7836. Also, petition of the American Youth Congress, New York, petitioning consideration of their resolution with reference to the Dies committee; to the Committee on Rules.

7837. Also, petition of the International Workers Order, Lodge No. 946, Los Angeles, Calif., petitioning consideration of their resolution with reference to the Dies committee; to the Committee on Rules.

7838. Also, petition of the Bloomington Federation of Labor, Bloomington, 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, MAY 2, 1940

(Legislative day of Wednesday, April 24, 1940)

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

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, in whom we live and move and have our being, and who pourest on all who seek it the spirit of grace and supplication: We beseech Thee to keep alive in us this day the holy desires Thou dost impart. Do Thou sanctify all our thoughts and our endeavors; open the eyes of our minds and our hearts that we may endure, as seeing Him who is invisible. Draw us ever closer day by day in the bonds of holy friendship, where the hurts received in life's hard struggles are, in great measure, healed, the blows of adversity are softened, the pains of disappointment lessened, and the wounds of sorrow are bound up with the oil and wine of tender human sympathy. So link our purposes in life with Thine that in the darkest hours of doubt we may never forget that right is right and honor is honor, nor yet ever swerve from the path of rectitude. Teach us, dear Lord, that in the pilgrimage of duty the heart bursts into song, sorrow leaves the faithful soul which mounts on the wings of gladness, and, though weeping may endure for a night, joy cometh in the morning.

We ask these blessings in the name and for the sake of Him by whom all things were made, Thy Son 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 of Wednesday, May 1, 1940, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the joint resolution (S. J. Res. 252) to amend section 5 (b) of the act of October 6, 1917, as amended, and for other purposes.

CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

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

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

Mr. MINTON. I announce that the Senator from Illinois [Mr. SLATTERY] is absent from the Senate because of illness in his family.

The Senator from Florida [Mr. ANDREWS], the Senator from Ohio [Mr. DONAHEY], the Senator from Pennsylvania [Mr. GUFFEY], the Senators from West Virginia [Mr. HOLT and Mr. NEELY], the Senators from Maryland [Mr. RADCLIFFE and Mr. TYDINGS], and the Senator from Montana [Mr. WHEELER] are detained on public business.

The Senator from Rhode Island [Mr. GREEN] is unavoidably detained.

Mr. AUSTIN. I announce that my colleague from Vermont [Mr. GIBSON] is necessarily absent.

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

LAWRENCE T. POST AND OTHERS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation for the relief of Lawrence T. Post, G. F. Allen, and D. Buddrus, which, with the accompanying papers, was referred to the Committee on Claims.

REPORT OF OPERATIONS UNDER SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Agriculture, transmitting, pursuant to law, a report for the fiscal year ended June 30, 1938, of the operations under sections 7 to 14, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry.

PETITION

The VICE PRESIDENT laid before the Senate a petition of sundry citizens of New York City, N. Y., praying for the enactment of House bill 801, the so-called Wagner-Van Nuys-Capper antilynching bill, which was ordered to lie on the table.

THE STORY OF WASHINGTON—RESOLUTION OF CHIPPEWA FALLS LODGE, NO. 1326, B. P. O. E.

Mr. WILEY. Mr. President, recently it has been the great privilege of many Americans to read that great book, Tree of Liberty, by Elizabeth Page. It is truly one of the very few great American historical novels. To the student of history it is especially pertinent now because one can see that "the tides in the affairs of men" ebb and flow as they do in the great oceans. Right now the world and America, probably on a different or larger scale, are living through many of the same experiences that people lived through back in the days of the inception of this country.

In this book the stature of Washington is not diminished. He was truly a great man, a man of common sense, a man who understood his fellow men, a man who appreciated that great ideas were in conflict, and that men were simply the exponents of those ideas.

Mr. President, my reason for addressing the Chair at this time is that in my morning mail I received from the Elks' Lodge in my home town a resolution which I ask to have printed in the RECORD at the conclusion of my remarks. This resolution brought to my attention a speech delivered by a distinguished lawyer of my home State, Frank L. Fawcett, on the subject, Washington, If He Were Alive Today. Mr. Fawcett, whose home is in Milwaukee, challenged the group before which he spoke with the statement, that with all the wealth of material on the life of Washington, no great drama or cinema has been written about his life, and he asks the question "Why?" He stated, and I believe he stated a great

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truth, that in this particular period a motion picture based on the life of Washington would serve a great constructive and patriotic purpose.

The VICE PRESIDENT. Without objection, the resolution referred to by the Senator from Wisconsin will be printed in the RECORD.

The resolution is as follows:

Having a supreme admiration for, and complete confidence in, the matchless leadership of our patriotic grand exalted ruler, Henry C. Warner; and

Believing in the far-reaching and beneficent effects of his thorough and thrilling program of Americanism; and

Having given unqualified endorsement to his dedication of the week of February 19 with the fond hope that it will rekindle the vestal spark of patriotic fervor of a Paul Revere and a Betsy Ross; and

Knowing that it will bring home to the consciousness of the American people their lasting indebtedness to the young Virginian who was "First in war, first in peace, first in the hearts of his countrymen"; and

Being of the opinion that the production of a picture The Father of Our Country is a tribute long past due, and that the story of Washington and his unselfish sacrifice and service would inspire the citizenry of our beloved country to nobler and more patriotic efforts and again make Old Glory the symbol of freedom and the safeguard of our liberty: Now, therefore be it

Resolved, That Chippewa Falls Lodge, No. 1326, send a copy of this resolution to our distinguished and patriotic Member, United States Senator ALEXANDER WILEY, that he may devise ways and means toward the consummation of this end by bringing it to the attention of the United States Senate.

Unanimously adopted April 9, 1940, by Chippewa Falls Lodge, No. 1326.

V. K. REMINGTON, *Exalted Ruler*.

REPORTS OF COMMITTEES

Mr. BILBO, from the Committee on Pensions, to which was referred the bill (S. 1770) granting a pension to Mittie Gaffney, reported it without amendment.

Mrs. CARAWAY, from the Committee on the Library, to which was referred the bill (S. 3645) to amend the act entitled "An act to provide books for the adult blind," approved March 3, 1931, reported it without amendment.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 3693) to authorize the Secretary of War to grant permission for pipe lines, reported it with amendments and submitted a report (No. 1569) thereon.

RAILROAD COMBINATION IN THE EASTERN REGION (PT. 3 OF S. REPT. NO. 1182)

Mr. BARKLEY (for Mr. WHEELER), from the Committee on Interstate Commerce, submitted an additional report, pursuant to Senate Resolution 71, Seventy-fourth Congress, in connection with the investigation of holding and affiliated companies, relative to railroad combination in the eastern region, which was ordered to be printed.

BILLS INTRODUCED

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

By Mr. WAGNER:

S. 3906. A bill to amend the Railroad Unemployment Insurance Act, approved June 25, 1938, as amended June 20, 1939, and for other purposes; to the Committee on Interstate Commerce.

By Mr. HARRISON:

S. 3907. A bill to authorize the acceptance of donations of property for the Vicksburg National Military Park, in the State of Mississippi, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. HAYDEN:

S. 3908. A bill for the relief of Mrs. J. E. Purtymun and Mrs. B. H. Russell; to the Committee on Claims.

By Mr. WALSH:

S. 3909. A bill to amend the World War Veterans' Act, 1924, as amended;

S. 3910. A bill to authorize the Administrator of Veterans' Affairs to furnish domiciliary and hospital care and medical treatment to World War veterans of the United States merchant marine, and for other purposes; and

S. 3911. A bill to amend the Internal Revenue Code with respect to merit rating under the Federal Unemployment Tax Act; to the Committee on Finance.

S. 3912. A bill for the relief of Louis Rosenstone; to the Committee on Immigration.

By Mr. OVERTON:

S. 3913. A bill to amend the Flood Control Act of June 15, 1936, as amended, to provide for adjustment of main Mississippi River levee grades; to the Committee on Commerce.

(Mr. PEPPER introduced Senate bill 3914, which was referred to the Committee on Education and Labor, and appears under a separate heading.)

ARMY PROMOTION SYSTEM—AMENDMENTS

Mr. JOHNSON of Colorado submitted sundry amendments intended to be proposed by him to the bill (H. R. 9243) to provide for the promotion of promotion-list officers of the Army after specified years of service in grade, and for other purposes, which were ordered to lie on the table and to be printed.

ASSISTANT CLERK, COMMITTEE ON ENROLLED BILLS

Mrs. CARAWAY submitted the following resolution (S. Res. 265), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That Senate Resolution 213, agreed to April 10, 1940, authorizing the Committee on Enrolled Bills to employ an assistant clerk, to be paid from the contingent fund of the Senate, for the remainder of the present session, is hereby amended to include the time from the beginning of the session to the date of adoption of the said resolution.

STRATEGIC AND CRITICAL MATERIALS

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to submit a resolution, have it read, and referred to the Committee on Military Affairs.

The VICE PRESIDENT. Without objection, the resolution will be read.

The resolution (S. Res. 266) was read, as follows:

Whereas it is the policy of the National Government to increase the stocks of strategic and critical materials with a view to preventing the dependence of the United States upon foreign nations for supplies of such materials in times of national emergency: Therefore be it

Resolved, That it is the sense of the Senate that the Secretary of State, the Secretary of the Treasury, and the Secretary of Commerce should make every effort to utilize to the fullest practicable extent any powers that they now possess for the purpose of acquiring, by purchase, exchange, or otherwise, stocks of materials determined to be strategic and critical materials in accordance with the act of June 7, 1939, and that the Secretary of the Treasury should determine the extent to which any such materials may be acquired in payment of the existing indebtedness of foreign governments to the Government of the United States, and the extent to which legislation may be required for the purpose of facilitating any such acquisition and the reduction of such indebtedness by means of such acquisitions.

The VICE PRESIDENT. The resolution will be referred to the Committee on Military Affairs.

Mr. THOMAS of Utah. Mr. President, when we considered the Strategic Materials Act, the Senator from Massachusetts [Mr. LODGE] offered an amendment which would, in effect, have done the same thing which I am suggesting that we attempt to do. I then opposed the amendment because it had no place in that act.

The Senator from Delaware [Mr. TOWNSEND] has submitted a resolution looking toward the acquirement of strategic materials by our Government through the use of certain funds which the Treasury Department can use. Therefore I deem this resolution to be not only consistent with the aim of the Senator from Massachusetts but also thoroughly consistent with one of the aims of the Senator from Delaware.

ADDRESS BY HON. JAMES A. FARLEY ON AMERICA'S ROAD TO PEACE

[Mr. WALSH asked and obtained leave to have printed in the RECORD an address by Hon. James A. Farley, at Boston, Mass., on Sunday, April 21, 1940, on the subject America's Road to Peace, which appears in the Appendix.]

ADDRESS ON FOREIGN POLICY BY HON. BRECKINRIDGE LONG

[Mr. CHANDLER asked and obtained leave to have printed in the RECORD an address on foreign policy delivered by Hon. Breckinridge Long, Assistant Secretary of State, at the Forum on Foreign Policy and National Defense at the National Institute of Government, May 2, 1940, which appears in the Appendix.]

CORPORATION DIRECTORS—ADDRESS BY RICHARD C. PATTERSON, JR.

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an address delivered by Richard C. Patterson, Jr., before the Harvard School of Business Administration, at Cambridge, Mass., on March 15, 1940, relative to the management of corporations, which appears in the Appendix.]

RECREATIONAL OPPORTUNITIES IN THE TENNESSEE VALLEY

[Mr. STEWART asked and obtained leave to have printed in the RECORD an address by E. S. Draper, Director, Department of Regional Planning Studies, Tennessee Valley Authority, before the southeastern meeting of the American Automobile Association, Knoxville, Tenn., April 22, 1940, on the subject New Recreational Opportunities in the Tennessee Valley, which appears in the Appendix.]

LETTER FROM STEWART M'DONALD ON WORK OF FEDERAL HOUSING ADMINISTRATION IN WYOMING

[Mr. SCHWARTZ asked and obtained leave to have printed in the RECORD a letter addressed to him by Mr. Stewart McDonald, Administrator of the Federal Housing Administration, and a tabulation attached to the letter, showing by counties the extent of loans made by Wyoming banks and private-lending agencies operating in conjunction with the Federal Housing Administration, which appear in the Appendix.]

ADDRESS BY DR. ARTHUR TALMAGE ABERNETHY ON WAR

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an address on the subject of war, delivered by Dr. Arthur Talmage Abernethy at Rutherford College, North Carolina, which appears in the Appendix.]

ARTICLE BY HUGH S. JOHNSON ON FOREIGN LOANS

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an article by Hugh S. Johnson on the subject of foreign loans, which appears in the Appendix.]

SOUTH'S GREATEST RESOURCE—EDITORIAL FROM LEXINGTON HERALD

[Mr. CHANDLER asked and obtained leave to have printed in the RECORD an editorial from the Lexington Herald entitled "South's Greatest Resource," which appears in the Appendix.]

REGULATION OF MODES OF TRANSPORTATION

[Mr. SHIPSTEAD asked and obtained leave to have printed in the RECORD a statement by a delegation of representatives of agricultural organizations, and a letter to the President of the United States, relative to the transportation bill, which appear in the Appendix.]

CIVIL AERONAUTICS AUTHORITY AND AIR SAFETY BOARD

Mr. McCARRAN. Mr. President, today there appeared in the Washington Times-Herald a very able article under the caption "Facts, Not Spinach," by Frank C. Waldrop. The article is a short one. I send it to the desk and ask that it be read by the clerk.

