August 14, 1935, $75,000,000, of which sum such amount as may be necessary shall be available for grants under such title IV for any period in the fiscal year 1940 subsequent to March 31, 1940: *Provided*, That payments to States for the fourth quarter of the fiscal year 1940 and for any quarter in the fiscal year 1941 under such title IV may be made with respect to any State plan approved under such tite IV by the Social Security Board prior to or during such period, but no such payment shall be made with respect to any plan for any period prior to the quarter in which such plan was submitted to the Board for approval.

Grants to States for aid to the blind: For grants to States for the purpose of enabling each State to furnish financial assistance to needy individuals who are blind, as authorized in title X of the Social Security Act, approved August 14, 1935, $10,000,000, of which sum such amount as may be necessary shall be available for grants under such title X for any period in the fiscal year 1940 subsequent to March 31, 1940: *Provided*, That payments to States for the fourth quarter of the fiscal year 1940 and for any quarter in the fiscal year 1941 under such title X may be made with respect to any State plan approved under such title X by the Social Security Board prior to or during such period, but no such payment shall be made with respect to any plan for any period prior to the quarter in which such plan was submitted to the Board for approval.

Mr. CASE of South Dakota. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: Page 38, line 20, after the figures "1935", insert the words "as amended."

Mr. TARVER. Mr. Chairman, the committee accepts that amendment.

TO MAKE GRANTS FOR AID TO DEPENDENT CHILDREN ON 50–50 BASIS AS AUTHORIZED BY AMENDMENTS TO SOCIAL SECURITY ACT

Mr. CASE of South Dakota. Mr. Chairman, my amendment simply inserts two words, "as amended," after the description of the Social Security Act. The purpose of this amendment, and of a like amendment which I shall offer to the next paragraph, is to make the appropriations for grants to States for aid to dependent children and to the blind available for matching on a 50-50 basis, as intended by the amendments to the Social Security Act, passed by this Congress last summer.

The amendment does not change the amount of the funds appropriated. They were calculated on the basis of doing what the amendment will permit. The language in the bill, however, is a carry-over of the old language in previous appropriation bills and would limit the funds to use—

as authorized in title IV of the Social Security Act, approved August 14, 1935.

The act of August 14, 1935, with respect to both of these funds, aid to dependent children (title IV) and aid to the blind (title X) limited the Federal grants-in-aid to one-third of the aid given each client. They differed in this respect from the aid for old-age assistance which were one-half Federal grants and one-half State.

Several States did not establish A. D. C. programs on that account. The legislature of my own State of South Dakota did not. The legislature of 1937, however, did provide for an A. D. C. program conditioned upon a change in the Federal law. The condition provided that the plan would not become operative until the Federal Government placed its grants-in-aid for these purposes on the same 50-50 basis as other grants-in-aid.

Thereupon, when the legislature adjourned, I introduced a bill in the Seventy-fifth Congress, H. R. 6041, March 31, 1937, to amend the Federal Social Security Act in that respect. It received considerable favorable comment. The principle was endorsed by numerous authorities. I again introduced the bill on the opening day of this Congress, January 3, 1939, as H. R. 954.

The item was one of the recommendations of the Social Security Advisory Council. The matter came before the Ways and Means Committee in their consideration of amendments to the act, during the first session of this Congress, a year ago, and the language of the bill was incorporated as one of the paragraphs in the committee bill which this Congress adopted last summer, amending generally the act of August 14, 1935.

Accordingly, I am sure that the committee presenting this appropriation bill carried out the intent of the Congress when it reported an appropriation bill based on estimates for 50-50 grants in harmony with the amended law. To make them effective, however, they must not be disbursed as authorized by the original act, but as authorized by the act as amended. My amendment in this paragraph, and in the succeeding paragraph, then, simply inserts the words "as amended" after the words "act of August 14, 1935," and insures that the intent of Congress will be followed in the making of the grants in aid. I appreciate the courtesy of the chairman and the subcommittee in accepting the amendment, and have simply made this statement so that the RECORD will show its intent and purpose.

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

The amendment was agreed to.

Mr. CASE of South Dakota. Also the following amendment, Mr. Chairman.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: Page 39, line 10, after the figure "1935", insert the words "as amended."

Mr. TARVER. Mr. Chairman, the committee accepts the amendment.

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

The amendment was agreed to.

The Clerk read as follows:

NATIONAL YOUTH ADMINISTRATION

PAR. 1. Part-time youth work and student aid: To enable the National Youth Administration, which is hereby extended to and including June 30, 1941, under the supervision and direction of the Federal Security Agency, to engage in the following types of programs for assistance to needy young persons, $79,635,000, namely:

(a) To provide part-time employment for needy young persons in schools, colleges, and universities to enable such persons to continue their education.

(b) To provide employment and training for unemployed young persons on public projects of the following types:

(I) The construction, improvement, and repair of non-Federal public buildings and grounds, parks, and other recreational facilities; bridges, highways, roads, streets, and alleys; airports and airway facilities; water and sanitation facilities; facilities for conservation; irrigation and flood control; pest eradication; and work on all other non-Federal public facilities including cooperative associations receiving financial assistance from the Rural Electrification Administration or other public agencies;

(II) The construction, improvement, and repair of buildings or other facilities of Federal agencies;

(III) The production, repair, and renovation of goods, articles, and foodstuffs for needy individuals and for public institutions providing that products so produced do not replace normal purchases of such individuals or institutions;

(IV) Professional, clerical, and other nonconstruction services in the fields of education, recreation, research, professional, cultural, and clerical activities for the benefit of public and nonprofit organizations;

(V) The prosecution of work of the types enumerated above which involve the maintenance of young persons in camps, institutions, and other resident facilities.

Mr. COLLINS and Mr. TABER rose.

The CHAIRMAN. For what purpose does the gentleman from Mississippi rise?

Mr. COLLINS. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. COLLINS: Page 41, line 4, strike out "$79,635,000" and insert "$94,635,000."

The CHAIRMAN. The gentleman from Mississippi is recognized for 5 minutes.

Mr. TARVER. Mr. Chairman, will the gentleman yield so that I may see if we can reach an agreement on time?

Mr. COLLINS. Certainly.

Mr. TARVER. Mr. Chairman, I ask unanimous consent that debate on amendments to this paragraph be limited to 1 hour.

The CHAIRMAN. Is there objection?

Mr. NICHOLS. Mr. Chairman, I reserve the right to object. It seems to me that gentlemen who want to be heard on this are entitled to be heard for at least 5 minutes each.

Mr. TARVER. Mr. Chairman, we have had a great deal of discussion of this matter under general debate. There was a great deal of discussion yesterday in connection with the adoption of the rule. I do not desire to be unreasonable in my request, but the limit of 1 hour was suggested by an ardent supporter of the amendment of the gentleman from Mississippi. I hope we will be able to agree to that limitation. If not, then I do not feel that I can afford to let the matter go on further than an hour, and in due time shall move to close debate at the end of that hour.

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

Mr. COLLINS. Mr. Chairman, reserving the right to object. Of course, that limitation will take effect after I have made my speech.

Mr. TARVER. It was not so intended, but I shall ask that it be effective after the speech of the gentleman from Mississippi, the sponsor of the amendment.

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

Mr. PATMAN. Mr. Chairman, I reserve the right to object. How many will be recognized and how much time will each have if this request is granted?

The CHAIRMAN. The Chair has counted 18 gentlemen standing.

Mr. TABER. Mr. Chairman, I don't know what the attitude of the others is, but I am opposed to the amendment, and I have an amendment which would reduce the amount. I feel that at least 5 minutes should be given to those who are opposed to the proposition and that if the chairman of the subcommittee desires to speak he should at least have that much.

Mr. TARVER. I ask the Chairman to reserve for the committee out of the hour 5 minutes.

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

There was no objection.

Mr. COLLINS. Mr. Chairman, the amendment I have offered would give the National Youth Administration $100,000,000, approximately the sum of money that was appropriated to it for the fiscal year 1940. The bill as reported by the Appropriations Committee gives this agency the Budget estimate of $85,000,000, or about $15,000,000 less than the appropriation for 1940. The amendment I propose will, if adopted, raise the amount from $85,000,000 to $100,000,000.

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

Mr. COLLINS. I am not reflecting upon the subcommittee or any member of it. I have only praise for the position taken by the gentleman from Wisconsin.

The policy of aiding needy citizens is likewise in line with governmental policy. Throughout our history the Government has made grants and subsidies to business to enable them to successfully carry on their work of building the country. Likewise the Government has aided needy citizens by donations in land and money. From 1863 down to 1890 the Federal Government gave each individual who wanted land up to 160 acres.

The combined area of land given to needy individuals over 21 years from 1863 down to 1890 amounted to the total area of New England, New York, Pennsylvania, New Jersey, Indiana, Illinois, Michigan, Wisconsin, and half of Kentucky, combined. The persons given this land used it for their own personal needs. In the instant case the N. Y. A. students labor so they can continue in school or to gain a vocation. Their average wage is about $11 a month, and the fruits of their labor is given to society. They build roads, schools, and other types of public improvements for the common benefit of all. Certainly it is not contrary to our American policy to aid young people to secure an education. This is all we are doing and all we propose to do.

I maintain that if the proposal of the Appropriations Committee, of which I am a member, is adopted, 125,000 young men now in schools or learning trades will be thrown out of school or relieved of the small wage they now earn while taught a trade. There are approximately 750,000 of them receiving N. Y. A. aid. If we fail to raise the appropriation from $85,000,000 to $100,000,000, 125,000 of these young men and women will be denied an education or a vocation. I favor economy in government, but I refuse to economize by denying to the youth of the country the right to become educated citizens.

Mr. MURDOCK of Arizona. Will the gentleman yield?

Mr. COLLINS. I yield.

Mr. MURDOCK of Arizona. Much has been said about the Budget recommendation. Did not the Budget a year ago recommend $123,000,000 for this very work?

Mr. COLLINS. Absolutely; and in adopting $100,000,000 we are following the Congress of the United States and not some single individual in the Budget Bureau whose judgment cannot be any better than that of a Member of this House. Congress has already established a policy on this subject. That policy was made at the last Congress. The amount agreed upon was $100,000,000. It should not be reduced.

In this struggle for existence among nations it is evident that only those with high intellectual standards can survive. It is therefore the highest patriotism to build up the intellectual levels of our people. [Applause.]

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Oklahoma to the amendment offered by Mr. COLLINS: Strike out the figure "$94,635,000" and insert "$97,085,000".

Mr. JOHNSON of Oklahoma. Mr. Chairman, the purpose of the amendment offered by me is to give the National Youth Administration exactly the same amount it actually had during the present fiscal year. If the Collins amendment is adopted we will actually reduce all of the available funds for the N. Y. A. exactly $2,450,000 below the amount expended during the present year.

Mr. TARVER. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. TARVER. There is included in this bill exactly $85,000,000. You had $100,000,000. The Collins amendment proposes to add $15,000,000. How does the gentleman reach his conclusion?

Mr. JOHNSON of Oklahoma. That is correct, but I will say to the distinguished chairman of this subcommittee, that Mr. COLLINS, in offering his amendment, overlooked the fact that the Treasury of the United States was allowed $2,000,000 for servicing the N. Y. A. That $2,000,000 must be added if we desire that the N. Y. A. have the same appropriation during the next fiscal year.

Mr. LYNDON B. JOHNSON. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. LYNDON B. JOHNSON. Did not the N. Y. A. also this year have the use of $450,000 in unexpended balances?

Mr. JOHNSON of Oklahoma. That is correct, and that $450,000 added to the $2,000,000 makes up the exact amount that I propose to raise the Collins amendment.

Mr. LYNDON B. JOHNSON. Then your amendment is $2,450,000 in excess of the Collins amendment?

Mr. JOHNSON of Oklahoma. That is correct, and that will give the N. Y. A. exactly the same amount that was expended on the N. Y. A. last year to maintain it.