The VICE PRESIDENT. Without objection, the article will be read.

The legislative clerk read the article, as follows:

FACTS, NOT SPINACH—A COMPARISON OF AIR SAFETY BEFORE AND AFTER THE C. A. A.

(By Frank C. Waldrop)

Mr. Roosevelt has displayed a very fancy talent for name-calling lately, brought out by objections to his proposed abolition of the independent Civil Aeronautics Authority in favor of a board subservient to the Secretary of Commerce.

As soon as he proposed this reversion, criticism was heard all about the country. He waved his cigarette holder and called it "spinach."

But the critics wouldn't shut up. They got louder. They came to Washington.

So Mr. Roosevelt put his cigarette holder down and abused them as "ignorant," "gullible," and/or "political."

It just happens that these ignorant, gullible, spinach dispensers have some facts which will permit them to avoid name calling entirely. They have only to point to the record. Here it is:

The Bureau of Air Commerce was abolished and the Civil Aeronautics Authority installed because the Bureau was a flop.

It had a duty to make the rules for civil aviation, enforce them, provide the system of aviation aids such as airports and radio beams and maps, and, finally, to cite the guilty if this set of rules and aids should fail to prevent a crash. That meant, of course, that the Bureau would have to be strong and able to criticize pilots, air-line managers, airplane makers, other branches of the Federal Government, and, finally, itself.

Did it work? Well, hardly.

Between March 4, 1933, and August 22, 1938, there were 39 fatal aircraft accidents on regularly scheduled runs of domestic aviation companies, in which 217 persons were killed.

The Bureau, as you can see by looking at the public record compiled throughout more than 3 years of congressional investigations, was not capable of acting as a sufficient controlling authority in aviation.

It was shown to be nothing but a cringing, politically addled little catch-all, into which the Secretary of Commerce dumped incompetent hacks and into which he stuck his fist whenever he wanted to prevent the hacks from really cracking down on chance-taking airplane operators. He usually wanted to.

Congress finally recognized that aviation is an extremely complex, difficult, and a rapidly changing industry needing intelligence, independence, and critical analysis to remain safe and at the same time progress—too volatile to endure such incompetence in government.

So it set up the Civil Aeronautics Authority to make the rules and operate the aids to aviation, and set up within the Authority the Air Safety Board to criticize those rules and aids and investigate any disasters with a view to publicizing the causes. The Board was a wholly independent governor on the engine of aviation—free to criticize the Authority, the air lines, the plane makers, or the pilots.

The C. A. A. and A. S. B. went into action on August 22, 1938. In the first 8 months of operation there were 3 fatal accidents, in which 17 persons died. In the more than 12 months since there have been none. There has been friction between Board and Authority—and there should have been. They were intended not to fraternize but to cross-check one another for safety's sake.

Is that spinach? Does that mean anything? Can you call pride in that ignorance, gullibility, or politics?

Mr. Roosevelt gives as his reason for tearing down this independent system and a return to the old the need of aviation for a "seat at the Cabinet table."

It had not one but two seats at the Cabinet table in February 1934, when he canceled the air-mail contracts on advice from his Postmaster General and Secretary of Commerce, and instructed a third Cabinet member, the Secretary of War, to see that the Army pilots would keep the air mail moving.

The disaster that followed, and the quick retreat, do not speak so very highly for Cabinet representation of aviation.

Does it matter whether aviation is represented at the Cabinet table if aviation is getting along all right not represented there and got along all wrong when it was?

Mr. Roosevelt can't spinach the facts away. The same planes, the same pilots, and the same companies are flying the same routes today they were from 1933 to 1938.

The only difference is they are flying them better, safer, and more often.

It is safer to leave them that way than to chance a return to the killing system of the past—and that's no spinach either.

Mr. McCARRAN. Mr. President, I ask that immediately following the article read by the clerk there be inserted in the RECORD an editorial appearing in the Washington Evening Star of yesterday and an editorial appearing in the Christian Science Monitor of yesterday, both on the same subject.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The editorials are as follows:

[From the Washington Evening Star of May 1, 1940]

INADEQUATE ANSWER

In striking back at critics of his reorganization order placing the Civil Aeronautics Authority within the Commerce Department and abolishing the Air Safety Board, President Roosevelt unfortunately has failed to reply to many important specific criticisms which have been raised against the plan.

In the 3 weeks since his order was announced, there has been an unceasing storm of criticism from all parts of the Nation and from virtually all of the national aeronautical organizations. During this period there has been scarcely a voice raised in support of the plan.

Such unanimity of opinion on so vital a question is difficult to discount. This criticism cannot be dismissed, as the President sought to do, by saying that it is actuated by "ignorance, gullibility, and politics." A great mass of this criticism undoubtedly has been sincere, and it has come from people identified with civil aviation who obviously are seriously disturbed by an Executive order which they consider unjustified and unwise.

A great deal of the criticism has been leveled against the abolition of the Air Safety Board. In his reply, Mr. Roosevelt told newsmen that the investigation of accidents can be done competently without having three men at the top who have been fighting each other all day long. He referred apparently to the Air Safety Board. As a matter of fact, the Air Safety Board has been composed of but two men since last November 21, when Col. Sumpter Smith resigned to take over chairmanship of the Interdepartmental Engineering Commission, which is building Washington

National Airport. There has been no public evidence of any friction between the two remaining members, whose findings, obviously, have had to be unanimous, since disagreement would mean a deadlock.

The best evidence that the Civil Aeronautics Authority and the Air Safety Board are working well is the fact that the Nation's air transport system has been operating for more than a year without death or serious injury; that the great civil pilot-training program is going ahead with unparalleled safety; that the air lines are prospering and are handling passenger, mail, and express traffic which is increasing month by month in a succession of new all-time records.

For years civil aviation was regulated from within the Commerce Department. Much of that period was marked by inefficiency, wrangling, and a lack of results which was reflected throughout the industry. Conditions since creation of the Civil Areonautics Authority and the Air Safety Board, beyond any question, have improved very greatly. Why give up a system which is beneficial and successful to go back to one which has been tried and found wanting?

Congress is going to be asked to vote down the President's reorganization plan, and it should be voted down unless Mr. Roosevelt can make a more specific and more convincing answer to his critics.

[From the Christian Science Monitor of May 1, 1940]

NEED OF C. A. A. SHIFT UPHELD AS PRESIDENT ASSAILS CRITICS

WASHINGTON, May 1.—Official cognizance by President Roosevelt of the opposition to his Executive order transferring the Civil Aeronautics Authority to the Commerce Department brought a new phase to the controversy.

Mr. Roosevelt attacked opponents of his order, charging they are moved either by ignorance, gullibility, or politics.

He followed this up by calling Democratic members of the House Reorganization Committee to the White House for a conference after receiving reports that Senate and House Republicans are organizing to vote as a unit against his two latest reorganization plans.

Mr. Roosevelt evidently was throwing his full weight into the rapidly developing fight. Stephen T. Early, Presidential secretary, said Mr. Roosevelt had been informed he faces organized opposition.

The fight was rapidly broadening beyond the contest over the Civil Aeronautics Authority order.

The order would end the present independent "three-in-one" agency made up of a five-man, quasi-judicial group, an Administrator, and an Air Safety Board, each of which is independent from the others in certain respects. Under the new Roosevelt plan the so-called Authority turns into the Civil Aeronautics Board, and it loses certain powers to the Administrator. The Air Safety Board is abolished. Its accident-investigation functions are shifted to the Civil Aeronautics Board.

Mr. Roosevelt at his press conference April 30 used the dispute to comment on the whole broad subject of governmental reorganization.

The difficulty with the President's job, he declared, is that there are so many independent agencies making direct reports to the Chief Executive that he is unable to master them all without expenditure of excess time. The better way, he said, is to have these groups headed up through a cabinet post, the chief of which is able to follow and digest the problems and reports to the President. Almost everybody, Mr. Roosevelt commented, seems to be in favor of higher efficiency and economy as "an abstract idea," but he added, "there is a rather discouraging collapse of enthusiasm when concrete proposals are made," especially on the part of those looking for "selfish protection of their own special interests."

Mr. Roosevelt singled out the appearance, in Washington, of a group of uniformed aviation pilots protesting the Roosevelt order calling themselves the "lobby to save lives."

"The implication that we are not interested in saving lives," wrote Mr. Roosevelt, "is certainly contradicted by the record of our progress in civil aviation during recent years."

Mr. Roosevelt was subjected to hard questioning at his press conference, and gave a testy defense of his move. The new set-up, he declared, with the Air Safety Board eliminated, is not a case of the authority being judge, jury, and prosecutor. At one point Mr. Roosevelt commented that the three men at the top of the present Air Safety Board, whose positions would be abolished by the transfer, have been fighting each other all day long.

Mr. Roosevelt threw in the personal observation with a rather grim smile that few members of the press could handle the amount of administrative detail that comes over the President's desk with all the independent agencies still uncorrelated; and he added that few other men would apply themselves to the task.

Legislative opposition to the Executive order is centering in Senator PAT MCCARRAN, Democrat, of Nevada. He has introduced a resolution to block the reorganization, and is enlisting congressional support.

PROHIBITION OF FOREIGN SILVER PURCHASES

Mr. TOWNSEND. Mr. President, I ask unanimous consent to have inserted in the RECORD, as part of my remarks, an editorial from the New York Times of today entitled "The Silver Folly."

The VICE PRESIDENT. Is there objection? The Chair hears none.

The editorial is as follows:

THE SILVER FOLLY

If it passes the pending Townsend bill, the Senate will at last have moved to wipe out the worst and most foolish part of a fantastic piece of legislation. The new bill prohibits the President and the Secretary of the Treasury from acquiring any more foreign silver under the Silver Purchase Act of 1934. That act provides that silver must be purchased until its monetary value, at $1.29 an ounce, equals one-fourth of the total value of the country's monetary gold and silver together. Despite the purchase of more than 2,200,000,000 ounces of silver since the act was passed, at a cost of more than $1,000,000,000, the inflow of gold has been so great that the goal set by the act is farther away than it was when the legislation was passed in June 1934. Of the silver purchased, the overwhelming bulk has been foreign. In 1939, for example, nearly five times as much foreign as domestic silver was acquired by the Treasury. The huge mountain of silver already acquired by the Treasury, in fact, is equal to more than 50 years' domestic production at the current rate.

The committee report in favor of the Townsend bill points out that the further purchase of foreign silver is without excuse; that it is wasteful of American resources; that it involves bestowal of benefits abroad without considerations of reciprocity; that there is no prospect of fulfilling the "treadmill terms" of the Silver Purchase Act of 1934; that that act has failed to achieve any of the objects promised by its sponsors in 1934; and that "silver buying is not a proper instrument of foreign policy." This country's uninterrupted purchasing of Mexican-produced silver since 1934, the committee remarks, "has not produced in Mexico the results which might be expected from such purchases viewed as a good-neighbor effort." As for the argument that purchase of foreign silver should be continued because, by giving foreigners purchasing power, it makes jobs for American producers of export commodities, the committee declares that if there were any validity in the argument "it would be a logical step to increase our buying price for silver five or ten fold, and thereby make five or ten times as many jobs for Americans."

The enactment of the Townsend bill would do nothing to end the indefensible provision which compels our Treasury to buy the total annual silver output of American mines at the fantastic price of 71 cents an ounce. It would, moreover, leave a messy legislative situation under which the Treasury would still be directed by an unrepealed act to move toward a goal the achievement of which the new act would make practically impossible. But at least the worst and most costly part of the silver folly would have come to an end.

PHILIPPINE TRAVEL-PAY BILL—VETO MESSAGE

Mr. BURKE. Mr. President, I desire to present a privileged matter. Yesterday the Committee on Claims took action and instructed me to present the matter to the Senate.

The Committee on Claims, to which was referred House bill 289, the Philippine travel-pay bill, which was returned by the President to the House of Representatives without his approval, and which was reconsidered and passed by that body, reports the bill back to the Senate with the recommendation that the bill be passed, the objections of the President to the contrary notwithstanding.

I now move that the Senate proceed to reconsider House bill 289.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Nebraska.

The motion was agreed to; and the Senate proceeded to reconsider the bill (H. R. 289) for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899.

Mr. BURKE. Mr. President, I desire to make a very brief statement in reference to the matter.

On April 11, 1899, when the treaty of peace between this country and Spain was finally concluded, there were in the Philippine Islands between 12,000 and 15,000 State volunteers officers and men. Under the terms of their enlistment they were entitled to be mustered out of service at that time; and by the provisions of the statutes then in force, and still in force, I understand, they were entitled, upon being mustered out, to be transported to the place of their enlistment, or, in lieu thereof, to receive travel pay and allowances in the amount specified in the statute. However, in the weeks prior to April 11, 1899, the Philippine Insurrection had assumed a very serious aspect, and these volunteer soldiers were pretty well scattered in various parts of the islands attempting to quell the insurrection.

I was interested, in reading the official report made on this matter, to find that a few weeks before, prior to the time mentioned, these volunteer troops had beaten off the attacks of the insurrectionists, had advanced their lines beyond the blockhouses and remained in that position, but the First Nebraska Regiment had made the farthest advance, to the waterworks, a distance of 8 miles.

Because of the condition in the islands arising from the insurrection, the President and the War Department were very anxious that these volunteer soldiers should not exercise their right and demand their release from the Army. The report of the committee sets out the cablegram sent by The Adjutant General to General Otis, and his reply. The cablegram requested General Otis to ascertain whether these Volunteers would be willing to reenlist and remain in the islands for a further period, until the insurrection could be quelled. General Otis, under date of March 16, 1899, sent this cablegram from Manila to The Adjutant General at Washington:

> Believed after inquiry majority volunteer organizations willing to reenlist for 6 months from ratification of treaty, provided that upon original discharge are paid traveling allowances to places of muster in and that after expiration of second enlistment they are transported to those places by the United States.

So, according to the record, in all the various places where these volunteers were engaged, in the trenches, or in the dugouts, or wherever they were, their commanding officers presented the matter to them as to whether they would be willing to remain for another period, not to exceed 6 months, and almost without exception they acquiesced.

If it had been possible then to go through the formality of mustering those men out and immediately mustering them in again for a second enlistment, this proposal would not be before Congress today, because the men would then have had the legal right to what they now claim, because the statute gave them that right without any question. But because they were scattered, and for other reasons, that formality was not complied with, and they were not mustered out and mustered in again, so that they do not have a legal standing.

After the men had returned to this country, many of them attempted to present their claims to the accounting officers, or the Court of Claims, or wherever such matters would be presented, but it was denied that they had a legal right. However, there can be no question that the moral obligation rests fully upon the Government to carry out what the commanding officers of these volunteers told them would be done in the event they were willing to remain for another period of enlistment; and that is all this bill proposes to do.

On at least five different occasions the Senate has passed an identical measure. In the Seventy-fourth Congress both Houses passed the measure and it was vetoed, and the same thing occurred in the Seventy-fifth Congress. In the Seventy-sixth Congress the Committee on Claims, after further study of the matter, reported the bill unanimously, and it passed the House as well as the Senate, and is now before us again on the President's veto. Last week the House, by much more than the required two-thirds majority, voted to pass the bill, the objections of the President to the contrary notwithstanding, and it seems to me that the Senate should take similar action.

Mr. President, let me add a further word. The question has been asked by a Senator beside me as to how much money is involved. According to the report submitted to the committee, payments would be made to between seven and eight thousand individuals, or, if they are deceased, to their representatives, that is, according to the statute, the widow, a child, mother, or father, or, if there were no relatives within those degrees, no payment would be made. The payments would average between three and four hundred dollars, making a total, as nearly as the committee could estimate, of $3,200,000.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. BURKE. I yield.

Mr. LUCAS. I call the Senator's attention to the message of the President, in which, among other things, he said:

> However, approval of this bill would result in the payment of a gratuity to each of the officers and men concerned in an amount exceeding his pay for a full year, plus the value of rations for the period involved, in sea travel from the Philippines to the United States, a benefit utterly without warrant, since each individual concerned has already received transportation and subsistence at Government expense for the journey performed in addition to full pay for the entire time.

Will not the Senator explain that?

Mr. BURKE. I shall be very glad to. In the first place, there is a great deal of resentment, I find, at the use of the word "gratuity," which I think was unfortunately and by oversight used in the message, as these men claim, and with every semblance of fact and truth to bear them out, that this is not a gratuity at all; but that there was what amounted to a contract, a binding agreement, negotiated at the request of the President of the United States, speaking through The Adjutant General.

In reference to the further statement made, if the Senator from Illinois will read the message further, he will find that the President is referring not to the bill now before the Senate but to one of the previous measures, and he quotes from his veto message on the previous bill.

The amount then was somewhat larger, as the figures have been changed, and my understanding, as I have said—and the committee sought as definite information as could be secured—is that the total will not exceed $3,200,000. Even that amount is not to be paid at once, but, under the provisions of the bill, each claimant would be required to file his claim with the Accounting Office and make his proof showing that he was entitled to payment.

It is true, as the Senator will find, that when the second enlistment was over the men were transported back to the place of their enlistment, but in the Regular Army and in the volunteer army, if the men are actually mustered out when an enlistment expires, each soldier is entitled then to be transported back to the place of his enlistment, or, in lieu of that, to accept the travel pay and allowances. When the Army is anxious to secure a reenlistment a member of the regular force always takes his travel pay and allowances and reenlists, and when that enlistment period is over, he is transported back to the place of his enlistment. So that there is nothing unusual or out of the way about this procedure.

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

Mr. BURKE. Certainly.

Mr. LUCAS. I do not believe the Senator from Nebraska has fully answered my question. I again refer to the part of the paragraph in the veto message which specifically says, "each individual concerned has already received transportation and subsistence at Government expense for the journey performed in addition to full pay for the entire time."

Mr. BURKE. There is no argument about that. These men enlisted for the first period, their service to terminate when the war was over, and of course they were paid a dollar a day, or whatever it was, during that period. Then, when they reenlisted, they received their pay of a dollar a day during that period, and when that enlistment was over, and the insurrection was at an end, they were transported at Government expense back to the place of their enlistment.

Mr. LUCAS. Were they paid for the service they rendered?

Mr. BURKE. They were paid the Regular Army pay, whatever it was; yes.

Mr. LUCAS. What are they seeking in addition to the Regular Army pay, and transportation from the islands back to the United States?

Mr. BURKE. They are seeking travel pay and allowances due them when their original enlistment expired. On the 11th of April 1899, when the treaty of peace was concluded, each and every one of these officers and men, under the terms of his enlistment, was entitled at that moment to be mustered out of the service and to be taken at Government expense back to this country, to the place where he enlisted. There is no argument about that. In lieu of that, if they wanted to remain in the Philippines or to do anything else, they could take the amount specified in the pending bill, and

provided by statute. But the Government being anxious to have them remain for another period, instead of transporting new volunteers from the United States to the Philippines, said to these men, in effect, "If you will reenlist now we will pay you the travel pay and allowances which you are entitled to accept in lieu of being taken back to the United States. Serve your next period and of course we will then transport you home."

Mr. BARKLEY. Mr. President, that is a point about which I wanted to ask the Senator a question.

Mr. BURKE. I yield.

Mr. BARKLEY. I understood the Senator to say that it is customary in the Army, probably not through any legal provision, but is a custom, or a practice, that when an enlistment expires, the soldier has the option of returning home——

Mr. BURKE. It is under a specific provision of the statute.

Mr. BARKLEY. He can either return home at Government expense, or he can receive what is called a travel allowance at that time, and then reenlist. Is that correct?

Mr. BURKE. That is correct.

Mr. BARKLEY. So that if he reenlists he receives a travel allowance, although he does not travel. Although he does not return home, he receives what he would have received if he had returned home?

Mr. BURKE. I thank the Senator. That brings out the point very clearly.

Mr. BARKLEY. Then, if he reenlists, he later returns home at Government expense. Did these men collect the travel allowance?

Mr. BURKE. They did not; and that is why this bill has been introduced. They have been denied that benefit from that time to the present.

Mr. BARKLEY. To what extent have soldiers who served in the Philippines or elsewhere, and who reenlisted, been allowed to collect travel pay and allowances for expenses which they did not incur?

Mr. BURKE. My understanding is that in every case of reenlistment travel allowance is paid.

Mr. BARKLEY. Is that a provision of the statute?

Mr. BURKE. Yes; the statute so specifically provides.

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

Mr. BURKE. I yield.

Mr. BROWN. The testimony before the Committee on Claims showed that a good many of these soldiers were smart enough to see the situation, and they insisted upon being discharged, and then reenlisted. They thus obtained their travel pay back to the United States.

Mr. BARKLEY. In other words, they insisted on being discharged and then collected their travel allowance in cash?

Mr. BROWN. Yes.

Mr. BARKLEY. And then reenlisted and were later brought back to the United States at the Government's expense.

Mr. BROWN. Yes. And the men in question are not now in the same position as the men were in who were discharged and insisted upon reenlisting.

Mr. BARKLEY. Are there included in this bill any of those who got their discharge, got their travel pay, reenlisted, and then subsequently were transported back to the United States?

Mr. BURKE. No; they are specifically excluded. That is the reason why the bill reads as it does. It requires each one who makes a claim to present it to the proper Government department so that proof can be had on it.

Mr. BARKLEY. Did the men in question reenlist without being discharged?

Mr. BURKE. They were not formally mustered out. They reenlisted for a period not to exceed 6 months, and they all stayed from 4 to 6 months or until their services were no longer required. Some of them, I think, were even kept for a 7-month period.

Mr. BARKLEY. I still do not understand all that I know about it. [Laughter.]

Mr. BURKE. I think the majority leader has brought out clearly just what the situation was. Regular Army soldiers whose term of enlistment may expire at any time in the year, depending on when they entered the service, if they are in China, or the Philippines, or any place else, when their terms of enlistment expire are entitled to be transported back to the place at which they enlisted, or in lieu thereof to take their travel pay and allowances. If they choose to stay and reenlist, they receive their travel pay and allowances, and at the end of the reenlistment, if they have enough of Army life, they are transported back to the United States at Government expense.

Mr. BARKLEY. The Senator said some soldiers were smart enough to be mustered out and get their travel pay and allowances. Why were not the others as smart? They all knew about it; did they not?

Mr. BURKE. The individuals to whom I am referring who received travel pay and allowances were members of the Regular Army. The Senator from Michigan [Mr. BROWN] stated, and I now recall it to be the fact, that there were individuals among the volunteers, legally trained or otherwise, who insisted upon the formality of being mustered out, and then being immediately mustered in for the next period of service, and in those cases they were paid immediately, under the statute, the exact amount of travel pay and allowances that would be paid to one in like circumstances under this bill who did not stand upon his legal rights and say, "I want to be mustered out and mustered in again right away so that I can get that pay."

Mr. BARKLEY. Did the officers of the Army have any authority to hold out or make the promise that the men who reenlisted without being mustered out would be given this travel pay?

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

Mr. BURKE. I yield.

Mr. SCHWARTZ. The average private in the Army does not seriously consider what the authority of the head of the Army is; when that officer speaks, he takes his authority for granted.

Mr. BURKE. I quote from the hearings of January 10, 1931, in part, as follows:

> Section 15 of the Army bill reads, in part, as follows: "That the President is authorized to enlist temporarily in service for absolutely necessary purposes in the Philippine Islands, volunteers, officers, and men, individually or by organizations, now in those islands and about to be discharged, provided their retention shall not extend beyond the time necessary to replace them by troops authorized to be maintained under the provisions of this act and not beyond a period of 6 months."

In accordance with that provision of the statute The Adjutant General cabled to General Otis as follows:

> The President inquires as follows:
> "If we are not able to get you sufficient forces to replace volunteers under your command before exchange of ratification of treaty, will you be able to enlist your present volunteer force under this section?"
> By order Secretary of War.

In reply to that message, General Otis, who was in command, cabled as follows:

> MANILA, *March 16, 1899.*
>
> ADJUTANT GENERAL,
> *Washington:*
> Believed after inquiry majority volunteer organizations willing to reenlist for 6 months from ratification of treaty, provided that upon original discharge—

They were never really actually discharged—

> are paid traveling allowances to places of muster in and that after expiration of second enlistment they are transported to those places by United States.
>
> OTIS.

I do not find anywhere in the record any answer to that cablegram of General Otis, but apparently the conditions laid down were accepted. There was no denial of it. The men were kept in the service for the other period, and everything was done except actually to go through the formality of mustering them out and immediately mustering them in again.

Mr. BARKLEY. Mr. President, will the Senator yield for another question?

Mr. BURKE. I yield.

Mr. BARKLEY. The transaction out of which this measure grows occurred 42 years ago. There have been three vetoes of similar bills by the present Chief Executive, one of which was in the Seventy-fourth Congress and one in the Seventy-fifth Congress.

Mr. BARKLEY. One was a pocket veto, upon which Congress, of course, could not pass. I have forgotten whether there were votes to override the vetoes of the other measures or whether they died simply as the result of the vetoes.

Mr. BURKE. No; there was no vote to override.

Mr. BARKLEY. Prior to the Seventy-fourth Congress and during all the time since the Spanish-American War, what has been done by Congress in the way of the enactment of a law to make this payment, and if Congress passed a law, what happened to it?

Mr. BURKE. I think there has been a bill before every session of Congress, with the possible exception of the first Congress after the hostilities ceased, at which time the men were under the impression that they had a right to get this pay without any action of Congress. They proceeded on that theory for a little while, until it was finally determined that, because they were not actually mustered out and again mustered in, they had no legal standing, and very shortly after the war and at every session of Congress thereafter bills were introduced providing for making these payments; hearings were had before the committees; sometimes bills would pass one House and not the other, but on at least three occasions which have been mentioned, during the present administration, the bill has passed both Houses.

Let me add that when the bill in the Seventy-fifth Congress was passed and vetoed, it seemed to some of us that there were certain logical objections to the bill in that it might be possible under that measure for some individuals to claim benefits who would not be entitled to them. It provided for an outright payment without having the matter examined, as now provided in this bill and did not make it clear that those who were wise enough to be mustered out and mustered in, and received their pay, would not be paid over again.

So the bill this year was drawn with the idea of removing what appeared to be rather valid objections, and I may say frankly to the Senator from Kentucky that it was a great surprise to the members of the committee and to all who were familiar with the matter that the measure should come back with a veto. The only reason—if I may say it, and this is largely assumption on my part—the only reason I can see why this unfortunate occurrence has happened is that the Chief Executive in exercising his veto on this occasion had in mind the previous bill. He does not refer to the present bill at all, but cites from objections he urged to the passage of the previous bill. It has been stated to me by one who should know what he was talking about that the War Department and, I believe, the Veterans' Administration—I do not know whether they have anything to do with it—but three different departments of the Government have submitted memoranda favoring the enactment of the present bill. I do not vouch for that statement.