Now, those figures are correct. I have them from the National Youth Administration and from the Treasury, and if there is any question about the figures I present I invite questions from any Member at this time. This body a few moments ago, by its vote, refused to slash the amount for the C. C. C. camps. We have just said by our vote that we want to retain all of the 1,500 camps; that we will refuse to turn the 54,000 boys now in the camp back on the streets and alleys. Unless my amendment or the Collins amendment is adopted we will say to 123,000 young men and women now on the N. Y. A. rolls, the fact that they will lose their jobs is no concern of ours. I am sure none of us wants to do that.

It was pointed out a moment ago that last year the Budget recommended $125,000,000. The Congress did not choose to follow the Budget last year and appropriated $100,000,000. Now, it seems passing strange that this all-wise, infallible Budget at this time should decide that the N. Y. A. must be cut $15,000,000. It is the responsibility of this Congress to make the appropriation. So if we really believe in the National Youth Administration, in its fine, patriotic program for youth, and desire to maintain it, on the same basis that we have for the past year, then I submit that my amendment should be adopted.

It occurs to me that the only question involved is whether or not the National Youth Administration actually needs the amount it now has in order to operate efficiently. I have heretofore pointed out that a large committee of businessmen representing various business activities, and coming from widely separated sections of the country, met in the city of Washington last December and gave a very careful study and investigation of the N. Y. A. as well as the problems of the American youth. This committee of conservative businessmen in its report not only places its stamp of approval upon this great organization, but calls on Congress to appropriate at least $200,000,000 to carry on this great youth program for another year. Yet the amendment I have proposed only permits the N. Y. A. to carry on on the same basis and with the same amount of funds as is being actually expended by this organization during this year.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, I am in favor of the amendment offered by the distinguished gentleman from Oklahoma [Mr. JOHNSON]. If it does not carry, I am in favor of the amendment offered by the equally distinguished gentleman from the State of Mississippi [Mr. COLLINS]. No one can cover this problem in 3 minutes.

I again want to call to your attention the fact that we have 4,000,000 unemployed workers in the United States today below the age of 25 years. Those unemployed youth represent more than one-third of the unemployed, although the youth constitute only one-fourth of all laborers in the market.

Mr. Chairman, I heard this afternoon a great speech made by the distinguished gentleman from Virginia [Mr. WOODRUM]. The gentleman is singularly gifted. However, I wish he would employ his great talents along lines more liberal to the needy and unfortunate. We must not lose sight of humanity in our desire to economize. We must not forget youth. The unhappy, dissatisfied, discontented, and idle youth is easy prey to those preaching short, unsound, and revolutionary ways to places in life and society.

I hope that Congress will come to the conclusion before it is too late that we must find work for the unemployed and the youth so that this country will not go the European way. This is Congress' No. 1 job. I am one of a committee of about 60 Congressmen trying to find a solution. Up to date no one has found the answer. We must not quit, however, in dispair.

I want to call your attention to another element that enters into this situation. Every single year more than 1,250,000 new workers enter the labor market, practically all of whom are young people leaving school. Because of death, retirements, disabilities, and voluntary withdrawals from the labor market only about 600,000 of these new workers become additions to the working forces of the country. This means that unless more than half a million new jobs are created each year, the number of unemployed will increase. We must not only preserve the present status of the N. Y. A., but we better go further and make provision for the additional workers thrown onto the labor market every year that the labor market cannot absorb. In my own State, Montana, 4,660 of these youths come from needy families and are engaged in the most constructive sort of work.

They work on a wide variety of projects, such as highways, roads, streets, improvement of grounds around public buildings, educational buildings, social and recreational buildings, airport buildings and facilities, recreational facilities other than buildings, conservation, irrigation and flood control, clerical assistance and service projects, library service and book repair, arts and crafts, music, drama and writing, recreational leadership, workshops, sewing, resident projects, nursery schools, and some other unclassified projects.

The type of work performed on the student-work program also covers a wide range of projects including research work and services, community-service work, ground and building maintenance, departmental service, library service, clerical work, and construction. The individual institutions supervise the work for the National Youth Administration, and all costs other than the wages paid to the youth are borne by the schools. Currently, there are 196 institutions in Montana that are assisting the National Youth Administration in providing part-time work for needy youth on the student-work program. Of these, 185 are high schools and 11 are colleges and universities.

The students that are employed on the N. Y. A. student-work program are selected by the institutions on the basis of need and scholarship. Last year, the average family income of all students in the United States whose applications were

approved for N. Y. A. work was $557, with 44 percent of the families having incomes of less than $550 a year. Studies have shown that more than half of the young people who leave school do so because of lack of funds to continue their education. The National Youth Administration, with the cooperation of local educational institutions, has provided part-time work for many of these youth. The earnings on this program are sufficient to keep them in school, reducing the number who would otherwise be out of school and seeking work.

Our N. Y. A. set-up in Montana is a perfect organization headed by our very capable James Love. He and his subordinates are doing excellent work and, indeed, it will be regretted if he should be curtailed by lack of funds in the great work he and his organization are doing.

I sincerely hope the amendment offered by the distinguished gentleman from Oklahoma will be adopted. [Applause.]

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. PATMAN] for 5 minutes.

NATIONAL YOUTH ADMINISTRATION

Mr. PATMAN. Mr. Chairman, more than 744,000 young men and women will be helped by this appropriation.

Mr. Chairman, every time the Government invests $1 in a young man or young woman the investment is good for 40 years on an average. It is an investment in good citizenship. I do not know of a better way for the Government to spend money, and may I invite your attention, Mr. Chairman, to the fact that we have a large sum of money in the Treasury of the United States that is not being used. I think it should be put into circulation. If we were to reduce our general fund in the Treasury to its normal level from the present balance of $2,729,483,901.91 as of March 25, 1940, we could use much more than $1,000,000,000 that is now in the general fund. Why have that money there idle, hoarded, absolutely not used, when there are 4,000,000 young men and young women under 25 who are out of jobs? We might just as well make up our minds that if we do not distribute privileges and opportunities and give people an opportunity to work that there will be a serious demand made in this country to distribute the wealth of the country. In addition to the money that I have mentioned, there is more than $1,800,000,000 in the stabilization fund that is not being used.

Are you going to vote to reduce appropriations like this and still have $3,000,000,000 in money in the United States Treasury that is not used at all? In 1937, as the gentleman from California pointed out a while ago appropriations for relief were cut, and we went into a recession; in fact, this country went into a tailspin, and that was one of the reasons. I have only a short time and cannot talk long, but I have a map here that shows the amount of money that is spent in each State for the education of the young people. You will notice in a number of States that a very small amount has been spent—an amount entirely too small. The map will be placed in the Speaker's lobby, and I hope you will examine it.

This money is used not only for pupils in high schools but for students in colleges and for out-of-school work to the extent of an average of $9 per month per pupil. Seven hundred and fifty thousand young men and women are being made better citizens at $9 a month. If I had my way and thought the House would support it, I would offer an amendment to double this appropriation and put 1,500,000 young men and young women on N. Y. A., give them a chance, an opportunity that they should have. I hope the Johnson amendment is adopted. If it is not adopted, I am for the Collins amendment. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. PIERCE].

Mr. PIERCE. Mr. Chairman, I have no doubt about my vote for increasing appropriations for the C. C. C. camps.

I am going to vote for the pending amendment, but I have serious doubt as to whether we are moving in the right direction with the National Youth Administration program. I hope it can be strengthened. I have said many times to high-school classes: "Do not worry about the boy who is sent to college loaded with money by kind parents or an indulgent uncle for that boy undoubtedly will find employment in after years with the boy who is now working his way through school."

I am just wondering whether we are doing right in passing out these allowances to these young people in college. It is all right when the work is useful and carefully planned. The C. C. C. camps are different. That is a job which really makes rigid work requirements, and the most of the money goes back to parents who would otherwise be on relief.

I was the author of the soldier's education bill in Oregon that gave a total of $800, or $25 a month, to returning soldiers to enable them to secure higher education after the war. Under that bill a total of $4,000,000 was spent. I have often wondered whether we chose the best way to help the boys.

Perhaps the approach to the youth program is wrong. We must give the opportunity to work, we ought to give opportunity to do something, but when we pass out a sum every month, so much every year to the boys or the girls, possibly we are undermining character and ambition to do things for themselves. Are we making them dependent on subsidies?

When the president of Johns Hopkins left home as a boy of 21, he had very few dollars in his pocket. When he reached middle age he was president of one of the greatest institutions of research and learning in the country. Look back into your own careers and experiences. Where are the boys who went to school backed up by a lot of money? Where are the boys who went to school with but little? Most of the latter have made their mark.

I am doubting whether we are approaching the problem in the right way, making them all dependent on Government jobs and "made work." I do believe we have got to have some drastic legislation for youth and opportunity, but is this the line it should take? This is what is troubling me. I have hoped for development of a vocational program. I am going to vote for the amendment increasing the amount but doubting, yes, doubting, whether we are approaching the problem of aid to youth properly and correctly.

The CHAIRMAN. The Chair recognizes the gentlewoman from New York [Mrs. O'DAY].

Mrs. O'DAY. Mr. Chairman, there is not anyone here today, I venture to say, who does not very frequently talk with young men and women who are looking for work, who are well qualified to do work, and cannot find work. Probably most of these young people we talk with are more fortunate in their educations and their family circumstances than the great majority of those now employed on work projects of the National Youth Administration. The 325,000 young men and women between 18 and 25 years of age who work part time on N. Y. A. projects have not had the chance to stay in school. Two-fifths of them never went beyond grammar school. Only a fourth have high-school diplomas. And over a half of them have never known what it means to have a job. We can all realize what they face when they look for work—and I am sure we all believe in the young people of America enough to know that they do look for work. What are the first questions asked applicants for jobs? "What is your training?" "Where have you worked before?"

The N. Y. A. program for out-of-school and unemployed young people fills these two important needs of job-seekers—it gives them sound work experience and it provides them with related training which helps them to meet the requirements for jobs. Young people certified for N. Y. A. work are paid an average of $15.58 a month for approximately one-third time work. On their own time and without pay they resume studies which N. Y. A. arranges wherever possible with existing educational institutions. And every N. Y. A. worker is registered in a public employment agency.

We will all agree, I feel sure, that our young people have a right to be busy working and learning. But what is the result? Here are the figures. Youth do not stay on N. Y. A. longer than is absolutely necessary. There is a 90- to 100-percent yearly turn-over. Thirty-one percent of the youth leaving N. Y. A. reported that they received private employment. Twenty-three percent leave because of loss of eligibility—that is they reach the age limit, or their families lift themselves up so that their young people no longer are in dire need. Five and three-tenths percent go back to school. Four and three-tenths percent are discharged from projects. The great majority of the rest who leave, undoubtedly get private jobs, too. After work experience on N. Y. A., these young people can enter an employment office and say, "Yes, I have worked. I have had a job. I know how to do the work you want." It is impossible to measure the value of that only in dollars and cents.

Besides this splendid work program for out-of-school and out-of-work young Americans, N. Y. A. provides part-time employment for needy students, 16 to 25 years old, in high schools and colleges. These are not the unemployed young people—but the very great majority of them would be on the labor market if they did not have this chance to earn enough to stay in school. They, too, perform useful work either for the schools which they attend or for the communities in which they live. Those in high school earn on an average $4.50 a month for the school year, and those in college earn a monthly average of $12.94. All N. Y. A. student workers are selected by the institutions which they attend on the basis of need and ability. This program has widened democracy in education. And young people today want to see democracy in action as well as hear about it in speech. [Applause.]

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK of Arizona. Mr. Chairman, I want to say to the gentleman from Oregon [Mr. PIERCE] that I have no such fears as he entertains. He evidently is under the impression that the N. Y. A. is passing out a dole of $10 or $15 a month to students in order to induce them to go to school. I have been a school teacher for many years. I have worked with these people ever since the N. Y. A. was established, and I have seen its effect upon several thousand college students as well as upon a large number of high-school students.