Mr. BARKLEY. I have only one other observation to make. I would not deny to any American citizen the payment of any just claim because of its age. But the fact that the events in question occurred so long ago; that the Congresses closer to the events did not take action; and that only in the last 3 or 4 years has Congress taken action raises the presumption of a burden of proof on the part of those who advocate the payment to show that it is a just claim and that it ought to be paid.

Mr. BURKE. I agree with that statement very fully, and for that reason I have been taking a very active part in opposition to a proposal to pay several million dollars on the French spoliation claims which originated in the period from 1792 to 1800, and also with respect to a very large number of claims growing out of the War of 1812, and many out of the Civil War, some of which, however, have been passed in very recent years.

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

Mr. BURKE. I yield.

Mr. GILLETTE. I thought perhaps I could contribute something to remove the misconception which is apparent on the part of some of my colleagues. I happened to be a soldier at the time in question, not in the Philippines, but at Chickamauga Park. We had enlisted for the duration of the war. The war was over and our term of enlistment had expired. Every soldier was called in by his company commanding officer, and his patriotism was appealed to on this ground:

> While you enlisted for the duration of the war, and your term of enlistment is over, and are entitled to go home, and to receive your transportation home, an unsettled period is going to follow during which the Government will require the services of soldiers. You owe it to your Government. The patriotism which induced you to volunteer ought to carry over and induce you to stay in the service. We are requesting you to stay in the service instead of demanding your discharge and transportation to the point of your enlistment.

Some of the men did as requested, and some did not. The men in the Philippines had the same proposal put to them. Every man whose term of enlistment had expired was entitled to be brought back to the United States, or, in lieu thereof, to receive travel pay and subsistence allowance. The men were urged to stay. They stayed at the request of their officers, who appealed to their patriotism.

As I see it, there is no legal obligation to pay these men. They were finally brought back to the United States. However, at that time they could have demanded that they be brought back, or that they receive in lieu thereof travel pay and subsistence allowance, because the Government would have been required to send additional men to take their places. However, because they listened to the appeal to their patriotism, it seems to me there is every implied obligation on the part of the Government to pay this claim.

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

Mr. BURKE. I yield.

Mr. LUCAS. Why did not the Government insist that all the men be mustered out and then mustered in at that particular time, in view of the fact that a certain number of them were mustered out and mustered in?

Mr. BURKE. The chief objection to going through the ceremony of mustering them out and mustering them in again was that they were scattered all over the islands. As I stated earlier, the First Nebraska Volunteers had advanced through the enemy territory. In fact, the colonel of the regiment was killed at about that very time. They were engaged in warfare, perhaps not on the scale of that now going on in Norway, but just as serious and deadly. The Government could not call the men in to go through what, after all, was only a formality. They all knew what it was about. They knew that they were to stay for another period, not to exceed 6 months; and they did not do what they probably should have done—that is, insist that they be taken to Manila, or wherever the mustering-out and mustering-in could take place.

Mr. LUCAS. Let me ask a further question: Does the record of the hearings show how many men are affected by the bill?

Mr. BURKE. No one can say with absolute certainty, because some have died and have left no widows, children, mothers, or fathers. In such a case the payment lapses. However, the best estimate we are able to make is that the number is about 8,000. I notice in the veto message that the number is referred to as 15,000; but the information we have is that there were not to exceed 12,000 Volunteer troops in the islands on the 11th of April 1899, and that of that number, some were paid at the time, and others have died without relatives in the degree of consanguinity required to entitle them to the benefit of the bill. The number is about 8,000.

Mr. LUCAS. The bill provides that the widow, children, mother, or father shall be paid?

Mr. BURKE. The widow, children, mother, or father, in accordance with the statute.

One further statement before I conclude: Overriding a Presidential veto has always impressed me as being one of the most serious and thought-provoking acts a Member of the National Legislature is called upon to perform. During the brief period I have served in the House of Representatives and in the Senate, in every instance, with one exception, I have voted to sustain the veto of the President, although in some cases it seemed to me there was much merit on the other side. However, in the case of this particular bill, with which I have long been familiar, I am very sure that justice, right, and fair dealing require that this very belated payment be made. Therefore I shall freely and gladly vote to pass the measure notwithstanding the veto of the President.

Mr. McNARY. Mr. President, I ask to have printed in the RECORD at this point an excellent statement by the Senator from Kansas [Mr. CAPPER] on the pending pay bill.

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

STATEMENT BY SENATOR ARTHUR CAPPER

I shall support the motion of the Senator from Nebraska that House bill 289, commonly known as the Philippine travel pay bill, be passed over the veto of the President.

The bill provides for travel pay and allowances for officers and enlisted men of the Volunteer services who remained in service in the Philippines in 1899 beyond the term of their enlistment, and after ratification of the treaty of peace with Spain on April 11, 1899.

This bill simply provides for payments to these men that should have been made 40 years ago. I hope the Senate will do as the House of Representatives did, and pass the bill notwithstanding the Presidential veto. The House passed the measure over the veto by a vote of 274 to 72, as I recall.

During the War with Spain several regiments of volunteers were in active service in the Philippines. They were in service on April 11, 1899, when their terms of enlistment expired, and they were entitled to be discharged and returned to their homes. Under the terms of their enlistment, and under regulations, they were entitled to travel pay and a subsistence allowance from the Philippines to their homes, or to the points where they were mustered into service.

In the spring of 1899 a serious situation existed in the Philippines. Aguinaldo and some 30,000 Philippine troops, who had been trained by, and who had cooperated with, the American troops against the forces of Spain, had started an insurrection in February of that year. The fighting was at its height in April, when the terms of enlistment of these men expired.

If they had been in the Regular Army, and had reenlisted, they would have received as a bounty travel pay and subsistence to their home stations.

The War Department was very anxious to have these volunteers remain in the islands and finish the job of subduing the insurrection. To replace them at that time would have been very difficult; in fact, the campaign would have had to be halted until fresh troops could be sent from the United States.

There was an exchange of telegrams between Adjutant General Corbin and General Otis, commanding the American forces in the Philippines. In answer to a cablegram from Adjutant General Corbin, on March 16, 1899, General Otis had replied as follows:

"Believe after inquiry majority Volunteer organizations willing to reenlist for 6 months from ratification of treaty, provided that upon original discharge are paid traveling allowances to places of muster in, and that after expiration of second enlistment they are transported to those places by the United States."

The substance of this communication was presented to the men by their officers, and almost to a man they agreed to remain beyond the date of treaty ratification if their services were needed. Presumably they would have reenlisted, but the campaign developed in such a way that this formality was ignored.

In the latter part of March a general advance was ordered against the insurrectionists, and from then until June—longer than that for some of the men—the volunteers were in the field. The troops were continually on the move, under very bad conditions, poorly equipped, under a tropical sun, in the jungles much of the time, continually harassed by the enemy. The result was that they never actually were reenlisted. They just kept on fighting until the insurrection was quelled.

There never seems to have been any question as to the understanding had on all sides that the men were to receive travel pay and allowances as one of the conditions of their remaining in service.

I never have understood why the Government of the United States, under these circumstances, stood on the technicality that these men had not been formally discharged from their original enlistment and therefore had not been reenlisted.

There is no argument as to the technical soundness of the position taken by the Government, but these brave men had not stood on a technicality when their enlistments expired on April 11, 1899. They did not stand in their tracks; nor did they sulk in their tents. They did not say, "Our terms of enlistment are up. We will not fight another day unless we are formally discharged, reenlisted, and get our travel pay and allowances." They thought they had an agreement that would amount to a contract with their Government, and they lived up to their agreement. They kept faith with the terms of the implied contract.

It has been argued that these veterans are asking for a gratuity from the Government. It has been stated that they finally traveled home at Government expense and now are trying to collect twice. I do not share that belief. I do not accept that statement as the truth. These veterans simply are asking for belated justice—40 years belated—in the payment of an honest debt—a debt honestly incurred but not honestly carried out by our Government.

I say that men who offered their lives on the battlefield ought not to have to plead with their Government to pay them what was promised them at the time. I trust the Senate will do what the House already has done—enact this legislation, notwithstanding the veto of the President.

The PRESIDENT pro tempore. The question is, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding? On this question the Constitution requires that the vote be by yeas and nays. The clerk will call the roll.

The legislative clerk proceeded to call the roll, and called the name of Mr. ADAMS, who voted in the affirmative.

Mr. NORRIS. Mr. President, does the Constitution also require that the veto message be read?

The PRESIDENT pro tempore. The Chair is informed that it was read.

Mr. BARKLEY. Mr. President, the roll call has already started, but, I think, by unanimous consent, the veto message could be read for the information of the Senate. It was read a week or so ago.

I ask unanimous consent that the roll call be suspended until the message can be read.

The PRESIDENT pro tempore. Without objection, the roll call will be suspended and the message will be read.

The legislative clerk read as follows:

To the House of Representatives:

I am returning herewith, without my approval, H. R. 289, a bill for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899.

The provisions of this bill are almost identical with the provisions of H. R. 2024 of the Seventy-fifth Congress, which I returned to the Congress without my approval on September 22, 1935, and the provisions of H. R. 2904 from which I withheld my approval and indicated the reasons therefor in my memorandum of disapproval dated June 20, 1938. The principal reasons for withholding my approval from the two bills in question are set forth in my memorandum of June 20, 1938, in connection with H. R. 2904, as follows:

The effect of this bill is that the beneficiaries thereof "shall be entitled to the travel pay and allowance for subsistence provided in sections 1289 and 1290, Revised Statutes, as then amended and in effect, as though discharged April 11, 1899, by reason of expiration of enlistment, and appointed or reenlisted April 12, 1899, without deduction of travel pay and subsistence paid such officers or soldiers on final muster out subsequent to April 11, 1899."

I am advised by the Secretary of War that there were approximately 15,000 officers and soldiers of the volunteer forces of the United States in the Philippine Islands at the conclusion of peace with the Kingdom of Spain who would become beneficiaries of this act.

The Comptroller General in his report on February 23, 1935, advises that the enactment of this bill would authorize payment of travel pay at the rate of 1 day's pay and one ration for each 20 miles, inclusive of the distance by water from the Philippine Islands to San Francisco, approximately 8,000 miles, and that such payments for the water travel alone will exceed 1 year's pay plus 1 day's ration for each day of such period. It is estimated the cost of the legislation will approximate $7,000,000.

Congress has heretofore recognized the service of these officers and men by the award of a special medal, and there was also an allowance by the act of Congress approved January 12, 1899, of 2 months' extra pay to all volunteers who served honestly and faithfully beyond the continental limits of the United States. I join most heartily in recognizing and appreciating the patriotic service of these men.

However, approval of this bill would result in the payment of a gratuity to each of the officers and men concerned, in an amount exceeding his pay for a full year, plus the value of rations for the period involved in sea travel from the Philippines to the United States, a benefit utterly without warrant, since each individual concerned has already received transportation and subsistence at Government expense for the journey performed in addition to full pay for the entire time.

I have recently signed an act restoring pensioners of the War with Spain and Philippine Insurrection to their full rate of pension. I feel that no breach of trust has been committed by the Government as regards the men who served their country in the War with Spain and Philippine Insurrection and, from the facts in this case, general legislation upon this subject, as provided in H. R. 2024, is not deemed advisable.

In view of the fact that the circumstances involved in this proposal are the same as they were when the previous bills were under consideration, I find no justification for changing my position with respect thereto.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 23, 1940.*

The PRESIDENT pro tempore. The clerk will resume the calling of the roll.

The legislative clerk resumed and concluded the calling of the roll.

Mr. AUSTIN. I announce that my colleague the junior Senator from Vermont [Mr. GIBSON] is necessarily absent. If he were present, he would vote "yea."

Mr. LUCAS. My colleague [Mr. SLATTERY] is unavoidably detained from the Senate because of illness in his family. If he were present, he would vote "yea."

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senators from West Virginia [Mr. HOLT and Mr. NEELY], the Senator from Maryland [Mr. RADCLIFFE], and the Senator from Montana [Mr. WHEELER] are absent from the Senate on public business. I am advised that if present and voting, these Senators would vote "yea."

The Senator from Minnesota [Mr. LUNDEEN] and the Senator from Washington [Mr. BONE] are in conference in Government departments. I am also advised that if present and voting, these Senators would vote "yea."

The Senator from Rhode Island [Mr. GREEN] and the Senator from Mississippi [Mr. HARRISON] are unavoidably detained.

The Senator from Virginia [Mr. BYRD], the Senator from Ohio [Mr. DONAHEY], the Senator from Pennsylvania [Mr. GUFFEY], and the Senator from Maryland [Mr. TYDINGS] are necessarily detained.

The result was announced—yeas 76, nays 3, as follows:

YEAS—76

Adams	Davis	Lee	Russell
Ashurst	Downey	Lodge	Schwartz
Austin	Ellender	Lucas	Schwellenbach
Bailey	Frazier	McCarran	Sheppard
Bankhead	George	McKellar	Shipstead
Barbour	Gerry	McNary	Smith
Bilbo	Gillette	Maloney	Stewart
Brown	Glass	Mead	Taft
Bulow	Gurney	Miller	Thomas, Idaho
Burke	Hale	Minton	Thomas, Okla.
Byrnes	Hatch	Murray	Thomas, Utah
Capper	Hayden	Norris	Tobey
Caraway	Herring	Nye	Townsend
Chandler	Hill	O'Mahoney	Truman
Chavez	Holman	Overton	Vandenberg
Clark, Idaho	Johnson, Calif.	Pepper	Van Nuys
Clark, Mo.	Johnson, Colo.	Pittman	Wagner
Connally	King	Reed	Walsh
Danaher	La Follette	Reynolds	Wiley

NAYS—3

Barkley	Hughes	Smathers

NOT VOTING—17

Andrews	Gibson	Lundeen	Wheeler
Bone	Green	Neely	White
Bridges	Guffey	Radcliffe	
Byrd	Harrison	Slattery	
Donahey	Holt	Tydings	

The PRESIDENT pro tempore. Two-thirds of the Senators present having voted for the passage of the bill on reconsideration, the bill is passed, the objections of the President of the United States to the contrary notwithstanding.

NAVAL APPROPRIATIONS

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 8438) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1941, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BYRNES. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. BYRNES, Mr. GLASS, Mr. THOMAS of Oklahoma, Mr. OVERTON, Mr. WALSH, Mr. HALE, and Mr. LODGE conferees on the part of the Senate.

APPROPRIATIONS FOR THE DEPARTMENTS OF STATE, COMMERCE, JUSTICE, AND FOR THE JUDICIARY—CONFERENCE REPORT

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8319) making appropriations for the Departments of State, Commerce, and Justice, and for The Judiciary, for the fiscal year ending June 30, 1941, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 7, 12, and 21.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 5, 8, 9, 10, 13, 14, 15, 16, 17, 23, 25, 26, 27, 30, 31, 32, 33, 34, 36, and 37, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "Bureau of Interparliamentary Union for Promotion of International Arbitration, $10,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$8,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert: "$1,083,000"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert: "$110,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$308,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert: "$1,325,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the amount named in said amendment insert "$7,500"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the amount named in said amendment insert "$7,500"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,650,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert: "$187,500"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 28 and 29.

KENNETH MCKELLAR,
RICHARD B. RUSSELL,
PAT MCCARRAN,
J. H. BANKHEAD,
KEY PITTMAN,
STYLES BRIDGES,
Managers on the part of the Senate.

JAMES MCANDREWS,
LOUIS C. RABAUT,
MILLARD F. CALDWELL,
JOHN H. KERR,
BUTLER B. HARE,
ALBERT E. CARTER,
KARL STEFAN,
Managers on the part of the House.

The report was agreed to.

PROHIBITION OF FOREIGN-SILVER PURCHASES

The Senate resumed the consideration of the bill (S. 785) to repeal the Silver Purchase Act of 1934, to provide for the sale of silver, and for other purposes.

Mr. DOWNEY. Mr. President, I shall detain the Senate but briefly in presenting my argument in opposition to the bill of the Senator from Delaware [Mr. TOWNSEND] proposing to prohibit the purchase of foreign silver. Before proceeding with my discussion I desire to review certain facts in relation to our monetary purchasing policy, including both silver and gold, which probably have been stated already, but I desire somewhat to recast the statements that have been made.

Mr. President, we are sending abroad immense sums of money for the purchase of gold and silver. As a matter of fact, during the last calendar year we imported in gold and silver $3,640,000,000. To understand the full amount of that sum, let me state it in this way, that we could, by expending that sum in America, have built a million homes at an average cost of $3,600; or the amount of money that we annually spend for the purchase of gold and silver would support from twelve to fifteen million people.

I agree with practically all the economists and bankers that the tremendous flow of gold and silver into the American Nation is steadily building a greater and greater problem, because, being a great exporting country and a great creditor nation, it is unlikely that we will ever again be able to use our gold or silver in the settlement of our accounts with foreign nations. Consequently, I am in sympathy with the distinguished Senator from Delaware in his effort to work out some rational solution of our gold-silver problem. But I must admit that I am somewhat astounded at the emphasis the Senator from Delaware places upon the silver-purchasing policy as contrasted with the gold-purchasing policy.

Why do I say that? I say that because of the amount of money that we spent for the precious metals in 1939 over three billion and a half dollars went for the purchase of gold and only $70,000,000 for the purchase of silver.

Thus 98 percent of the total amount of money expended went for gold and less than 2 percent went for silver. Consequently it immediately becomes apparent that the distinguished Senator from Delaware is exercising his energy and his talent on less than 2 percent of the inflowing precious metals. Thus what we are attempting to do here will hardly at all tend to solve this very serious problem. But, as I shall attempt to show very briefly later, Mr. President, it will to a great extent devastate our commerce with Mexico and may sadly injure our relations with our closest neighbor to the south.

Mr. President, as the distinguished Presiding Officer (Mr. PITTMAN in the chair) knows better than anyone else here, not only are we importing 50 times as much gold as silver but we are paying 100 times as much for gold as we are for silver. We only pay 35 cents an ounce for silver and we are paying $35 an ounce for gold. I have been told by the best experts I could find that, if and when there is a collapse of gold and silver as monetary standards, if that time ever comes, gold will probably drop to $8 or $9 a pound from $500 a pound, but silver for commercial purposes will, at least, always have a value of from $3 or $4 a pound, and at 35 cents an ounce it is only worth about $5 a pound. In other words, if there should be an ultimate collapse of the monetary value of gold and silver, gold must fall from $35 an ounce, while silver would only fall from 35 cents an ounce; and there is not very much difference in the value of the two metals for commercial purposes.

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

Mr. DOWNEY. I yield to the Senator from Utah.

Mr. KING. I desire to corroborate in part the statement of the distinguished Senator from California. He will remember that Mr. Keynes, as well as other writers upon gold and silver and upon monetary questions, have admonished us that there is a danger of the concentration of substantially all the gold of the world in one or two countries, in which event it would then be treated as redundant currency, and other nations would demonetize gold as many have demonetized silver.

I think the Senator is right in challenging attention to the danger of our concentrating the gold. We have committed, perhaps, as great a crime in the concentration of gold as the Senator from Delaware thinks we have by the purchase of silver.

Mr. DOWNEY. I thank the Senator from Utah for his contribution to this subject, about which he, too, is an expert, and I am very much of a layman.

So, Mr. President, we may start with the knowledge that we face the possibility of great loss in our accumulating gold hoards, while the loss that may come from buying silver, even at 71 cents an ounce, can never be very great. I am not going to repeat the arguments which have been made by the present distinguished Presiding Officer as to the future possibility of the use of silver for monetary purposes in India, China, and elsewhere, and the possibility of an increase in the value of silver after the present European war is over, because those arguments are already in the RECORD more exhaustively and more authoritatively than I could offer them.

I desire, however, to suggest another vital difference resulting from the importations of gold and silver. It is generally conceded that practically all the silver which comes into America is for the settlement of debts accumulated through the purchase of our wealth being currently produced. That means that for every dollar of additional purchasing power that we can give to Mexico Americans who otherwise would not be employed will be employed in manufacturing goods to satisfy that demand; and I desire to repeat this statement for the attention of the distinguished proponent of this bill. I have said that as far as silver is concerned, the $70,000,000 which we are importing employs in the production of goods vitally needed by Mexico probably about 70,000 Americans who otherwise would not be working. If that purchasing power were not coming into the United States there would be no substitute for it; and to that extent our unemployment would be increased.

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

Mr. DOWNEY. Yes; I yield.

Mr. TOWNSEND. We are taking silver for the goods which we are sending to Mexico, are we not?

Mr. DOWNEY. That is correct.

Mr. TOWNSEND. Does the Senator agree with the general consensus of opinion, with the Chairman of the Federal Reserve Board, and with the 12 members of the Federal Advisory Council, that the purchase of foreign silver is a waste of our substance; in other words, that we have no need whatever for the silver?

Mr. DOWNEY. Unfortunately, the Senator from Delaware was absent when I made part of my argument.

Mr. TOWNSEND. I am sorry.

Mr. DOWNEY. Yes; I regret it, too, because I do not want to detain the Senate by a repetition of what I have already said. Let me say to the distinguished Senator, however, that I will cover the question he has now asked me just a stage further in my argument; but I want to make this point clear at this time, and I shall be glad to have the distinguished Senator from Delaware comment upon it: I am now contrasting the evil effect of this tremendous tide of inflowing gold compared with any effect of the inflowing silver; and I have already pointed out, let me repeat to the distinguished Senator, that for every dollar of silver that is coming in, $50 of gold is coming in; that this bill attempts to strike at only 2 percent of the problem which is involved. I have also pointed out that we are paying 100 times as much per ounce for gold as for silver, and that, if there is a collapse in the monetary value of gold and silver, gold must plunge almost to the price of silver, but silver is now very near its value for commercial purposes.

I have stated the next point, and that is that silver is used to buy our actual goods and wealth produced by men and women who would not be employed unless they were producing to satisfy the market created by our purchases of silver; but as far as gold is concerned, let us reflect upon this fact: Out of the $3,500,000,000 expended for its purchase, less than $800,000,000 is used in the purchase of goods currently being produced in America, because our favorable international

balance of trade last year was only about $800,000,000. That was satisfied in gold; but, beyond that, over two and one-half billion dollars of gold came into the United States, some of it to be temporarily earmarked, but all of it ultimately to flow into the purchase of our stocks, our bonds, and our real estate. So, Mr. President, we may safely say that silver which comes into the United States is used to buy machinery and other goods that would not be produced if it were not for our silver policy; but three-fourths of our inflowing gold is being used to buy existing forms of property and to increase the holdings of wealth of foreigners in the United States.

Mr. President, I also desire to point out the fact that mining is the great industry of Mexico. Mining in Mexico is very similar to the automobile business in this country. The distinguished Senator from Delaware [Mr. TOWNSEND] has seemed to assume that, if we should stop purchasing silver and silver should drop to 20 or 25 cents an ounce, all that Mexico would lose should be figured on present producton at 25 cents, rather than 35 cents, an ounce. But, as the distinguished presiding officer [Mr. PITTMAN] would explain the matter far better than I, many mines in Mexico that could not operate at 25 cents an ounce can operate at 35 cents an ounce. As a matter of fact, most of the great, high-grade silver properties of Mexico have been exhausted by mining covering centuries of commerce; and many of the mines of Mexico that can do business at 35 cents an ounce would be totally dismantled and shut down at 25 cents an ounce.

Mr. TOWNSEND. Mr. President——

Mr. DOWNEY. I yield.

Mr. TOWNSEND. Then the Senator is keenly interested in keeping the mines of Mexico open?

Mr. DOWNEY. Yes; I am, Mr. President. I want America to do everything in its power to promote Mexican prosperity. A large portion of Mexican silver comes as a byproduct in the mining and milling of other metals, notably in the production of gold, lead, zinc, and copper. With silver at 20 to 25 cents an ounce in Mexico, many of the other mines in Mexico—lead, zinc, copper, and gold—will be compelled to close or to curtail their operations.

As a matter of fact, I may say to the distinguished Senator from Delaware that it is the consensus among mining experts in Mexico that the cessation of the purchase of silver at 35 cents an ounce, if silver then drops to 20 or 25 cents an ounce, will be a devastating blow to the mining industry of Mexico that will seriously affect the well-being and the prosperity of all its citizens.

I have a distinguished friend, one of the best-known business leaders of America, who probably knows Mexico better than any other American that I know. He is a man of highest integrity, conservatism, and accuracy, Mr. E. R. Jones. He is the president, and I think the main owner, of the Wells-Fargo & Co. Express, S. A., operating in Mexico, and doing a large business there. He is not a Democrat. He is not a new dealer. He is a follower, I believe, of the same type of Republican orthodoxy to which my distinguished colleague from Delaware belongs.

I asked Mr. Jones to express to me in a letter his opinion of the effects upon Mexican commerce and our Mexican relations if we should now end the purchase of silver from Mexico. He did so in an interesting and valuable communication which I here hold in my hand. I am not going to read it, but I do want for the benefit of the RECORD to read two very brief quotations from it.

Mr. E. R. Jones begins by saying:

As you know, I am not a Democrat, neither am I a supporter of the New Deal; but I do try to be eminently fair in my consideration of all political subjects. Therefore I must express to you my sincerest view on this one question, and to say that you are perfectly at liberty to quote this on the floor of the United States Senate or any other place you see fit.

It is this: I am in sympathy with President Roosevelt's silver-purchase policy and his gold-purchase policy. Inasmuch as the gold-purchase policy is not under discussion, I will confine myself to the silver-purchase policy.

I can think of no individual thing that we can do that will contribute more to the already confused situation prevailing in this hemisphere than to drop the purchase of silver. The reverse of this is also true; that is, that by the continued purchase of it we will help the exchange situation, the international trade situation, and especially the relations existing in this hemisphere.

Mr. TOWNSEND. What did the Senator say Mr. Jones' business was?

Mr. DOWNEY. Mr. Jones in the president of and I think a large owner in the Wells-Fargo Express Co.

Mr. TOWNSEND. Where is it located?

Mr. DOWNEY. In Mexico City. He lives in the United States, but the main place of the business is Mexico.

I might say this; within the last year I myself spent some time in Mexico, and my investigation there convinced me that if we want to damage our relations with Mexico, if we want to devastate and strike a blow at Mexico, this is a well-conceived way to do it.