Those young people come to the campus at registration time, they have come to my office, and they have begged for an opportunity to do some work in order to go to college. If they can get $15 to help pay their expenses, that is often sufficient, but it is not presented to them on a silver platter. Those who are typists type many hours each month for their pay. Those young men who are without stenographic or typing skill ask for an opportunity to work on the grounds at manual labor. I have seen young women, graduates of high schools with honor and high resolve, come to my college and ask for a menial job, because that was the only thing left for them. They would even dust the furniture and mop the floors and the steps of the academic buildings as well as doing housekeeping duties in dormitories. I have seen all this and more, and I want to say to the gentleman from Oregon that I take off my hat out of respect for such courageous striving. Because of this respect I have employed some of these young persons in my office here in Washington, the most competent young persons to be found in the State of Arizona. Those young folk I know positively come from homes which could not afford to send them to college if they had not worked their way through.

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. MURDOCK of Arizona. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. Does the gentleman know of any N. Y. A. students who are now receiving or who have ever received a dole at the hands of the Government?

Mr. MURDOCK of Arizona. No; I do not. It was not a dole they received but a job of hard but useful work.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. MURDOCK of Arizona. I yield to the gentleman from California.

Mr. VOORHIS of California. What has the gentleman found in his State to be the opinion of the heads of schools of his State regarding the N. Y. A. and its effect on the young people in those schools?

Mr. MURDOCK of Arizona. They are universally in favor of it. I have telegrams from many schoolmen to that effect.

Mr. VOORHIS of California. May I say that the same thing obtains exactly in my district and in my State. They are enthusiastically in favor of this program.

Mr. MURDOCK of Arizona. I believe it was the old Roman Quintilian, or possibly Cicero, whose parents moved from the farm to the city for his education—brought him into Rome to study so that he might become a great man. Parents have ever been like that. I know many parents, similar to those in the story of Enoch Arden, who want their children to have a little better education than they have received. I know fathers and mothers who say, "I want my girl or my boy to have an education." Parents want this work to continue.

Year after year we have very much the same fight to make concerning the appropriation for the National Youth Administration. We not only have to fight hard to get an amendment through increasing the Budget estimate for N. Y. A., but we likewise have to fight to keep those who are unfriendly to this agency from reducing the amount even below the committee figure. We recall that about the middle of June last year when this particular appropriation was then before the House the gentleman from New York [Mr. TABER] moved to reduce the amount so drastically that had his amendment been adopted on June 16, 1939, we would not have today an N. Y. A. worth debating about. Quite probably a similar attempt will be made in this case so that those who value the N. Y. A. must fight valiantly in two respects—to increase the amount sufficiently and to block any proposed decrease successfully. Naturally, I favor the amendment of the gentleman from Mississippi [Mr. COLLINS] and I should like to see his amendment amended by the proposal of the gentleman from Oklahoma [Mr. JOHNSON] and shall vote accordingly. If these amendments should fail, I have an amendment of my own to offer.

I was much interested in the statement of the gentleman from Mississippi [Mr. COLLINS] when he on introducing his amendment explained that he was but attempting to carry out the long-established policy of the American Government. As I followed his reasoning it was that formerly the Government gave, or virtually gave, its adventurous citizens 160 acres of free land on which to make a living, but that now he proposed that the Government should furnish young citizens with a little different kind of start in life—help to secure an essential education. I know the gentleman from Mississippi is a friend of youth and of the cause of education, and it strikes me that his patriotic idea represents sound statesmanship.

Ours has been a land of opportunity for several generations past. Our energetic and adventurous citizens, our fathers, and grandfathers could easily acquire 160 acres of virgin and fruitful land out on the frontier which was the beginning of an estate for himself and for his family. That day is past. The geographical frontiers have vanished. However, there are new frontiers in which our young citizens may do pioneering. These are frontiers of science and knowledge and business, and one cannot do this pioneering without a more extensive preparation than our generation or any former generation in America have had. Surely it is just as good Americanism and statesmanship for this Nation to provide nearly free the minimum of educational advantage to as large a number as possible as it was in times past for this Government to furnish nearly free a homestead on public lands to as large a number of citizens as possible. I urge a full support of the Johnson amendment to the Collins amendment. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Chairman, I shall support the amendment offered by the gentleman from Oklahoma [Mr.

JOHNSON], and in the event that amendment fails I shall support the amendment offered by the gentleman from Mississippi [Mr. COLLINS.] With 4,700,000 young men and women in this country without jobs and without the opportunity of securing an education we are just playing and shadow-boxing with the youth problem in jacking up this appropriation from $85,000,000 to only $100,000,000. It is most unfortunate that the Budget recommendation did not carry the sum that the agency had last year, and it is also most unfortunate that the committee did not assume the responsibility to raise the amount. However, even a $100,000,000 appropriation is not going to do the job. The only proposal that will meet the problem is the American Youth Act. Since this bill cannot be considered at this time I strongly urge the increase for the National Youth Administration.

I want to call the attention of the members of this Committee to the basic theory upon which these cuts are being advocated nowadays. They are being advocated in the hope that the so-called war boom will absorb our unemployed and in the hope that people will be put to work as the result of war purchases abroad. May I read, in answer to that expectation, a paragraph contained in a pamphlet, Program of Action for American Youth, which was issued in October 1939 by the American Youth Commission, on which there are such men as Robert E. Wood, chairman of the board of Sears, Roebuck & Co., and Owen D. Young, chairman of the board of General Electric Co.

The American Youth Commission has this to say:

> While it seems probable that business will be stimulated by war purchases, the most optimistic estimates indicate only two or three million new jobs for the many millions of unemployed workers. The Commission believes that the remaining unemployment will be concentrated heavily in the lower-age groups. The continued pressure of unemployment on youth, in the midst of a war boom, will add to the danger of drifting into active participation in the war.

Hence, unless we provide jobs and education for American youth, we must take the responsibility for forcing them into war as a result of legislation which is based on a war economy. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. MASSINGALE].

Mr. MASSINGALE. Mr. Chairman, I am very glad to rise here in support of the substitute amendment offered by my colleague the gentleman from Oklahoma [Mr. JOHNSON]. In the event of the failure of his amendment, I intend to support the Collins amendment. I am impelled to do this because of my intimate knowledge of the workings of the national youth program in my part of the country.

Heretofore on the floor of this House I have repeatedly expressed myself to the effect that we had better begin to pay more attention to our internal or domestic affairs. We cannot lightly turn aside and disregard the youth of this Nation. Two or three years ago I saw an estimate that there were more than 5,000,000 young men and young women, graduates of colleges and universities in the United States, who had never had a job in their lives since their graduation from these institutions. I do not know whether or not this condition has improved, but I do know that we are graduating every June from the high schools, colleges, and universities of this country approximately 1,000,000 young men and women, and they cannot get work. We cannot ignore this condition.

I love my friend the gentleman from Oregon [Mr. PIERCE], who has just made the statement that when he got up here to consider this bill he did so and was going to vote for it with his fingers crossed, but I may say to the gentleman that I have had my fingers crossed since long before this bill was ever brought to the floor of this House, and I rather believe he has, too. Every other Member of this House must have had his fingers crossed if he has much mentality about him.

My understanding is that there are approximately 750,000 young men and women who are now receiving the benefits of the National Youth Administration program. If the bill recommended by the subcommittee providing $79,635,000 carries, 125,000 of the 750,000 that are now receiving the benefits of the program will have to be left out of consideration. We must not forget the fact that about a million boys and girls take on their full-fledged citizenship every year, and it is well that we should cross our fingers for it is a great problem in sociology that we are facing.

I do not know of anything that would be more tragic in this period of depression when the most worthy and the fittest of our young men and women are unable to find employment of any kind than to refuse to appropriate adequate funds for carrying on the National Youth Administration program. It is well enough to talk about economy, and it would be a fine thing to practice, but I believe it is real economy to look after this growing army of a million young men and women each year and let some of the other things go by until conditions change. Of course, all of us unhesitatingly vote for huge appropriations for the Navy and air force and the Army of the country. I have done this consistently because that is in the interest of the self-defense of the Nation. This program of the National Youth Administration is equally in the interest of our own self-defense, if not more so, than any of the other appropriations we have made. If we have to cut somewhere to economize, we should not begin on a program of this sort because it is a human program and the consequences of abolishing this program are too serious for Congress to hesitate to do its duty about it.

Specifically, I shall give you the following in regard to the operation of the National Youth Administration in my own State of Oklahoma: The National Youth Administration is employing a total of 22,578 boys and girls. Of this number, 13,722 are earning sufficient money to continue their education either in the secondary schools or in the colleges and universities. It is estimated that in addition to the 22,578 who benefit by the program, there is a total of 60,826 needy youths in the State who are yet unable to be assigned and receive the benefits of this program. Of this 60,826 needy unassigned youths, a very large percent of them would now be furthering their education in the educational institutions of the State if sufficient funds were made available. The amount of money spent on each youth in Oklahoma ranges from $3 to $20 per month, and the average is about $15. This is a meager sum for the Government to spend rather than take chances on what may happen without a National Youth Administration program in operation. It should never be lost sight of that this program is not merely a play program; for these boys and girls that earn this money and attend these schools show their interest in education and preparation for the duties awaiting them by doing all kinds of menial services.

The boys and girls we are helping through the schools and colleges and who are training themselves for some calling in life are merely the victims of a bad economic condition which we are responsible for in this country. We have made it so that very few persons who live on farms can get money enough out of their entire production to send even one child to a higher institution of learning. This National Youth Administration program will make up for the delinquency to a very large extent. I know of no safer way to fix the character of the future citizenship of this country than to do this kind of work, which the boys and girls of America appreciate. They do not want to be regarded in the light of receiving a dole or as being dependent on anybody. We had just as well acknowledge the corn and make the frank admission that had it not been for the failure of this and other legislative bodies in America to properly provide against such catastrophic economic conditions, the probabilities are that there would not be such a vast army of unemployed, and that the laboring man and the farmer would be in that economic condition that would enable him to do for those boys and girls what this bill undertakes to do for them.

While the ship of war is an instrumentality without which we cannot afford to do in the necessary defense of this Government of ours, I believe the people of the country would applaud very loudly the effort of Congress to see to it that there are other things that should be equally engaging to

PUBLIC WORKS ADMINISTRATION

Members of Congress as building warships, airplanes, and large armies. I think these precautionary measures should all be taken along together.

We can drop the National Youth Administration program if we better the economic conditions. We can better the economic conditions, but we have not done so. No boy or girl in my section of the country can find any such thing as industrial employment. They must either go to the farm or do without employment, and no farmer under present price conditions can afford to hire one of these boys or girls. The defeat of this appropriation for the National Youth Administration would be a serious blow to the future welfare of this country. We can ill afford to take the chance. If we will stay with the boys and girls of America, we know they are going to stand behind America under any and all conditions, for it is up to them in a few years to furnish all the man-power and the spiritual power without which we cannot expect to go forward.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. PACE].

Mr. PACE. Mr. Chairman, a short time ago the House expressed itself as favorable to the continuance of the C. C. C. program next year as it is the present fiscal year. I sincerely hope the Congress will not make an unjustified distinction between the C. C. C. program and the N. Y. A. program. There is, of course, this distinction: The C. C. C. program costs $1,000 per youth while the N. Y. A. program costs about $135 per annum per youth. Boys and girls are both drawn into the N. Y. A. program. The boys in the C. C. C. program and those in the N. Y. A. program are drawn from the same families, and have the same need.

It seems to me, in response to the criticism of the distinguished gentleman from Oregon, that we are free to support the N. Y. A. program, particularly because it is so far away from the question of the dole. These young men and young ladies are working for an average of only $6.85 a month; they are actually earning every penny of it. I believe my greatest disappointment as a Member of this Congress is that we have made no really constructive headway toward solving the problem of unemployment that faces this Nation. Until some progress is made in the solution of that problem, I believe this N. Y. A. program should be continued as a worth-while investment in the youth of this Nation. I hope the substitute offered by the gentleman from Oklahoma will be adopted.

There are about 4,000,000 unemployed workers below 25 years of age in the United States today. These unemployed youth represent more than a third of the unemployed, although youth constitute only a fourth of all workers in the labor market. Thus, the problem of unemployment is more severe among younger workers than any other age group. Also, since unemployment concentrates among low-income families, most of the unemployed youth come from families whose incomes are insufficient to provide them with minimum needs. In this connection, it should be remembered that one-third of American families receive total incomes of less than $780 a year. Most of the unemployed youth come from this portion of the population.

There are three major programs of the Federal Government that provide assistance for unemployed workers below 25 years of age.

Current employment	
N. Y. A. out-of-school work program	312,000
Civilian Conservation Corps	250,000
Work Projects Administration	278,000
Total	840,000

In addition the National Youth Administration provides part-time work for 434,000 students in the schools, colleges, and universities. By providing this part-time work, the National Youth Administration enables the students to remain in school and keeps them out of the labor market, where they would increase the competition for jobs or swell the number of unemployed workers.

The Federal Government, in providing employment for 840,000 unemployed youth, is assisting only 21 percent of the total number of unemployed youth. There remains over 3,000,000 unemployed youth who are not being helped by these employment programs.

As a further indication of the unmet need of the unemployed, there are 340,000 youth certified to the National Youth Administration as in need of employment on the out-of-school work program beyond the 312,000 now employed on that program. In addition, the N. Y. A. State administrators report that there are 2,119,000 youth who are not yet certified to the National Youth Administration, but who are unemployed and are members of families whose income is insufficient to provide the basic needs of a family. Thus, there is a total of nearly 2,500,000 unemployed youth not receiving employment from Federal programs who are desperately in need of work.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. ALLEN].

Mr. ALLEN of Louisiana. Mr. Chairman, I rise in support of the amendment of the gentleman from Oklahoma [Mr. JOHNSON]. If that is defeated, of course I shall then support the amendment of the gentleman from Mississippi [Mr. COLLINS]. I view the appropriation which we are making and which we have been making for the N. Y. A. as a great investment in American citizenship. Surely no one can make a greater investment. The greatest dividends that we can receive will come from our investments in the youth. When the historian of the future comes to review the work of this period in our American civilization, I believe he will place near the top of the list the investment which the American Nation has made and is making in our youth. This investment will be paying dividends 40 and 50 years from today. Yea; the principal will be passed on to children yet unborn.

PRESERVING DEMOCRACY

We hear a great deal said these days about preserving democracy in America. I submit that this investment which we are making in our youth will go far to make this country safe for democracy. A nation owes a chance to its citizens. If we are to hold up before the youth of our land the great advantages in a democracy, we should strive to make those advantages real by giving them a chance. If this appropriation is cut, as has been proposed by this bill, it will mean that more than 100,000 of our deserving young men and young women will be turned out without an opportunity to go to school. It is tragic to contemplate.

STAND BY THE YOUTH

Mr. Chairman, all of my life I have persistently and consistently battled to give our young people a chance. As a boy on the farm, who had to go to school long distances and under very adverse circumstances, I knew what poor boys had to confront. Later, in the Louisiana State University, I knew what it meant to wash dishes, wait on tables, patrol the campus at night and do everything honorable to stay in school. I say without shame that I knew what it was to live on two meals a day and to go without other necessities in school. It is an inspiration to me now and an opportunity, the memory of which I shall cherish to my dying day, to stand in the Well of this House and plead for a chance for boys and girls situated like I was. Everyone who is left out if this appropriation is reduced will in all probability not be able to go to school at all. Do we want this democratic Nation, this richest nation in the world, to turn these deserving boys and girls away from our high schools and colleges? I do not believe the American people want that done.

The sum proposed by the gentleman from Oklahoma [Mr. JOHNSON] is the very least which this Congress ought to consider. This sum will give us, as I understand it, about the same that we had last year. We really ought to have more. We ought to make it possible to take care of more youths, but, by all means, let us not reduce the amount. I sincerely hope that this Congress will not take this backward step.

N. Y. A. IN EIGHTH DISTRICT

I have received some information concerning the N. Y. A. work in the Eighth Congressional District of Louisiana, which I have the honor to represent. To me it is very

interesting and enlightening and I will give it briefly. From January 1, 1937, to June 30, 1940, the N. Y. A. erected in the Eighth District no less than 16 buildings for various purposes. From January 1, 1937, to June 30, 1937, a total of 433 young people were assisted through the N. Y. A. From July 1, 1937, to June 30, 1938, a total of 460 were assisted. From July 1, 1938, to June 30, 1939, a total of 978 were assisted, and from July 1, 1939, to June 30, 1940, a total of 1,008 will be assisted. The Government spent on these young people in the Eighth District from January 1, 1937, to June 30, 1940, a total of $640,543.62. Many of them were assisted in high schools.

The Eighth District of Louisiana, in the session of 1939–40, is represented in 18 colleges through N. Y. A. assistance. Eighty-three students from the district are receiving aid at Louisiana State University; 19 at Louisiana Polytechnic at Ruston; 101 at the State Normal at Natchitoches; and 25 at Louisiana College, Pineville. If this appropriation is reduced, in line with what this bill calls for, it will not only mean that there will be no additional students taken care of, but actually a smaller number can be assisted next year. My stand and my vote always have been, are today, and always will be in behalf of the youth. I shall, therefore, support these amendments to increase the appropriation for this very worthy cause, and thereby give more chance to deserving young people. I believe, Mr. Chairman, that this is a real investment in democracy.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield to the gentleman from California.

Mr. VOORHIS of California. Is not true that 123,000 of these young people will be laid off of this program unless this amendment carries?

Mr. ALLEN of Louisiana. I understand so. That would be a tragedy in America, Mr. Chairman. Let us not do that to these fine young people.

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

Mr. ALLEN of Louisiana. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. Is it not also true that a committee of businessmen, called here last December, passed a resolution stating that it would take a minimum of $200,000,000 to do the job as far as the N. Y. A. is concerned?

Mr. ALLEN of Louisiana. I believe that is correct.

[Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. JOHNS].

Mr. JOHNS. Mr. Chairman, a year ago I spoke in favor of an amendment increasing the amount for the National Youth Administration from $85,000,000 to $100,000,000. Last Monday I spoke before the Members of this House and called attention to the program of the N. Y. A. and stated that I would vote to restore the amount to what it was last year. I understand the Johnson amendment will do this. If it will not, then I am for the Collins amendment. I am for anything that is going to help the youths of this country, because I think I know about as much about the problems of the youths as anybody can know, because, as I have said before, I worked my way through high school and college. The only difference here is that these boys and girls are getting about $4.15 a week for their work, and I got $1.50 for the work I did.

This is an investment, as the gentleman who just preceded me said. It is an asset to this Nation if we can teach these boys and girls in a republic what a democracy is, and the only way we can ever maintain this Nation is by educating youths in democracy. This is what Germany is doing with youths in nazi-ism today and what Russia is doing with youths in communism, and unless we can keep the minds of these boys and girls occupied during a restless period through which they must pass, they are going to spend their time listening to some soap-box orator out on the street corners some place, and they are not going to get the teachings they should have.

This is an investment of only about $15,000,000 more than what has been recommended by the committee. There is nobody in this House can say that I am not for economy. Last year I said this Government could be run with $8,000,000,000, and I voted for that amount, but Congress voted $13,000,000,000. The President has come almost to my conclusion, and he is asking for $8,400,000,000 this year. So he and I are just about agreed on the amount, but this is no place to economize. I voted against an amendment for $50,000,000 a few moments ago because I did not believe the amount should be increased that much. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Washington [Mr. HILL] is recognized.

Mr. HILL. Mr. Chairman, this is my fourth term as a Member of this House and the longer I stay here the more I am amazed at the smug complacency of Members of this House when we consider the tragedies all around us. The gentleman from Virginia spoke of the tragedy of not balancing the Budget. May I mention three tragedies that are right about us? Here are men and women in the sunset of life, in old age, and yet we cannot give them the decencies and comforts of life, but they must dread the future. Yet we will not consider that problem—that of old-age pensions. Tragedy No. 1. We must adjourn over week ends, and we are talking about adjourning June 1. Then we have unemployment with 10,000,000 asking for a job in America, the land of opportunity.

This country does not owe any man a living, but it owes every man a job to earn a living to feed his wife and his children. Yet we have not solved this problem. Tragedy No. 2. Here we have our youth problem. The greatest resource in America is our boys and girls, and in the C. C. C. and N. Y. A. we are trying to give them something worth while, in the morning of life as they come to us. We have not solved that problem. Tragedy No. 3. We have those in the sunset of life, those in the prime of life, and those who in the morning of life coming to ask us to help them. Yet we refuse to heed their appeal.

I say I am amazed at the smug complacency of the Members of this House who have a good salary, who have mileage, and I am informed that one of them who is so strong about balancing the Budget, has about $50,000 coming to relatives and himself annually. He also wanted to appropriate $350,000 besides the $250,000 allowed to send Mr. Byrd down to the Antarctic to find penguins and bring them back to America. But he cannot see his way clear to help the needy boys and girls of America to education, to opportunity, and to success. [Applause.]

Mr. TABER. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER as a substitute to the amendment offered by Mr. COLLINS: On page 41, line 4, after the first comma, strike out "$79,635,000" and insert "$39,000,000."

Mr. TABER. Mr. Chairman, I have offered an amendment designed to save a little money. Now, let me tell you what the situation is, so that you may know it. The estimates proposed by the N. Y. A. called for approximately $28,000,000 for the so-called school and college program for these students who are going to school and to college. This amendment would leave money enough to carry that on and would leave $11,000,000 to take care of tapering off the so-called work program. The work program as I have seen it—and I have seen quite a little of it—is totally demoralizing. It is not a constructive proposition. The part of it that relates to the students of schools and colleges is entirely out from under the thumb of Aubrey Williams. The other part is directly under him. If we are going to teach our boys and girls ways of self-reliance, independence, capacity, and individual initiative, we must get rid of that part of the activity that is under the thumb of Aubrey Williams. Just think of offering to increase an item of this kind at a time when the Federal Security Administration reported on Monday last the following:

State and local communities had 1 percent fewer relief cases in February than January, and cut their cost 3 percent, a survey by the Federal Security Administration reported yesterday. Reports

from 109 urban districts in 39 States showed the biggest increase in Huntington, W. Va., and the biggest decrease in Charleston and Wheeling, W. Va.

We are at a place now where the cost of relief is going down. Why should we at this time provide funds for work projects in competition with W. P. A.? It is the most ridiculous and scandalous proposition that I ever heard of, to turn boys loose to demoralize them under the tutelage of Aubrey Williams. He has shown himself one of those who are not capable of teaching any young men Americanism, and I do not want to see those boys put in the position where they are demoralized. I hope that we can show a little sense in the line of economy and adopt this substitute that I have offered and save a dollar for the Treasury and save many boys from the influence of Aubrey Williams.

Mr. NICHOLS. Mr. Chairman, two and a half minutes is not very long to discuss this thing, but statements have been made by Members this afternoon and by the distinguished gentleman from New York [Mr. TABER], who just preceded me, that it is so necessary to preserve the economic structure of this Government, so necessary to save money.