My distinguished colleague evidently has but little concern in what happens in the country of Mexico. Perhaps he is like many of the editorial writers who are supporting the policy of the distinguished Senator, who have said openly that we should punish Mexico, by this policy, because of their expropriation of some of the oil properties of American and British companies. That view is widely held. I cannot say that the distinguished Senator has directly supported that view, but the implication from his question as to whether I was interested in the well-being of Mexico, or some such question, leads me to believe that that is his position.

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

Mr. DOWNEY. I yield.

Mr. TOWNSEND. We have been buying silver from Mexico, as we have from other countries, for the past 4 years, and have been paying an exorbitant price for it, and, as has been demonstrated many times, we have no use for it. We are taking something for which we have no use, and we are sending the Mexicans our goods in return. And at the same time that we were trying to build up the good-neighbor policy, Mexico has been confiscating our property. That is my position.

Mr. DOWNEY. Mr. President, in the course of the debate I do not desire to be led into a discussion of the controversies between the Standard Oil Co. and the Shell Co., and the Government and people of Mexico. So far as I am concerned, my sympathies are with the Mexican people and their Government. That does not mean very much, because sympathies may easily go astray, but I will say that my investigation of the oil situation, talking with the leaders on both sides, convinces me that there are two sides to that question, and has also led me to believe that the Mexican people at least are very fervently of the belief that their side is the right side, which, of course, is not conclusive, but does indicate that if we desire to breed ill will and animosity, south of the Rio Grande, this is an excellent way to do it.

I hope the people of the United States and Mexico may establish the friendliest relations and in harmonious cooperation pass happily through the chaotic years that lie ahead.

I very much admire President Cardenas. I believe he has been a leader of devoted ability and enlightened statesmanship and that he and his fellow citizens will fairly meet us on any just plan looking to friendlier relations.

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

Mr. DOWNEY. I yield.

Mr. TOWNSEND. Does the Senator feel that the proposal submitted to Mexico by the Secretary of State to arbitrate all these issues—not only the oil issue, but the issue growing out of the confiscation of lands owned by Americans there as well—does the Senator feel that that is a fair and just way of settling the question?

Mr. DOWNEY. I may say to the distinguished Senator that I do not believe I could with propriety answer that question at this time, and it would require a fuller understanding on my part of the present conditions surrounding the oil industry in Mexico. Let me say to the distinguished Senator from Delaware that I am anxious to see the most neighborly and

friendly relations with Mexico that are possible, and it has been my experience in life that kindliness and fairness and forbearance are the best bases on which to work out just settlements, and I may add that the kind and exalted conduct of the Senator from Delaware [Mr. TOWNSEND] clearly indicates that he entertains the same philosophy. Does the Senator, then, mean that by doing injury to Mexico by this kind of a bill we will further the solution of this unhappy controversy between our citizens and Mexico? My experience in life does not lead me to believe so. If to me were committed the problem of defining the relations between our country and Mexico, with the ultimate objective of working out the differences between the two nations, as the very first step I would endeavor to assist Mexico, rather than damage her.

Mr. TOWNSEND. Will the Senator yield?

Mr. DOWNEY. I yield.

Mr. TOWNSEND. Does not the Senator think that has been attempted by the State Department and by our representatives in Mexico? Does not the Senator think they have sought in every way to satisfy Mexico? And now, inasmuch as they have not found a way to do it, they are asking that the Mexicans arbitrate. Does not the Senator think that is a reasonable request?

Mr. DOWNEY. I have already indicated to the Senator that I do not at this time care to attempt to answer that question. The query was made by our Secretary of State; it is now an international subject, and I have no desire to transgress upon that particular controversy at this time. But I should like to ask the distinguished Senator for one moment to do this with me, let us just travel back along the course of American progress for one century.

Mr. TOWNSEND. Very well; I will go with the Senator.

Mr. DOWNEY. Let us go back to that unhappy period when American nationals and the American Government, by brutal, corrupt, and avaricious methods, provoked the Mexican people and the Mexican Government, and finally, with our armies resting in the city of Mexico, without right or justification, we took from Mexico over one-half of its area, and far more than one-half in value.

I know it is much easier for us to discuss the misdoings and the misconduct of other nations than to accept the blame for our own, but I say, Mr. President, that the American people still owe to the people of Mexico a great moral debt we have never paid. Coming from the State of California, which was one of the Territories gained by our conquest of Mexico, I have no desire to enlarge upon this particular phase of our history, but I do say that we still owe an obligation to our southern neighbor that I hope we may soon begin to pay.

The distinguished Senator has indicated by remarks here that he feels that the lapse of a century of time might raise the defense of the statute of limitations. I reply however long one may delay the payment of a debt it still remains due and its liquidation the wisest policy.

We are entering a chaotic decade in this world of hate and passion. I have no fear of any assault upon the Western Hemisphere by Germany, Japan, or Russia. I know that we have the men and the resources with which to defend ourselves, and that the distances are so great that we cannot be successfully attacked. But I do say the most important thing for us to do is to maintain neighborly relations in the Western Hemisphere, and I can think of no better way of maintaining neighborly relations south of the Rio Grande than by fair and generous action.

As I have already stated, we are spending three and a half billion dollars for gold, 80 percent of which comes from outside the Western Hemisphere. We are spending about 2 percent of that amount for silver, nearly all of which comes from the Western Hemisphere, and the greater part of that from Mexico. The only substantial effect of the enactment of the pending bill will be to injure China and Mexico. It would leave our great monetary problem untouched; just to the extent that 70,000,000 has a ratio of 3,500,000,000, that is 2 to 100.

Mr. President, in the coming years the boundary line between Canada and the United States, on both sides of which are fidelity and friendship, would be one of the greatest assets the American people could have. Equal to that would be the same kind of a boundary line between Mexico and the United States, and the same kind of relationship of esteem and confidence.

I repeat, we owe a tremendous debt to the Mexican Government and to the Mexican people, and I for one am unwilling to vote for a partial solution of our monetary problem which to no appreciable degree would help to solve that problem, but would be a devastating blow at a neighbor to the south of us, a smaller country whose good helper we should be, and whose friendship and fidelity we may earnestly desire and need in the coming years.

I know that very often this type of argument does not fall very well upon the ears of public leaders. When a Versailles treaty is made or a war settlement is reached it is easy to be harsh, but the day of reckoning generally comes. So, as far as I am concerned, I would rather have the friendship and the fidelity and the neighborly affection of the people of Mexico than a great flotilla of warships or armadas of airplanes. I know of no way, at this time, of more greatly injuring the hope for that sort of relationship than the enactment of this particular bill. I am, therefore, in opposition to it and will cast my vote against it.

Mr. BARKLEY. 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	Danaher	La Follette	Schwartz
Ashurst	Davis	Lee	Schwellenbach
Austin	Downey	Lodge	Sheppard
Bailey	Ellender	Lucas	Shipstead
Bankhead	Frazier	McCarran	Smathers
Barbour	George	McKellar	Smith
Barkley	Gerry	McNary	Stewart
Bilbo	Gillette	Maloney	Taft
Bridges	Glass	Mead	Thomas, Idaho
Brown	Gurney	Miller	Thomas, Okla.
Bulow	Hale	Minton	Thomas, Utah
Burke	Harrison	Murray	Tobey
Byrd	Hatch	Norris	Townsend
Byrnes	Hayden	Nye	Truman
Capper	Herring	O'Mahoney	Vandenberg
Caraway	Hill	Overton	Van Nuys
Chandler	Holman	Pepper	Wagner
Chavez	Hughes	Pittman	Walsh
Clark, Idaho	Johnson, Calif.	Reed	Wiley
Clark, Mo.	Johnson, Colo.	Reynolds	
Connally	King	Russell	

The PRESIDING OFFICER (Mr. LEE in the chair). Eighty-two Senators have answered to their names. A quorum is present.

PROMISES AND THE FOREIGN SILVER PROGRAM

Mr. TOWNSEND. Mr. President, the junior Senator from Utah [Mr. THOMAS], in his speech on silver, took exception to the statement in Senate Report No. 1332, that the Silver Purchase Act of 1934 has failed to achieve the objects which its sponsors promised. He objected, in particular, to some of the promises cited in quotation marks in point 6 of the report. He expressed doubt that such promises had ever been made in connection with advocacy of silver buying. I am not surprised that those arguments now appear unbelievable to the Senator. They were fantastic. They are fantastic. Yet they were made.

The argument about the maldistribution of gold, to which the Utah Senator referred, is to be found strewn liberally through the hearings held on silver in the early 1930's. See, for example, the House Coinage Committee's hearings, The Effect of Low Silver, dated 1932. Or see the various pamphlets on silver published about the same time by Mr. F. H. Brownell, of the American Smelting & Refining Co. In the Coinage Committee's printed hearings for 1932 (72d Cong., 1st sess., hearings before the House Committee on Coinage, Weights, and Measures on H. Res. 72, The Effects of Low Silver), there is published as an appendix a statement entitled "The Study of Silver." In this statement a special section is devoted to the subtopic, Relation of silver to maldistribution and hoarding.

Then there was the promise—now rightly derided by the Senator from Utah—that buying silver would cause tariff restrictions to vanish. That argument was not invented for the sake of Senate Report No. 1332. It was an argument

actually used in the silver campaign. It was made by no less distinguished a person than the late Speaker of the House, Hon. Henry T. Rainey. (See For Silver Money, Paris, September, 1934.)

Another promise made by advocates of the Silver Purchase Act was that it would bring prosperity to China and the China trade. Senate Report No. 1332 quotes such a promise as follows: "enabling China to 'buy our bathtubs, our shoes, and our shirts'." The Senator from Utah expressed doubt that such a fantastic argument was ever used in connection with silver. He thinks it must have been used in connection with some other subject. But no; he is mistaken. It was used in connection with silver in a hearing on the subject before the House Committee on Coinage, Weights, and Measures, by a witness introduced by the committee chairman as one of America's best authorities on finance, and one whose great public influence in bringing about the enactment of the Silver Purchase Act of 1934 is a matter of public record. I refer to the Reverend Charles E. Coughlin, of Royal Oak, Mich. For the exact quotation, I refer the Senator from Utah to the Coinage Committee's printed hearings for January 15, 1934, page 63. In the hearings (73d Cong., 2d sess., House Committee on Coinage, Weights, and Measures, Gold Reserve Act, H. R. 6976, pp. 63–64), the witness testified:

> Now, that is one point to bear in mind, India and China cannot buy our bathtubs, our shoes, our shirts, our wheat, our automobiles, and our copper pipe, because if they attempted to do so, instead of paying one dollar for wheat, India would be obligated to pay four in their money; they cannot afford to trade with us.

Mr. President, for the information of Senators on the subject of just what was promised by the advocates of silver buying prior to the enactment of the Silver Purchase Act of 1934, I send to the desk a memorandum entitled "Contentions of Silver Advocates Prior to Passage of the Silver Purchase Act of 1934," by Herbert M. Bratter, and ask that it be printed in the RECORD at this point.

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

CONTENTIONS OF SILVER ADVOCATES PRIOR TO PASSAGE OF THE SILVER PURCHASE ACT OF 1934

(By Herbert M. Bratter)

Below are briefly analyzed the principal arguments employed by advocates of silver prior to passage of the Silver Purchase Act of 1934. Not a few of these arguments and contentions, it may be observed, were the same as were used in this country in the 1880's and 1890's, when silver was not so generally rejected as was the case in the early 1930's.[1]

The arguments are here examined from an objective and nonsectional viewpoint. The writer's criterion is simply the greatest good for the greatest number of Americans. The arguments and contentions are examined on their face value, without questioning the motives of those who conducted the campaign for silver. Yet it needs to be recorded that the more prominent protagonists of silver included not only earnest "old-fashioned bimetallists" and persons who firmly believed the depression could be cured simply by monetary measures, but also persons financially interested in the mining and smelting of silver, in the purchase and sale of silver bullion, or in the trade with silver-producing and so-called silver-using countries of the Far East. Had the public appreciated the fallacies and weaknesses of the silver arguments, no silver legislation would have been enacted in 1933 and 1934.

The arguments and contentions made for Government purchases of silver in the 1930's were centered on the existing economic depression. They covered a wide range of appeal, ranging from complicated and often highly misleading formulas on the one hand to unsupported assertions or mere appeals to emotion on the other. The latter were doubtless as effective in their own sector as were the former in theirs and, although difficult to analyze, they are nonetheless worth listing. For convenience, the principal silver arguments may be grouped as follows: (A) Arguments related to the monetary aspects of the depression and inflation; (B) arguments specifically involving bimetallism or symmetallism; (C) arguments related to stabilization of international rates of exchange; (D) arguments pertaining to the purchasing power of the Orient; and (E) appeals to sentiment or emotion.

[1] With changing circumstances the silver bloc in Congress has changed its tactics and its arguments. Its contentions in 1938 to 1940, markedly different from those of 1930–34, are not examined in this monograph.

For the history of the present silver legislation and an analysis of its effects, see Herbert M. Bratter, The Silver Episode, in the Journal of Political Economy (Chicago), October and December 1938, and testimony before the Senate Committee on Banking and Currency, April 19, 1939, hearings, To Repeal the Silver Purchase Act of 1934 (76th Cong., 1st sess., pt. 1, pp. 17–62).