I submit to you in all fairness that the economic structure of this Government is secondary compared to the human fiber of this country, and this Government is no stronger, nor will it ever be any stronger than the strength of the youths of the country. We would better have more concern with equipping our youths with education, training, and knowledge that will fit them to carry on the traditions of this Government, than be here quibbling about the difference between $100,000,000 and $33,000,000. Insofar as the gentleman from New York [Mr. TABER] being worried about whether or not these youths will be demoralized under the influence of Aubrey Williams, I am not ready to admit that Aubrey Williams is a Communist, but even if he were, I submit to you, is it of greater danger so far as demoralization is concerned for them to be under the influence of Aubrey Williams, than to be forced into the highways and the byways, the poolrooms, and unemployment? Which would demoralize them most?

If you want to take the youths of this country out of Communist organizations such as the National Youth Congress, a thing which I abhor, if you want to win them away from communism, give them education, give them opportunity to grow strong, to get the thing which youths are naturally entitled to, and then you will not find Communist organizations growing up all over the country with the young folks. [Applause.]

We talk about the coming generation, which will have to pay back the money that we have been spending. We must make certain that this coming generation is equipped by education and training to take its place upon the scene of human action and do its part to extend the frontiers of accomplishment of our people.

The part of the National Youth Administration in rounding out our educational system has brought unanimous approval from the educators of my State. Thousands of young folks have been enabled to complete their high-school education and hundreds have been enabled to obtain college degrees through the assistance they have thus received. In addition, a great number have obtained out-of-school training in shop work in various trades which will quickly fit them for taking their place in industrial pursuits.

With the course of world events, these young folks know that at any time they may be called upon to take up arms in defense of our country and its ideals. They are willing to do this, as long as our country gives them a fair chance. But if we do not give them this chance we may be faced with serious consequences.

Of course no one wants to waste money, or appropriate money that is not needed. I would be willing to agree to reduction in N. Y. A. appropriations if the need had passed or even been lessened, but I am acquainted with the situation intimately in my country, and know that the need is as great as ever for this form of assistance.

I am hopeful that my colleagues will give sympathetic consideration to our needs.

Mr. HARE. Mr. Chairman, I rise in opposition to the substitute amendment offered by the gentleman from New York [Mr. TABER] which would reduce the N. Y. A. appropriation by about $40,645,000. I would not undertake, even if I were so inclined, to refute the arguments made here this afternoon in support of the increased appropriation for the National Youth Administration, for I do not think there is any disagreement as to the very efficient work that has been done by the N. Y. A., but I would like to say the National Youth Administration so far is purely a relief activity and, when viewed from a sound governmental standpoint, such an activity ought first to have a definite, clean, and clear-cut plan approved by this Congress before we go too far with our appropriations.

I see no justification for reducing the N. Y. A. appropriation as provided in the substitute amendment offered by the gentleman from New York, and as long as Congress is unwilling to make the N. Y. A. a permanent policy of government and outline specifically the functions and duties of this activity, I do not see any particular reason why the appropriation recommended by the President and the Budget Bureau should be disturbed. However, when the functions and duties are specifically designated by Congress I am sure your committee will see to it that adequate appropriations are provided. I do not believe the people of the country expect Congress to go "hog wild" and make excessive appropriations without having some idea as to where and in what manner the money is to be used.

I would be unfair to myself, as well as to the N. Y. A., should I fail to take this opportunity to express my commendation for the assistance or aid furnished those young men and young women who have been unable to continue their high-school or college work, including those who have been able to continue their high-school and college work by reason of the assistance furnished, because I am quite sure there are many cases where the assistance rendered has determined the future life and career of a number of young men and women. You will pardon this personal allusion, but I can well remember that following my second year in college the ability to remain there was contingent upon raising 50 cents per week, or $25 per year. It is not necessary to explain the outcome in detail, but I desire to say for the record I have never been the beneficiary of a favor which has commanded a more sincere and more lasting gratitude than the favor of that friend who was willing to make a sacrifice and provide me with the $25 necessary to continue my college work. In this bill such students are not limited to $25 per year but may be furnished as much as $20 per month, and the program of the past few years can be continued without impairment on the appropriation provided for in this bill.

It is true the gentleman from Mississippi [Mr. COLLINS] makes a strong argument for increasing the appropriation when he shows that for a generation or more following the Civil War our Government was very generous in making grants to young men by giving them a 160-acre farm each in order to get a start in life and thereby be able to contribute to the welfare of the Nation in future years. He argues that free land is no longer available and in lieu thereof it is entirely proper to make these contributions in order to assist the future citizenry of the Nation. However, the amendment offered to reduce the amount carried in this bill should not prevail, because this would practically destroy the existing program.

OLD-AGE PENSION

Mr. Chairman, as nothing has been said in this debate so far about a change in the ratio between the Federal contribution and the States' for old-age assistance, I would like to call attention to some of the testimony before the committee which suggests a more equitable arrangement than the 50–50 provision of the existing law.

Under the present law the Federal Government contributes dollar for dollar to the States up to $20 per month

for every needy person over 65 years of age who can qualify under the State law. Under this arrangement the average monthly payment ranges from about $6 per month to $32 in the several States, and it is generally known there are many needy people over 65 years of age whose applications have not been approved in a number of States for the reason that such States have not been financially able to meet their part of the payments. There was testimony submitted to you committee to the effect that the present arrangement operates as an actual burden to a number of States where the per capita wealth is low. To illustrate: One State may contribute only $6 per month and another may contribute $20 per month, but the former will be contributing more in proportion to its per capita wealth than the latter. At the same time, the poor States contribute their share to the contribution made by the Federal Government, and in actual operation the wealthier States, while making a greater contribution to the needy old-age persons, are actually placing an additional burden on the poorer States to assist in the contribution made by the Federal Government to the wealthier States.

I think it is generally understood the present arrangement is not satisfactory, and an effort was made last year to change the uniform matching ratio from 50–50 to 75–25. That is, in the latter case the Federal Government would pay 75 cents to the States' 25 cents of each dollar paid in the way of old-age assistance. Of course, this would improve the situation, in the minds of many of us, because it would decrease the contribution made by the States directly, but at the same time it would force the States to increase their contribution to the Federal Government to meet its proportionate share.

It has been suggested by the Social Security Board there ought to be a system of variable grants to the States by the Federal Government instead of the flat matching, and that the variable grant should be related to the economic capacity and the need of the individual States. According to the testimony of Dr. Altmeyer, Chairman of the Board, such a plan should not be very difficult to administer for the reason that statistics of average income in the States are now being collected and published annually by the Department of Commerce, and he expressed the firm conviction that a formula could easily be worked out on such a basis, saying this plan would be more desirable than the existing one. On page 809 of the hearings he says:

> We think there ought to be a system of variable grants instead of this flat matching, and that that variable grant should be related to the economic capacity and the need of the individual States.

On page 813 of the hearings he states:

> We think that this average per capita income is the best single criteria.

However, he testified with a great deal of emphasis as well as logic that it would be most unfortunate for the Federal Government to assume full responsibility and pay the full amount, saying that the States should be charged with the duty and responsibility of determining the eligibility of applicants and, at the same time, contribute to their needs in proportion to the per capita wealth. That is, the contributions by the States should be in proportion to their ability to pay. This will enable the poorer States to increase the number of beneficiaries, as well as the amount paid to each.

I am calling attention to the above problem at this time with the hope the matter may receive careful study and consideration in the next Congress.

CONCILIATION SERVICE

Mr. Chairman, there are a number of matters in this bill I would like to discuss, but time will not permit. However, there is one suggestion I want to submit relative to the Conciliation Service in the Department of Labor. There has been much legislation in recent years for the purpose of promoting conciliation of disputes in our industrial and transportation activities, and the Congress is still called upon to provide increased appropriations from year to year to enlarge the Service and provide conciliators to assist in the solution of open breaches between employers and employees. I am satisfied in the action of Congress and the cooperation of employers and employees to promote the economic life of each all have acted sincerely in an effort to properly interpret, analyze, and solve the problems of each, and there is no doubt but what distinct progress has been made, although it must be admitted the efforts have not been as fruitful as they might have been. The Conciliation Service in the Department of Labor is one of the most valuable activities of our Government and has contributed much toward the promotion and establishment of industrial peace, but it is greatly to be regretted we have not reached the point when open breaches are prevented or averted. As a matter of fact, the number and complexity of controversial issues seem to be multiplying in spite of the honest and determined efforts on the part of both elements to adjust and conciliate their differences.

Some will say it is an indictment against our civilization and a challenge to our educational system to find that when legislation is enacted for the social and economic betterment of all the people there must be increased annual appropriations to employ more and more men and women to act as inspectors and investigators to enforce the laws against an ever-increasing number of violators, indicating there must be something wrong with our intellectual or moral fiber when a majority of our citizenry incorporate an agreed policy into law for the benefit of all and then have to employ from year to year an increased number of people to compel obedience to such a policy.

Right or wrong, correct or incorrect, in these observations I am going to suggest that, if there are to be increased appropriations from time to time, a part of such increase should be used in promoting a program of education that will enable our industrial management to better understand the viewpoint and appreciate the equitable and legal rights of employees and to better evaluate labor's contribution to the value of the finished product. At the same time, such a program should not fail to include the millions of employees so that after years of study each and all will be able to recognize and understand not only their own rights and obligations but will be able to appreciate and recognize the functions and rights of others. Mr. Chairman, I can possibly better explain my thought by illustration:

Suppose A, an employer, and B, an employee, disagree as to their rights and duties under any of our laws and a strike or shut-out follows. A conciliator, C, is called in. They all discuss the problem and finally A and B agree and settle their dispute. The assumption is that C was able to give both A and B some information they did not have before, or else they could not have agreed, and the point I am trying to make is that if C was able to furnish information after the breach that convinced A or B that one or both were wrong, why could they not have had the same information in advance and avoided the breach which may have caused great loss or inconvenience to employer, employee, and the public in the meantime. That is, if they can agree after conferring with the conciliator following a breach it seems to me they might, with the same information, be able to agree beforehand and avoid such a breach.

It appears to me that if there could be some way to utilize the Conciliation Service to a greater extent in some organized or systematic educational way far enough in advance of a breach we might hope to reach a point some time in the future when we could reasonably expect to make a reduction in appropriations to be used for employing inspectors, investigators, and prosecutors. That is, if we could transfer some of the conciliators and place them in front of the breach instead of after it, I believe that within one generation open conflicts between labor and industry, such as strikes and shut-outs, would be a thing of the past. This appropriation could then be reduced to a minimum or abolished; hundreds of inspectors, referred to here today as "snooping detectives," would be eliminated; capital would emerge unafraid from its hiding places; new and added industries would spring up in every section of our country; labor would no longer be afraid of oppression or the empty dinner pail; starving children

would cease to clamor at the withered breast of hungry mothers; and this country would again bloom and blossom as the rose, because there would be an honest and intelligent understanding and cooperation between the two great productive agencies of this Nation—labor and industry.

Mr. Chairman, I submit this suggestion for whatever it may be worth, for I cannot believe but what the great majority of the people of this country want to be fair and honest and will demonstrate these virtues when mutual opportunities are afforded. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Chairman, of course I am opposed to the amendment offered by the gentleman from New York [Mr. TABER]. I am surprised that he did not make a motion to strike out the entire appropriation.

These young people are not going to school to Aubrey Williams. They are going to the various schools throughout the country that are operated by the authorities of the various States.

The gentleman from New York [Mr. TABER] and the rest of the Old Guard on his side amuse me. They rise in holy indignation because they say a man like Aubrey Williams is not fit to carry on an Administration of this kind, and therefore we should keep these boys out of school and strike this appropriation from the bill or reduce it by 50 percent. I can remember when Albert B. Fall was Secretary of the Interior and when they were actually stealing Teapot Dome. Somehow that did not stir the indignation of the Old Guard on the other side of the aisle.

I was here when Daugherty was Attorney General and when he was driven from power for misconduct in office. I did not hear that wave of indignation that seems to rise now every time someone of the minority party wants to criticize a part of the present administration.

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Yes; I yield.

Mr. WOODRUFF of Michigan. I think if the gentleman will look back over the years, he will remember that some of us on this side did not approve of what happened at that time.

Mr. RANKIN. Oh, yes. I am not putting the gentleman from Michigan [Mr. WOODRUFF] in that class at all.

But you had a man here by the name of Keller, from Minnesota, who introduced a resolution to impeach Daugherty for misconduct in office, and the Old Guard got on him so hard they drove him out of office and into a premature grave, and yet almost by the time the poor fellow was buried, Daugherty was driven from power for the very misconduct he charged him with.

Oh, I know something about what it is for a boy to work his way through college. I worked my way through school. Every dollar I ever spent in my life for school purposes I made myself.

You are spending a billion dollars for a Navy that everyone knows will be obsolete before the keels are laid. You are willing to spend hundreds of millions for military preparation for a war that everybody knows will not happen; but when it comes to giving these boys and girls an opportunity to prepare themselves to do the things in life they are going to have to do, then you rise in your indignation and attack Aubrey Williams. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Chairman, I am very sorry to hear the gentleman from New York [Mr. TABER] repeat this afternoon some of the statements he made yesterday with reference to Mr. Williams, particularly when he made the statement this afternoon that Mr. Williams "has shown himself capable of not teaching our young men Americanism." I think the gentleman from Wisconsin [Mr. KEEFE] ably answered that argument yesterday, and in my humble way I attempted to answer it, with other Members. All I have to say is that any man who, like Aubrey Williams, served his country during the World War, who served overseas in the American Expeditionary Force, and who was wounded, certainly has shown his loyalty to the great principles for which our Government stands. [Applause.]

In Massachusetts we have a State director, John L. Donovan, a very fine man. There is no politics in N. Y. A. in Massachusetts. I know nothing about other States. John L. Donovan had occasion to terminate the services of a woman employee who was secretly the wife of Manuel Blank, who is head of the Communist Party in Massachusetts, and Aubrey Williams supported John L. Donovan in his action in terminating her connection with the N. Y. A. when Mr. Donovan found out she was married to the Communist leader in Massachusetts.

You and I know that the Communists work into different organizations. They hide their identity. They are not concerned with numbers, but they penetrate and they want to get into pivotal positions so they can determine policies of an organization. They hide their identity. If they can, they get into all kinds of organizations. I found that out when I was chairman of the committee that investigated communism, nazi-ism, and fascism. The gentleman from New York [Mr. FISH] found the same thing. The gentleman from Texas [Mr. DIES] and his associates on his committee are finding the same thing now.

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

Mr. MCCORMACK. I yield.

Mr. ENGEL. The gentleman is an able and outstanding member of the Ways and Means Committee. Will the gentleman tell the House whether he favors a debt-limit increase or a tax increase to pay for the increased expenditures that will be voted by this House and the other body?

Mr. MCCORMACK. The gentleman's question is not related to this but I will answer it. I never ducked a question upon which I have an opinion. I will sit down and prepare a tax bill. I am on record as in favor of increasing our taxes; and, if necessary, no matter which party is in office, if I am a Member of Congress next year and the Republicans should by the fortunes of politics be put into power and the recommendation were made to increase the $45,000,000,000 debt limit I would be for it if the man elected President should decide that it should be raised.

One observation in conclusion: This is an investment in the best interests of the country. The N. Y. A. steps into the present emergency as a stopgap, enabling hope to be held out to thousands of the youth of America. In addition to enabling them to be employed, they are receiving needed assistance. In other countries we witness dictators devoting unlimited attention to the youth of their land, indoctrinating them with anti-God and antidemocratic teachings, with hatred for others, the purpose of which is to perpetuate their dictatorship in power for at least another generation. They know if they can reach the youth of today, and indoctrinate them with their false teachings, that the probability is that they will retain power for at least a generation. The youth problem in the United States cannot be solved by inaction and inattention, as some advocate. There is more concerned than mere dollars and cents. When young men and women are unable to obtain employment due to the world-wide conflagration that has enveloped us, the appropriation made by the subcommittee, and the increase sought by the Johnson and the Collins amendments, administered through the National Youth Administration, constitutes an investment that will return large dividends in future years to our country and ourselves. This money is being spent to inculcate into the minds of our youth, particularly those who are the beneficiaries, the real meaning of democratic processes of government. The appropriation of this money gives hope in the future to thousands of the youth of our country. I submit that the Johnson amendment should be adopted. If it is not, then I am in favor of the amendment offered by the gentleman from Mississippi [Mr. COLLINS]. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. FITZPATRICK].

Mr. FITZPATRICK. Mr. Chairman, I am in sympathy with the amendment to increase the appropriation for the National Youth Administration. I feel it is necessary at this time. I think it is better to take the youth off the streets and the highways of this country and those places where so often they go astray and afoul of the law. I think it much better to put them in schools where they will be educated to make a living and become self-supporting. I do not care if we increase the Budget providing we can take care of the unemployed youths of this land who will be the future citizens of tomorrow to make and administer the laws of our country. For this reason I am going to support this amendment to increase the appropriation. [Applause.]

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Chairman, I do not desire to chide Members for their position with regard to matters of this sort. Although yours may not agree with mine, I realize you have your opinions and the right to adhere to your opinions just as I have the right to adhere to mine, but I do hope you will not see proper to adopt either one of these amendments; and I say this as one who is as deeply interested in the program of the National Youth Administration as any Member of this House could possibly be.

We must use some reason, some judgment, restrain our enthusiasm somewhat, in undertaking to make provision for those things we think highly desirable and beneficial to the people of our country. Who started this youth program? The President of the United States started it in 1935 by Executive order. How much did he provide for it? Approximately $42,000,000. The exact figures are $42,331,268 for the fiscal year 1936. In 1937 the amount was $65,000,000 approximately; in 1938 it was $48,000,000; in 1939 it was $74,997,762; and for the present fiscal year it was $99,979,240. The average for the 4 years is approximately $83,000,000. In stating these amounts, I have in mind the amounts actually allocated to N. Y. A., not amounts spent in its behalf by the Treasury Department for accounting or disbursement.

The amount reported in this bill for the National Youth Administration is $85,000,000, which is more than the average for the 4 years. If we are to have a successful program, we must not build it to proportions so elaborate that when taken together with appropriations made for other humanitarian agencies of the Government that are being carried on the total of the appropriations rise to the point where the credit of the Government may be unable to sustain the program, with the possible result that the whole structure will crash, and instead of getting the wonderful benefits we are receiving and should continue to anticipate through the C. C. C., the N. Y. A., and the other humanitarian activities of the present administration, the work of the last several years will, in effect, be destroyed through economy moves that may veer as far toward niggardliness as you are now being asked to veer toward extravagance. When you vote to increase the amount of the Budget estimate for this item you disagree with the President himself, who started this program and who says that the Budget estimate provides an amount sufficient for carrying it on in an orderly way, and you do not, in my opinion, vote for the benefit of the youth of America. You vote, in my judgment, to endanger further expansion and the possible successful continuance of this program. The man who votes for any and all increases in the amount proposed here by the Budget is not, in my judgment, thereby demonstrating his friendship for American youth.

I do not believe there is anything else I could say within the few minutes allowed me that would aid in your decision of the issue before the House. I desire to repeat that I feel the subcommittee have dealt as generously as it is possible for reasonable men to deal with this item in the appropriation bill. Every man on the committee had the interest of this program at heart. No man desired to hamper it in any way. All we desire is for it to be carried on in as extended a way as may be practicable under present financial conditions; and certainly we did not feel that the committee would be justified, or that the membership of the House would be justified in providing $15,000,000, or any other amount, in excess of the Budget estimates which we have approved.

[Here the gavel fell.]

The CHAIRMAN. The time of the gentleman from Georgia has expired. All time has expired.

Mr. NICHOLS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. NICHOLS. In what order will the amendments on the Speaker's desk be voted on?

The CHAIRMAN. The question will first occur upon the amendment offered by the gentleman from Oklahoma [Mr. JOHNSON] to the amendment offered by the gentleman from Mississippi [Mr. COLLINS].

Mr. NICHOLS. Mr. Chairman, I ask unanimous consent that the amendment may be again reported in order that the House may be advised as to what it is voting on.

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

There was no objection.

The Clerk again read the Johnson amendment.

Mr. KELLER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KELLER. When will the vote occur on the amendment offered by the gentleman from New York?

The CHAIRMAN. That will be the next amendment to be voted on.

The question is on the amendment offered by the gentleman from Oklahoma.

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 108, noes 111.

Mr. JOHNSON of Oklahoma and Mr. NICHOLS demanded tellers.

Tellers were ordered, and the Chair appointed Mr. HARE and Mr. JOHNSON of Oklahoma to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 144, noes 133.

So the amendment to the amendment was agreed to.

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

Mr. TARVER. Mr. Chairman, I move the Committee do now rise.

The question was taken; and on a division (demanded by Mr. NICHOLS) there were—ayes 147, noes 83.

Mr. NICHOLS. I demand tellers.

Tellers were ordered, and the Chair appointed Mr. SHEPPARD and Mr. NICHOLS to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 160, noes 101.

So the motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. RAYBURN, having resumed the chair, Mr. BUCK, 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. 9007, the Labor Department-Federal Security appropriation bill, 1941, had come to no resolution thereon.

MEDAL IN COMMEMORATION OF THE THREE HUNDREDTH ANNIVERSARY OF THE DEVELOPMENT OF GREENWICH, CONN.

Mr. SOMERS of New York. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7806) to authorize the striking of an appropriate medal in commemoration of the three hundredth anniversary of the establishment of Greenwich, Conn., as a town.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the the bill, as follows:

Be it enacted, etc., That in commemoration of the three hundredth anniversary of the establishment of Greenwich, Conn., as a town, and the granting of a charter for such establishment, there shall be struck at a mint of the United States to be designated by the Director of the Mint 50,000 commemorative medals of a special appropriate single design, size, weight, and composition to be fixed by the

Director of the Mint with the approval of the Secretary of the Treasury.

SEC. 2. Such commemorative medals shall be delivered to the duly authorized officers of Greenwich Tercentenary Committee upon payment to the Director of the Mint of an amount to be fixed by the Director of the Mint not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses; and security satisfactory to the Directors of the Mint shall be furnished to indemnify the United States for the full payment of such cost.

SEC. 3. Whoever shall falsely make, forge, or counterfeit or cause or procure to be falsely made, forged, or counterfeited or shall aid in falsely making, forging, or counterfeiting any medal issued under the provisions of this act, or whoever shall sell or bring into the United States or any place subject to the jurisdiction thereof from any foreign place, or have in his possession any such false, forged, or counterfeited medal, shall be fined not more than $1,000 or imprisoned not more than 2 years, or both.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. TARVER. Mr. Speaker, I ask unanimous consent that all Members who have discussed the appropriation bill in the Committee of the Whole today may have 5 legislative days in which to extend their own remarks in the RECORD on that bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia [Mr. TARVER]?

There was no objection.

Mr. ALLEN of Louisiana. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made today, and to incorporate in connection therewith certain tables which I have.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana [Mr. ALLEN]?

There was no objection.

Mr. MAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial on airplanes from the Adrian (Michigan) Daily Telegram.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky [Mr. MAY]?

There was no objection.

Mr. SMITH of Washington and Mr. KEFAUVER asked and were given permission to extend their own remarks in the RECORD.

COMMITTEE ON UN-AMERICAN ACTIVITY

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. EBERHARTER]?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, once again the Special Committee on Un-American Activities has made the first page of the newspapers all over the country. This was accomplished by sending an airplane on a dash to my home city of Pittsburgh in order to pick up what it thought was a very renowned Communist. The facts as developed by the investigation of the matter are that the party which this committee went to the expense of sending an airplane to Pittsburgh for was a man well known to practically all Pittsburghers, a man who is at present on relief, drawing the sum of $4.40 a week from the relief authorities.