(A) INFLATION ARGUMENTS FOR SILVER

During every general business depression, American history teaches, demands for expansion of the currency develop. The more intense the depression the stronger are the demands that the supply of currency be expanded. Usually inflationists request paper money. But there are always some who incline to inflation by means of silver—either its full remonetization or the use of an increased amount of the metal in our monetary system. Such use of silver, they feel, will raise commodity prices and thereby help terminate the depression. As the last depression developed, the ranks of silver advocates in the mining areas were swelled by many who became convinced that there was a shortage of gold, that the "appreciation of money" was more than just a symptom of the depression, and that the solution was, therefore, simple and easy—to increase the supply of "basic money."

The shortage-of-gold theory, as exemplified by the pamphlets of Mr. Francis H. Brownell, of the American Smelting & Refining Co., gained many adherents. The quite widespread assumption that there was a shortage of gold was, to say the least, a very controversial point. In 1930 the League of Nations' gold delegation had, it is true, predicted a decline in the production of new gold. Although the prediction was so shortly to be disproved by events, it was, nonetheless, persuasively employed by some silver advocates. "Shortage of gold" became a prevalent conception, and silver was suggested as a useful substitute for the yellow metal.

The argument that the incorporation of silver in the monetary system would remedy the depression is thus essentially "monetary" in its appeal. Its error lay in assuming a nonexistent shortage of gold and in considering the cause of the economic depression to have been monetary. The preponderant opinion among economists who have studied that important question is clearly to the contrary. That the general public found the argument plausible, however, is not difficult to understand. People reasoned: "Since money is scarce, why not get the Government to increase the supply?" The inflationists of 1930 reasoned exactly as did those of 1893 and 1873; they were for silver because they sincerely believed its coinage would bring more money into being and so restore prosperity. They did not realize that the United States then held plenty of gold, nor could they foresee that we would shortly devalue the dollar and so "increase" our gold stock by 69 percent.[2]

The shortage-of-gold advocates of silver, we should further observe, made no distinction between the situation in countries practically denuded of gold and countries like the United States with plenty of gold to meet all requirements. The world's total supply of monetary gold during the depression was not smaller but actually was larger than in prosperous 1929. In the depression years the Occident's centralized gold stock was being rapidly increased, owing to the outpouring of hoarded Indian gold and to increased mine production, induced by the fall in mining costs. The use of gold in hand-to-hand circulation was diminishing. Revaluation of gold by country after country, moreover, was equivalent to a huge additional increase in the world's monetary stocks of the metal. Indian gold dehoarded from 1931 to 1933 alone amounted to over $1,000,000,000. Revaluation, moreover, was certain to stimulate the production of new gold throughout the world.

Apart from these changes, if the stock of gold was obviously sufficient to support a high price structure prior to 1930, it was certainly large enough—even without the new additions mentioned—to support the sadly deflated structure of 1930 and subsequent years, when prices were so much lower and the volume of business so much smaller. (Early in 1933, when the silver campaign was in full swing, the United States' stock of currency was 30 percent greater than in 1929, while the physical volume of trade was 48 percent smaller.[3] We were doing only 52 percent as much business as in 1929, and this at prices 30 percent lower, but with 30 percent more currency outstanding.) It follows that our gold stock was more than adequate for our needs, and offered ample basis for monetary and credit expansion whenever the growth of business should require it. It was therefore quite erroneous to argue for currency expansion on the grounds of insufficient monetary reserves. Reduction of media of exchange in circulation does not mean "shortage" of ways to utilize the existing monetary reserves more efficiently.

The expression "maldistribution of gold" is frequently encountered in prosilver literature of the early 1930's. It refers to the concentration of a large proportion of the world's stocks of the yellow metal in the United States, France, etc. This disproportionate accumulation was in large measure attributable to the economic disequilibrium of the times and so was a symptom of the depression, not its cause. There were, it is quite true, various countries which economic forces had denuded of their monetary stock of gold; but these countries were not silver-holding countries, and the argument that silver would be a substitute for gold was certainly of little interest to them. Remonetization of silver could not help such countries, since they neither possessed stocks of silver nor any means to acquire it. To buy silver abroad they would have found as difficult as to reacquire gold. For either purpose they lacked the necessary foreign-exchange resources. Such resources are built up only by a so-called favorable or export balance of trade, visible and invisible. The argument that United

[2] While the silver agitation was attaining its maximum pitch, under the stimulus of the broadcasts of the Reverend Father Coughlin, but prior to passage of the silver-purchase bill, gold was revalued by authority of the act of January 30, 1934.

[3] Hoarding of currency and velocity of circulation should also be taken into account.

States Treasury purchases of silver would serve to remedy such a shortage of gold in the Occident was quite mistaken, as has since been demonstrated.[4] Nor was it demonstrable that the exchange of American gold for foreign silver would be in the best interests of the United States. Yet many Americans must have been convinced by the shortage-of-gold argument for silver.

The inflation theory that the issuance of silver currency would supply an otherwise unsatisfied demand for money appealed to many who did not realize that our currency and credit system was already such that it could automatically expand whenever the growth of business activity demanded. So long as businessmen could offer satisfactory security they could readily borrow from the banks, and such borrowings were always convertible upon demand into currency, if so desired.

It is of course a mistake to think of bank notes and coin as constituting our only circulating medium, and to overlook the part played by checking deposits.

Up to a certain point, determined by the demand for currency, the issuance of silver serves no useful purpose at all, being in fact a needless expense because other and much cheaper forms of currency are available. Beyond the "saturation" point, however, the issuance of silver would be inflationary, or at least destructive of confidence, and, therefore, dangerous. In any case, if inflation of the currency be regarded as something desirable, there are much cheaper ways of accomplishing it than through the needless purchase of silver and issuance thereagainst of silver certificates.

Unless done to excess, the issuance of nonretirable silver certificates does not result in expanding the total currency in circulation, but merely in substituting a rigid element for a flexible element in our currency. If currency inflation be regarded as desirable, it may be achieved by revaluing gold more quickly than by purchasing silver.

A typical silver-as-inflation appeal in the early 1930's was the assertion: "Remonetization of silver will, at no cost, relieve the taxpayer of part of his burden."[5] Space does not permit examination here of the evils of inflation. Suffice it to observe that inflation is an invisible tax collector. By reducing the value of money, it taxes everyone who depends upon a fixed money income and in time that means that practically everyone is adversely affected. The taxpayer, therefore, is not aided by silver inflation. Silver producers are the ones helped, and the benefit to them comes not out of the thin air but from the pockets of the rest of the people. This fact is inescapable. If the silver acquired is foreign metal, American exporters of merchandise will tend to benefit as the foreign silver sellers dispose of their dollar balances here, buying our goods or services. But the benefit to the American merchandise exporter, like that to the American silver miner, can be gained only at the expense of the Nation as a whole.

A different type of argument connecting silver with the depression runs as follows: "Silver is a key commodity; by raising its price we will lift the whole commodity price level." This viewpoint was quite widely disseminated, particularly through the influential Coinage Committee hearings in 1932. Although it was not supported by the facts, many were persuaded of its force. The statement is still encountered from time to time, despite the demonstration of its invalidity afforded by events subsequent to initiation of our heavy silver-purchase program.[6] Witness, for example, the following typical version of it as presented to the Senate on May 2, 1935, by Senator ELMER THOMAS, of Oklahoma: "When silver was selling at 81 cents an ounce, wheat was selling at $1.02 a bushel. Last year wheat was selling at 95 or 96 cents a bushel. That explains the situation." Mr. René Léon, during the abovementioned hearings, pointed out that rises (or declines) in wholesale commodity prices in the United States were frequently preceded by rises (or declines) in the price of silver. Because the one had preceded the other, Mr. Léon reasoned, it must have caused the other: Post hoc, ergo propter hoc. Actually, this type of reasoning is quite fallacious. The reason the price of silver tended to anticipate general commodity price movements was simply that silver was a very sensitive commodity. Enjoying an international market traded in by banks and speculators, and performing in China the functions of an international exchange medium, silver naturally reflected the course of economic conditions more rapidly than could an unwieldy index based upon nearly 800 varied and often highly sluggish commodity prices. To the uninitiate, the charts Mr. Léon displayed before the committee and published in its hearings must have seemed convincing. The fact is that silver was, and still remains, an insignificant commodity, both in the world as a whole and in the United States, which is the world's second largest silver-producing country.[7] The burden of evidence is very much against the contention that silver is a key commodity.

Speculative commodities like silver, wheat, cotton, etc., often display temporary sympathetic action in the direction (not necessarily in the degree) of their day-to-day movements, especially during times of inflation agitation. But, more often, special circumstances govern even the temporary movements of sensitive, speculative commodities. The above-mentioned reference to the increase of the price of silver from an average of about 44 cents in January 1934 to 70 cents at the time of the Senator's speech (and to 81 cents during the interval) was due to speculation and to United States Government purchases of the metal. The much more moderate percentage change in the price of wheat cited by the Senator was due chiefly to factors directly affecting the agricultural situation, and had no connection with silver beyond possibly a momentary speculative affinity.

From the foregoing type of prosilver assertion it is only a step to such sweeping statements as "Restoration of silver will end the depression," or "Failure to improve the value of silver by remonetization may jeopardize and possibly wreck our civilization in the not remote future,"[8] or "Remonetization of silver would result in buoyant markets everywhere; it is a world-wide specific for the ills which have befallen all nations."[9]

There was, however, no evidence at all that the promised results would follow remonetization of silver, whether on a national or international scale, unless "buoyant markets" means the disturbing speculative adjustment to new conditions. Certainly, the effects of America's silver-purchase program since 1933 have thus far failed to even mildly substantiate the second part of the above assertion.

Other panacea arguments for silver include the following: "Recognize silver and tariff restrictions will vanish."[10] It is difficult to conceive of any basis for this claim, for there is hardly any remote connection between silver and the tariff question, unless it lie in the congressional arena, where, at one time during the last century, there existed a close liaison of the logrolling type between the spokesman for silver and the tariff.[11] The panacea idea also characterizes the Bimetallic Association's claim that "the people's purchasing power can be restored only by restoring silver to its usefulness as money."[12] To suggest that prices can be raised only through the costly and cumbersome silver acquisitions is quite unconvincing to thoughtful persons. This argument, like many others, oversimplified the causes of the depression. Not merely was silver not a major cause of our depression; it had hardly the remotest causal connection with it. In any case, with the depreciation of the dollar in 1933 and January 1934, any vestige of excuse for inflation via silver had been removed prior to the passage of the Silver Purchase Act of 1934.

Insofar as the various arguments cited above are related to the economic depression they hold forth the supposed prospect of simultaneous benefit to the country as a whole by way of the currency. Another line of appeal for the use of silver in terminating the depression was focused upon the economic status of silver producers and holders of silver here and abroad. Two examples of this line of reasoning may be selected:

"Higher silver will stimulate business in the Western States, and so restore prosperity to the country"; and "To reestablish entire confidence in silver would increase the purchasing power of vast numbers of its holders."[13] The first of these arguments is easily dissipated by an examination of the pertinent statistics. The statistics show that silver is too unimportant an item in the national welfare. Even within the seven States which produce nearly all our silver, the mining of that metal yields only a fraction of their income. The products of their farms and forests are much more important. Silver in 1933 constituted less than 7 percent of the value of those States' mineral production and was equivalent to less than 3 percent of the value of their farm income.

In the eight States which produced over 96 percent of this country's silver in 1937, silver accounted for only 1.6 percent as much income as did other minerals and farm products. Of total accountable income received by these eight States in 1937, silver—valued at the subsidy price of over 77 cents—comprised only 0.62 of 1 percent, and in no one of the eight States was it as much as 7 percent of the total income.

Let us now examine the second of the two arguments just quoted. If confidence in silver were reestablished among nonholders of the metal, the statement would be true, for then the holders of silver could sell it to others and the purchasing power of the former would thereby be augmented. Unfortunately there

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[4] For a discussion of the relation of gold and silver stocks to the price level, see Arthur D. Gayer, Monetary Policy and Economic Stabilization, passim.

[5] Secretary of Bimetallic Association of Denver, in the New York Times, October 16, 1933.

[6] Cf. Silver, hearings before a Special Committee on the Investigation of Silver, U. S. Senate, 76th Cong., 1st sess., Washington, 1939, pt. 4, p. 141, and passim.

[7] As to the unimportance of silver—even in the United States, the world's second largest silver producer—see To Repeal the Silver Purchase Act of 1934, hearings, op. cit., pp. 23–31.

[8] Sir Montagu deP. Webb, a bimetallist of Karachi, India, whose writings on the subject were circulated in the United States by silver advocates.

[9] Edward Tuck, well-known bimetallist, writing in Scribner's magazine, January 1934 and March 1935. Concerning the unimportance of silver, see To Repeal the Silver Purchase Act of 1934, hearings before the Senate Banking and Currency Committee on S. 785, April 1939, pp. 18–62.

[10] Hon. Henry T. Rainey, Speaker of the House of Representatives, quoted in For Silver Money! (Paris), September 1934.

[11] For evidence of this given by Senator Teller of Colorado, see Charles J. Bullock, The Monetary History of the United States, p. 114, f. 3.

[12] Bimetallic Association, Denver, Colo., in hearings before Committee on Finance, United States Senate, February 6, 1932, p. 37. Senator WHEELER made the same sort of statement when he wrote in Liberty (Oct. 22, 1932): "There is only one radical remedy for our trouble." See also Sir Montagu deP. Webb in For Silver Money! (Paris), September 1934.