We authorized this committee to spend, I think, $75,000 this year. All the information obtained from this particular person could have been obtained by simply writing a letter to the Communist, who has avowed his principles by letters to newspapers and by every other method to the general public for years; and I protest against this sort of procedure, this waste of the taxpayers' money simply for publicity purposes.

[Here the gavel fell.]

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include in the RECORD at this point an editorial on this subject which appeared in the Pittsburgh Press of yesterday.

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

There was no objection.

The editorial referred to follows:

[From the Pittsburgh Press of March 26, 1940]

WASTING GOOD MONEY

James H. Dolsen has been an active Communist in Pittsburgh for many years. So far as we know, he has never tried to hide his sympathies. He is registered as a Communist. And he has bombarded this newspaper for years with letters to the editor denouncing capitalism and lauding communism.

Considering that, we are surprised to see the Dies committee dramatically seize Dolsen, rush him to Washington by airplane, and hail him before the committee for questioning as if he were a person of mystery or importance. Aside from the questionable legality of such a method of corraling a witness, we never thought Dolsen was important enough, in Communist or any other circles, to rate such treatment, and such an expenditure of taxpayers' money. He is what is popularly known among newspapermen and politicians as a petty pest.

Even the intimation that Dolsen may be an Ogpu agent leaves us cold. We doubt very much if any espionage service, including that of the Russians, would engage as an agent somebody as blatant as Dolsen. Spies are supposed to be subtle people. Dolsen, in contrast, parades his communism at every opportunity and makes of himself a nuisance.

The whole procedure strikes us as rather silly and a waste of taxpayers' money. If the committee wanted to find out whether Dolsen is an ardent Communist, which is all they learned from questioning him yesterday, they could have done so simply by spending a 3-cent stamp on a letter.

Dolsen, and we speak from practical experience, would have respondent to the invitation to tell all about himself with a willingness that would have made gullible MARTIN DIES' head swim.

* * * * * * *

POSTSCRIPT: After this editorial was written the Dies committee cited Dolsen for contempt, because of refusal to answer certain questions. This is a perfect example of trying to make a whale out of a sardine. Here is an agitator of such trivial proportions that he's only worthy of serious attention by the relief authorities—from whom he gets $4.40 a week—treated as if he were an international spy from an E. Phillips Oppenheim novel.

EXTENSION OF REMARKS

Mr. JENKS of New Hampshire. Mr. Speaker, I ask to have printed in the RECORD in connection with the speech I made today an article which appeared in the Manchester Union Leader on the subject of wages and hours.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD, and include therein several telegrams and letters regarding the wage and hour law.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mr. NICHOLS asked and was given permission to revise and extend his own remarks in the RECORD.

STATE TITLE OF ALABAMA

Mr. PATRICK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. PATRICK. Mr. Speaker, a few days ago I had occasion to mention to this body that the World Almanac had referred to Alabama as the Lizard State. I never thought I would hear about it any more, and spoke only in the hope that we might induce the World Almanac to refrain from calling us the Lizard State. We are the Cotton State.

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

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

Mr. PARSONS. Does the gentleman desire to insert the World Almanac in the CONGRESSIONAL RECORD?

Mr. PATRICK. Not the entire World Almanac. I thank the gentleman for suggesting it, however. It may be a good idea, but we will take that up at another time.

But it has resulted in the organization of a group called the Alabama Committee for Correction of State Titles. Incidentally, I suggest it would be a good idea for all States that

are having troubles with State titles to take up the same idea. A resolution was drawn up by this group and forwarded to the Congress of the United States, but I shall not take the time to read it. E. Homer Brooks, of Birmingham, Ala. is president of the organization and chairman of the committee. It was suggested at its meeting by resolution that we get together as Representatives in Congress for the State of Alabama and provide that this State and all other States be protected from being arbitrarily dubbed with a wrong title. It could accidentally stick and refuse to be jarred loose and the State be forced to journey down the avenue of time with the door shut behind it. Therefore I wish to again, on the floor of Congress, remind the publishers and editors of that excellent work, the World Almanac, that the eyes of the Alabama Committee for Correction of State Titles is upon them and they would do well to think twice, or three times, before adopting a general policy of taking liberties with State titles. I thank you.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein certain telegrams and clippings.

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

There was no objection.

Mr. SCHWERT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter and a resolution on the St. Lawrence waterway.

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

There was no objection.

Mr. MURDOCK of Arizona and Mr. RICH asked and were given permission to revise and extend their own remarks in the RECORD.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an extract from the Eagle magazine.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the N. Y. A. in Connecticut.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial.

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

There was no objection.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address made by the late Speaker Clark.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. MAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a statement made by the Secretary of War today before the House Committee on Military Affairs on the question of the sale of airplanes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. MAY. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. STEAGALL] be permitted to extend his own remarks in the RECORD and to include therein a few excerpts from letters and telegrams.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. MYERS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a telegram received from a college in my district.

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

There was no objection.

LEAVE OF ABSENCE

Mr. THILL. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. SCHAFER] be granted an indefinite leave of absence because he was called back to Milwaukee on account of the critical illness of his mother.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

EXTENSION OF REMARKS

Mr. THILL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein two short tables, two short newspaper articles, and some excerpts from hearings.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

NATIONAL YOUTH ADMINISTRATION

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD and to include therein a telegram received by me this afternoon from the gentleman from Maine [Mr. BREWSTER] in reference to the N. Y. A. appropriation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The telegram referred to follows:

BANGOR, MAINE, *March 27, 1940.*

Hon. FRANK KEEFE,
House Office Building:

Maine and Vermont support National Youth Administration and call as witnesses Governor Aiken, of Vermont; President Hauck, of University of Maine; and Dr. Bertram E. Packard, Maine Commissioner of Education. For good measure, include Governor Baldwin, of Connecticut; and Henry A. Harriman, of Boston; former president of the New England Power Co.; and the New England Chamber of Commerce to substantiate the New England faith in this approach to industrial development for our youth. Owen D. Young, a former New Englander, goes much further in his approach to this problem. The N. Y. A. program here in Maine has met with the cordial commendation of all educational and industrial leaders who have investigated its operation under the charge of Capt. Charles Huet, of the Maine National Guard. You may use this wire in any way you desire as occasion makes it advisable.

RALPH O. BREWSTER, M. C.

EXTENSION OF REMARKS

Mr. PITTENGER. Mr. Speaker, in the debate this afternoon I indicated that I would include in my remarks a letter from Mr. H. E. Wolfe, of Deer River, Minn., in connection with the C. C. C. program. I ask unanimous consent that I be permitted to do so.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

COMMITTEE ON IMMIGRATION

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that the Committee on Immigration may be permitted to sit during the session of the House until 1 o'clock tomorrow afternoon. We need this extra hour to take the testimony of certain witnesses.

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

There was no objection.

ADJOURNMENT

Mr. TARVER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 9 minutes p. m.) the House adjourned until tomorrow, Thursday, March 28, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold hearings at 10 a. m. on the following dates on the matters named:

Tuesday, April 2, 1940:

H. R. 7169, authorizing the Secretary of Commerce to establish additional boards of local inspectors in the Bureau of Marine Inspection and Navigation.

Tuesday, April 9, 1940:

H. R. 7637, relative to liability of vessels in collision.

Tuesday, April 16, 1940:

H. R. 8475, to define "American fishery."

COMMITTEE ON IRRIGATION AND RECLAMATION

There will be a meeting of the Committee on Irrigation and Reclamation on Friday, March 29, 1940, at 10:30 a. m., for the consideration of H. R. 9930.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Tuesday, April 2, 1940, at 10:30 a. m., in room 328, House Office Building, for the consideration of H. R. 3648.

COMMITTEE ON THE JUDICIARY

On April 2, 1940, at 10:30 a. m., there will be continued before Subcommittee No. 4 of the Committee on the Judiciary, a hearing on the bill (H. R. 7534) to amend an act to prevent pernicious political activity (to forbid the requirement that poll taxes be paid as a prerequisite for voting at certain elections). The hearings will be held in room 346, House Office Building, and will be continued on the following dates: April 3, April 9, and April 10, at 10:30 a. m.

COMMITTEE ON FLOOD CONTROL

SCHEDULE OF HEARINGS ON FLOOD-CONTROL BILL OF 1940 BEGINNING APRIL 1, 1940, AT 10 A. M. DAILY

The hearings will be on reports submitted by the Chief of Engineers since the Flood Control Act of June 28, 1938, and on amendments to existing law. The committee plans to report an omnibus bill with authorizations of approximately one hundred and fifty to one hundred and seventy-five million dollars, covering the principal regions of the country.

Maj. Gen. Julian L. Schley, Chief of Engineers, the president of the Mississippi River Commission, the assistants to the Chief of Engineers, the division engineers, and the district engineers will be requested to submit additional statements as individual projects are considered and as desired by the committee.

1. Monday, April 1: Sponsors and representatives of the Corps of Engineers for projects on the White River and tributaries.

2. Tuesday, April 2: Sponsors and representatives of the Corps of Engineers for projects in reports on rivers in Texas and the Southwest.

3. Wednesday, April 3: Sponsors and representatives of the Corps of Engineers for projects in the Los Angeles area and in the Pacific Northwest.

4. Thursday, April 4: Sponsors and representatives of the Corps of Engineers for projects in Colorado and other western areas.

5. Friday, April 5: Sponsors and representatives of the Corps of Engineers for the lower Mississippi River and other tributaries.

6. Saturday, April 6: Sponsors and representatives of the Corps of Engineers for other drainage-basin areas for other projects in other parts of the country.

7. Monday, April 8: Representatives from the Department of Agriculture and other governmental agencies.

8. Tuesday, April 9: Senators and Members of Congress.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. HOBBS: Committee on the Judiciary. Supplement to part II to accompany S. 607. An act bringing Menominee Indians within Compensation Act (Rept. No. 1759). Referred to the Committee of the Whole House on the state of the Union.

Mr. CALDWELL: Committee on Appropriations. H. R. 9109. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1941, and for other purposes; without amendment (Rept. No. 1886). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. House Joint Resolution 490. Joint resolution providing for an annual appropriation to meet the share of the United States toward the expenses of the International Technical Committee of Aerial Legal Experts, and for participation in the meetings of the International Technical Committee of Aerial Legal Experts and the commissions established by that Committee; without amendment (Rept. No. 1887). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. H. R. 8772. A bill to amend the act of August 23, 1912 (37 Stat. 414; U. S. C., title 31, sec. 679); without amendment (Rept. No. 1888). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. H. R. 9016. A bill to amend the joint resolution creating the Niagara Falls Bridge Commission; without amendment (Rept. No. 1890). Referred to the House Calendar.

Mr. BLOOM: Committee on Foreign Affairs. House Joint Resolution 495. Joint resolution to amend the joint resolution entitled "Joint resolution authorizing Federal participation in the New York World's Fair, 1939, authorizing an appropriation therefor and for other purposes", approved July 9, 1937, to provide for participation in the New York World's Fair, 1940, to authorize an appropriation therefor, and for other purposes; without amendment (Rept. No. 1892). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. House Joint Resolution 429. Joint resolution to provide for participation of the United States in the Golden Gate International Exposition at San Francisco in 1940, to continue the powers and duties of the United States Golden Gate International Exposition Commission, and for other purposes; with amendment (Rept. No. 1893). 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. BLOOM: Committee on Foreign Affairs. H. R. 8785. A bill for the relief of Blanche W. Stout; without amendment (Rept. No. 1889). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 8868. A bill conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Bolinross Chemical Co., Inc.; without amendment (Rept. No. 1891). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. HARE:

H. R. 9110. A bill to revise the method of determining the annual payments to be made by the United States to the several States in which conservation lands subject to the jurisdiction of the Department of Agriculture are situated, to repeal existing acts inconsistent herewith, and for other purposes; to the Committee on Agriculture.

By Mr. JOHNSON of Indiana:

H. R. 9111. A bill to exempt from the 10-percent limit on obligations to a national banking association obligations secured by liens on readily marketable nonperishable staples; to the Committee on Banking and Currency.

By Mr. McGRANERY:

H. R. 9112. A bill conferring jurisdiction upon the Court of Claims of the United States to consider certain claims arising out of the Tariff Act of 1922; to the Committee on Claims.

By Mr. MAGNUSON:

H. R. 9113. A bill to donate to the city of Seattle a totem pole carved by the Alaskan Native Civilian Conservation Corps; to the Committee on Labor.

By Mr. NICHOLS:

H. R. 9114. A bill authorizing advancements from the Federal Emergency Administration of Public Works for the construction of a Recorder of Deeds Building in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. RANDOLPH:

H. R. 9115. A bill to authorize the Commissioners of the District of Columbia to provide for the parking of automobiles in the municipal center; to the Committee on the District of Columbia.

By Mr. LANHAM:

H. R. 9116. A bill designating building guards employed in buildings under the jurisdiction of the Federal Works Agency as United States Building Police, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. BUCK:

H. R. 9117. A bill to eliminate the tax on brandy and wine spirits used in the fortification of wine; to increase the tax on wine; to compensate for the loss of revenue occasioned by the elimination of the tax on brandy and wine spirits used in the fortification of wine, and for other purposes; to the Committee on Ways and Means.

By Mr. MANSFIELD:

H. R. 9118. A bill to provide for the reimbursement of travel expenses to certain employees of the Corps of Engineers, United States Army; to the Committee on Rivers and Harbors.

By Mr. MOUTON:

H. R. 9119. A bill to amend section 301 (a) of the Sugar Act of 1937; to the Committee on Agriculture.

By Mr. SMITH of Virginia:

H. R. 9120. A bill to amend section 9 of an act entitled "An act to prevent pernicious political activity," approved August 2, 1939 (— Stat. —); to the Committee on the Judiciary.

By Mr. MAY:

H. R. 9121. A bill to authorize the establishment of boundary lines for the Wilmington National Cemetery, North Carolina; to the Committee on Military Affairs.

By Mr. COOLEY:

H. R. 9122. A bill to provide a mixed civil and criminal term of 2 weeks at Raleigh of the United States District Court for the Eastern District of North Carolina; to the Committee on the Judiciary.

By Mr. KING:

H. R. 9123. A bill to approve Act No. 65 of the Session Laws of 1939 of the Territory of Hawaii, entitled "An act to amend Act 29 of the Session Laws of Hawaii, 1929, granting to J. K. Lota and associates a franchise for electric light, current, and power in Hanalei, Kauai, by including Moloaa within such franchise;" to the Committee on the Territories.

H. R. 9124. A bill to approve Act No. 214 of the Session Laws of 1939 of the Territory of Hawaii, entitled "An act to amend Act 105 of the Session Laws of Hawaii, 1921, granting franchise for the manufacture, maintenance, distribution, and supply of electric current for light and power within Kapaa and Waipouli in the district of Kawaihau on the island and county of Kauai, by including within said franchise the entire district of Kawaihau, island of Kauai"; to the Committee on the Territories.

By Mr. MOUTON:

H. J. Res. 500. Joint resolution relating to the conditions for payment with respect to sugarcane harvested from certain plantings in the mainland cane-sugar area; to the Committee on Agriculture.

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 New Jersey, memorializing the President and the Congress of the United States to consider their resolution with reference to beach erosion; to the Committee on Rivers and Harbors.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BARNES:

H. R. 9125. A bill for the relief of the heirs of Ora Lee Ruble; to the Committee on Claims.

By Mr. CLUETT:

H. R. 9126. A bill granting an increase of pension to Amelia B. Rice; to the Committee on Invalid Pensions.

By Mr. ENGLEBRIGHT:

H. R. 9127. A bill for the relief of W. A. Facht; to the Committee on Claims.

By Mr. FAY:

H. R. 9128. A bill for the relief of Vincenzo (James) Di Maggio; to the Committee on Immigration and Naturalization.

By Mr. GEYER of California:

H. R. 9129. A bill granting a pension to Harry E. Duffield; to the Committee on Invalid Pensions.

By Mr. GOSSETT:

H. R. 9130. A bill for the relief of Leonard A. Shelton; to the Committee on Claims.

By Mr. EDWIN A. HALL:

H. R. 9131. A bill granting an increase of pension to Marion Vorhees; to the Committee on Pensions.

By Mr. HOUSTON:

H. R. 9132. A bill granting an increase of pension to Lenora Royal; to the Committee on Invalid Pensions.

By Mr. McANDREWS:

H. R. 9133. A bill for the relief of the Inland Bonding Co.; to the Committee on Claims.

By Mr. MAGNUSON:

H. R. 9134. A bill for the relief of Walter D. Hellum; to the Committee on Claims.

By Mr. O'NEAL:

H. R. 9135. A bill for the relief of Frederick W. Gausman; to the Committee on Military Affairs.

By Mr. POLK:

H. R. 9136. A bill granting an increase of pension to Harriet C. Thoroman; to the Committee on Invalid Pensions.

By Mr. SMITH of Virginia:

H. R. 9137. A bill for the relief of John F. Jackson; to the Committee on Claims.

PETITIONS, ETC.

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

7198. By Mr. BUCK: Memorial of the Assembly of the State of California, Assembly Joint Resolution No. 16, relative to memorializing the President and Congress against the passage of legislation to prohibit the filing of separate income-tax returns by spouses in reference to community income; to the Committee on Ways and Means.

7199. By Mr. MICHAEL J. KENNEDY: Petition of the Joint Board for Dressers and Dyers, 5,000 members, opposing reductions in the appropriations for National Labor Relations Board and Wage and Hour Administration; to the Committee on Labor.

7200. Also, petition of the National Grange, favoring enactment of the administrative-law bill (H. R. 6324); to the Committee on the Judiciary.

7201. Also, petition of the American Communications Association, Postal Local 36-A, representing 3,000 members, protesting against the reduction of appropriations for the

National Labor Relations Board and the Wage and Hour Administration; to the Committee on Labor.

7202. Also, petition of the International Association of Machinists, protesting against reduction in appropriations for National Labor Relations Board and Wage and Hour Administration; to the Committee on Labor.

7203. Also, petition of the United Federal Workers of America, New York Regional Council, supporting House bill 6327, which will allow automatic increases in salary for customs employees; to the Committee on Ways and Means.

7204. Also, petition of the New York State Industrial Union Council of the Congress of Industrial Organizations, representing 900,000 members, protesting against reduction of appropriations for National Labor Relations Board and Wage and Hour Administration; to the Committee on Labor.

7205. Also, petition of the Transport Workers Union of America, opposing reduction in appropriation for National Labor Relations Board and Wage and Hour Administration; to the Committee on Labor.

7206. Also, petition of the New York Joint Board, Textile Workers' Union of America, opposing reduction in appropriations for the National Labor Relations Board and Wage and Hour Administration; to the Committee on Labor.

7207. Also, petition of the Steel Workers Organizing Committee, opposing reduction in appropriation bill for National Labor Relations Board and Wage and Hour Administration; to the Committee on Labor.

7208. Also, petition of the Utility Workers Organizing Committee, opposing reduction in appropriations for National Labor Relations Board and Wage and Hour Administration; to the Committee on Labor.

7209. By Mr. MARTIN J. KENNEDY: Petition of the American Communications Association, New York City, Postal Local 36-A, concerning reduced appropriations for the National Labor Relations Board and Wage and Hour Administration; to the Committee on Appropriations.

7210. Also, petition of the International Association of Machinists, Washington, D. C., concerning reductions in the budgets of the Wage and Hour Division of the Department of Labor and the National Labor Relations Board; to the Committee on Appropriations.

7211. Also, petition of the United Cigar Workers Union, Local No. 273, New York City, concerning reduction in appropriations for the National Labor Relations Board and the Wage and Hour Administration; to the Committee on Appropriations.

7212. Also, petition of the United Cannery Agricultural Workers, District No. 7, New York, concerning reduction in appropriations for the National Labor Relations Board and Wage and Hour Administration; to the Committee on Appropriations.

7213. By Mr. KEOGH: Petition of the New York State Industrial Union Council, opposing any reduction of appropriation for National Labor Relations Board and Wage and Hour Division; to the Committee on Labor.

7214. Also, petition of Michael J. Quill, Transport Workers Union of America, opposing any reduction in appropriation for National Labor Relations Board and Wage and Hour Division; to the Committee on Labor.

7215. Also, petition of the International Association of Machinists, Washington, D. C., concerning reductions of the Wage and Hour Division and National Labor Relations Board; to the Committee on Labor.

7216. Also, petition of Central Queens Allied Civic Council, Inc., Jamaica, Queens County, N. Y., favoring the Barry bill (H. R. 7636), providing for a 2-cent postage rate on first-class mail matter within the boundaries of the county of Queens, N. Y.; to the Committee on the Post Office and Post Roads.

7217. Also, petition of the Union Bag and Paper Corporation, New York City, concerning the Sugar Act of 1937; to the Committee on Foreign Affairs.

7218. Also, petition of the Furriers Joint Council of New York City, opposing any reduction in appropriation for the National Labor Relations Board and Wage and Hour Division; to the Committee on Labor.

7219. Also, petition of the Utility Workers Organizing Committee, opposing any reduction in appropriation for National Labor Relations Board and Wage and Hour Division; to the Committee on Labor.

7220. By Mr. RAYBURN: Petition of sundry citizens of Fannin County, Tex., to restore the disability allowance to veterans of the World War who were cut off the rolls by the Economy Act; to the Committee on World War Veterans' Legislation.

7221. By Mr. TINKHAM: Petition of sundry residents of Massachusetts favoring enactment of the General Welfare Act (H. R. 5620); to the Committee on Ways and Means.

7222. By the SPEAKER: Petition of the United Furniture Workers of America, Local 616, Congress of Industrial Organizations, New Castle, Ind., petitioning consideration of their resolution with reference to Senate bill 591 concerning the United States Federal Housing Authority; to the Committee on Banking and Currency.

7223. Also, petition of the Mary Jemison Chapter, National Society, Daughters of the American Colonists, New York, N. Y., petitioning consideration of their resolution with reference to set aside August 25 as "Mary Ball, Mother of Washington Day"; to be observed annually with proper ceremonies throughout the Nation, in commemoration of Mary Ball Washington, the mother of George Washington, the Father of his Country; to the Committee on the Judiciary.

7224. Also, petition of L. R. Bowker, of Rock Island, Ill., and others, petitioning consideration of their resolution with reference to the Hatch bill (S. 3046); to the Committee on the Judiciary.

7225. Also, petition of the International Association of Bridge, Structural and Ornamental Iron Workers, Local 172, petitioning consideration of their resolution with reference to United States Housing Authority program; to the Committee on Banking and Currency.

7226. Also, petition of the United Cannery, Agricultural, Packing, and Allied Workers of America, Congress of Industrial Organizations, Local No. 32, Elwood, Ind., petitioning consideration of their resolution with reference to Senate bill 591, United States Housing Authority program; to the Committee on Banking and Currency.

SENATE

THURSDAY, MARCH 28, 1940

(Legislative day of Monday, March 4, 1940)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Rev. Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

O Lord, our heavenly Father, the high and mighty Ruler of the universe, who dost from Thy throne behold all the dwellers upon earth: Most heartily we beseech Thee, with Thy favor to behold and bless Thy servant the President of the United States, and all others in authority; and so replenish them with the grace of Thy Holy Spirit, that they may always incline to Thy will, and walk in Thy way. Endue them plenteously with heavenly gifts; grant them in health and prosperity long to live; and finally, after this life, to attain everlasting joy and felicity; through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, March 27, 1940, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed a bill (H. R. 7806) to authorize the striking of an