[13] John Ford Darling, quoted in For Silver Money! (Paris), September 1934.

is no way of artificially reestablishing confidence in silver on the part of nonholders (other than the American Government) and of thereby increasing the purchasing power of the silver holders. Even if it were possible to do so, a question naturally suggests itself, namely: If the purchasing power of silver holders is increased without their having created an equivalent amount of new wealth, is it not true that their gain in purchasing power is at the expense of those who will have taken over their silver at an artificial price? And if this be the case, what interest have nonholders of silver in transferring purchasing power from themselves to silver holders?

(B) ARGUMENTS FOR BIMETALLISM AND SYMMETALLISM

The foregoing discussion has dealt with the implications of various arguments urging increased monetary use of silver, but without fixing the price of silver in terms of gold. Let us not consider the suggestions that bimetallism be adopted either by this country alone (national bimetallism) or by international agreement (international bimetallism). Among the characteristics of bimetallism is the provision that silver may be converted by its holder into currency (free coinage) without maximum limit as to amount and on such a basis that its price, in terms of currency and of gold, does not vary. In other words, under bimetallism the government or governments concerned undertake to establish a market for silver and gold at a fixed ratio, e. g., 16 to 1. The advantage which such an arrangement would confer upon silver producers is obviously that of an unlimited market and a guaranteed price.

With reference to bimetallism, at this point it suffices to recall that the silver controversy of the 1890's centered directly on the proposal that the country return to bemetallism. The controversy reached its height in the election of 1896, and thereafter, as we have seen, died down. The revival of silver agitation in the early 1930's gave rise to arguments for the readoption of bimetallism, but in many cases, the latter were in reality just arguments for the greater employment of silver and gave no attention to the chief aspect of bimetallism, a fixed ratio between silver and gold. In other words, the expressions, "remonetization of silver" (meaning the making of silver once more a standard of value) and "restoration of silver" (which in many cases meant merely restoration of a higher price for silver) were often interchangeably used.

Prominent among the arguments made for bimetallism were statements that we should return to it "because it worked successfully during a large part of the last century"; that it "would give us a more stable standard of value"; that it offers a "safe form of inflation"; and that it "will stabilize the exchanges." [14]

The world is not without experience with the weaknesses of bimetallism. The assertion that the system worked successfully in the nineteenth century is not well founded, for we know that bimetallism broke down. Bimetallism was never in universal use. Had it been universally adopted, it still probably would have broken down, as did the gold standard in recent years.

Nineteenth century bimetallism had its chief support in France, where it was maintained for 70 years from 1803 to 1874. The changing market ratio of silver and gold characterized periods of years during which one of the two metals was moving into France, while the other metal was moving out, or vice versa. Since the world market ratio constantly fluctuated, the maintenance of a fixed ratio in a bimetallic country meant that at most times either one or the other metal was overvalued there. For example, in 12 years between 1803 and 1820, silver could be obtained for gold more cheaply within France than outside; hence gold flowed into France and silver flowed out.

Due to this factor, bimetallic countries tended to find themselves moving alternately—as the market ratios changed—toward de facto gold or silver monometallism. A good example of this was the United States itself, which legally had bimetallism from 1792 to 1873.[15] Actually, the mint ratio was for a time sufficiently out of line with the market ratio, so that gold tended to leave the country. Within a few years after the change in our mint ratio in 1834, silver became undervalued, and silver dollars disappeared from circulation.[16]

Turning from its internal to its international aspects, we find that under bimetallism the world's exchanges were not stable. The alternate fluctuation in silver and gold production, always present, as well as other factors affecting their relative values, would make it difficult successfully to operate bimetallism today, just as they made it difficult in the last century. There is no "scientific" lasting ratio between silver and gold which would hold for long. The selection of any fixed ratio would of necessity involve an arbitrary choice.

Certain general objections to the large-scale use of silver in the monetary reserves apply also to bimetallism. The bulkiness of silver compared to gold renders it unsuitable for hand-to-hand circulation in other than fractional denominations, as American experience with the standard silver dollar has proved. Silver's bulkiness is equally an obstacle in its use in bank reserves or for the settlement of international balances. Since the metal today is not acceptable for such purpose in leading countries, true international bimetallism is unattainable. In the light of this well-established fact, for a single country to undertake national bimetallism would be merely to undertake an unprofitable philanthropy for the benefit of silver producers and holders, without even the hope of success. Were international bimetallism temporarily achievable, it would nonetheless break down with every major disturbance in the relative international distribution of monetary silver and gold. The causes of the break-down of the gold standard similarly would have worked to cause the break-down of bimetallism.

Rightly or wrongly, moreover, the public generally places no confidence in bimetallism. This is sufficient reason for our not turning to it.

Another objection to bimetallism which developed in the international monetary conferences of the last century, is that bimetallism in reality sets up simultaneously two standards of value. To attempt to use two variables as interchangeable standards of value is contrary to logic.

The belief that bimetallism would eliminate exchange confusion and instability was held in various quarters. Thus: "To remove the present exchange confusion requires a metallic, international unit of value; this, bimetallism will supply." Obviously, the gold standard offers a "metallic, international unit of value" just as much as does bimetallism. For bimetallism to work satisfactorily, it would be necessary for all nations to have a sufficient supply of both gold and silver to see them through the downswings of the business cycle and adverse balances of trade. Furthermore, it would be necessary for all countries to follow uniform practices with regard to money and credit, since marked differences in the use of the gold and silver would tend to break down an international bimetallic system. For example, the supply of United States dollars of all kinds (currency, bullion, and bank deposits) is considerably larger than our supply of gold. Normally, our internal monetary and credit policies exert a tremendous influence on the commodity value of gold the world over. In other words, gold is only the "tail," and the dollar is the "dog."

As we have had adequate occasion to note in recent years, the exchange instability that drives currencies off a metallic base has its roots in maladjustments of balances of international payments. These maladjustments are the result, for example, of over-expansion of production of given commodities, of wars, or of arbitrary political action illustrated by bilateral trade agreements, import quotas, exchange control, and similar evidences of nationalism. Clearly such basic instability would not have been avoided and would not be remedied by a resort to bimetallism or to any other monetary standard. Even if the nations possessed an adequate supply of silver and gold in adequate proportions, in the face of the nationalism which now characterizes the world it would be impossible to get them to agree to stabilize the exchanges on the basis of bimetallism, the gold standard, or any other rigid system. But, they do not today possess the necessary silver and gold. With the best will in the world, to establish bimetallism now would require redistribution of the world's stocks of silver and gold. Who would finance such redistribution?

There was also the argument that bimetallism would offer us a more stable standard of value for internal purposes. It was argued that if we use two metals in fixed ratio instead of one, the risk of fluctuations in their joint value is less than in the case of one metal; that if one of the metals appreciates in value there is at least the chance of compensation in the movement of the other.

That "two commodities are more stable than one" is not self-evident with reference to gold plus silver. In any event, cannot the end sought be approached by other means than the use of silver? The instability of the value of gold is universally admitted. But it remains to be demonstrated that silver is less unstable than gold. If we adopted bimetallism or symmetallism the new monetary demand for silver might eventually result in greater stability in the value of silver than now obtains. In such a case the stability would result from the adoption of bimetallism or symmetallism. This is not the same as the argument that we should incorporate silver in our monetary system because it will bring an added element of stability. Between 1890 and 1931, when admittedly the leading countries were completing the establishment of the gold standard and the abandonment of the silver standard, the purchasing power of silver in terms of other commodities (not the price of silver in terms of gold), declined without major interruption.[17] This decline was in part due to the abandonment of silver. Had silver not been so abandoned as a monetary metal, its value would have been less unstable during the period referred to. But the facts being what they were, silver from 1890 to 1931 was a less stable metal than gold. If gold be not an ideal standard of value, there is no evidence to show that silver is a better one, in which case there is nothing to be gained by adding silver to our gold reserves. As a reserve material gold is much better than silver. To illustrate the preference for gold, during our banking crisis of 1932–33 the people hoarded gold, not silver. In settling international balances, gold, not silver, is the metal creditors want.

To add to our monetary reserves a cumbersome metal, difficult to dispose of, and especially to acquire it at a cost far in excess of its realizable value, is simple waste. It is unfortunate that we embarked upon precisely such a wasteful process.

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[14] Cf. Senator BURTON K. WHEELER in Liberty (Chicago), October 22, 1932.

[15] In fact, however, from 1814 to 1817, and again from 1862 through 1878, the United States was on a fiduciary standard.

[16] The premium on gold was not sufficient during most of the period following 1834 to warrant the melting or exporting of fractional silver coins.

[17] See charts in Herbert M. Bratter, Silver Market Dictionary, pp. 115–116, or The Silver Market (U. S. Department of Commerce, T. P. S. 139), p. 29. In 1890 the price of silver adjusted to the wholesale price level of the United States was equivalent to $1.87 per ounce; in 1931 it was equivalent to less than 41 cents. There are very good reasons to suppose that the value of silver would have declined further in the period following 1931 had not the agitation to do something for silver become marked.

There is reason to believe that some members of the Roosevelt administration favored the London silver agreement and the Silver Purchase Act mainly because they felt that the stability-of-silver argument had weight. Thus Prof. George F. Warren, a prominent member of the President's "brain trust," subscribed to this view in 1933 when he asserted:

"By adopting bimetallism or symmetallism it is possible to set any price level that is desired. If silver is remonetized, it should certainly be done by symmetallism, as proposed by the great English economist, Alfred Marshall. This proposal is now receiving considerable attention in England. It is very simple. Instead of having a dollar exchange for 23.22 grains of gold, it would exchange for some given weight of gold plus a given weight of silver. Since two commodities are more stable than one, and since silver production is less erratic than gold production, such a money would be more stable than gold. If once established, it would work in the same way in which the gold standard works, except for greater stability." [18]

The "considerable attention" being received by the subject of symmetallism in England was definitely not of any influence in the formulation of Great Britain's monetary policies.

We have noted the arguments that bimetallism is a "safe" form of inflation because it is not capable of indefinite expansion and an "honest" form of inflation because it has value behind it. As to this claim, any inflation tends to weaken confidence in the currency and hence is not "safe." [19] If, at the other extreme, it is intended that we should limit the volume of money rigidly to the amount of gold and silver on hand, it should be observed that we would be introducing an element of weakness through sacrificing elasticity. Since we had been experimenting with inflation on a huge scale and had revalued our gold stock by almost 70 percent, it was certainly unnecessary to turn to silver in 1934.

It was perhaps not without significance that all the proposals of the early 1930's to establish bimetallism suggested a ratio of silver to gold far out of line with the then existing market price of silver. All such suggestions would have raised the price and the purchasing power of silver. It is very apparent that the more persistent advocates of bimetallism in the years mentioned were men whose personal or political fortunes directly or indirectly benefited as the price of silver should be improved and as the market for silver should be broadened. This is not to imply that there were not also sincere bimetallists with no financial or political interest in silver. But it is very interesting to observe that, following passage of the Silver Purchase Act of 1934, very little further demand for bimetallism was heard. It seems safe to conclude that the demands for remonetization of silver at some artificially high ratio were mostly demands for a redistribution of wealth not obviously in the general public interest—a distribution from the general public to silver holders and producers.

(C) ARGUMENTS RELATED TO EXCHANGE STABILIZATION

Distinct from the specific subject of bimetallism and exchange stability was the argument that any large silver-purchase program would make for exchange stability. Some based their reasoning on the statement that our purchasing of foreign silver would serve to redistribute a large part of the world's gold reserves. Others curiously reasoned that our acquisition of a large stock of silver, as well as (not instead of) gold, would enable us to dictate the terms of currency stabilization.

The gold-distribution argument referred to apparently assumed that we ought to redistribute our stock of gold, regardless of the cost to ourselves. It was very effectively used in the silver campaign, and even later it was sometimes offered as justification for our silver purchases.[20] We could exchange gold for more useful things than silver by reducing import tariffs. Actually, despite our large silver purchases, the gold stock of the country has increased greatly. If we grant that, with silver not a standard of value here, American silver purchases tend to keep out gold which would otherwise enter the country, it follows that, in so doing, they tend to interfere with an automatic broadening of the monetary base—an effect just the opposite of the inflationary influences which many persons sought in the purchase of silver.

The suggestion that by denuding the world of a large part of its silver and gold we could force currency stabilization on our own terms was a curious one. It would have been much more logical to argue that our accumulation of the two metals would merely more solidify the already widespread managed-currency movement abroad. The influence of our silver purchases in China's adoption of a managed currency is apropos of this point. That our possession of a vast hoard of silver could ever wean Great Britain or France from their disinterest in the white metal or could encourage them to stabilize when they were unwilling was a hope foredoomed to disappointment.

Nonetheless, there are some who have described our silver policy as a club over the head of the British. Senator THOMAS of Oklahoma, for example, was quoted as urging us to "line up Mexico, Canada, and the South American silver countries, etc., * * * we could lend those countries gold or silver, fix up a stabilization arrangement, and then Great Britain would have to come our way." In support of the club-over-Britain argument it was held that: (a) The buying of foreign silver makes for depreciation of the dollar in terms of sterling and appreciation of the pound vis-à-vis the dollar; (b) through the "ruppee ratio" our silver program might yet bring Britain to do our bidding in the matter of currency stabilization; (c) an alternative variation of this argument was that our ability to let the price of silver drop was a weapon against Britain.

As to (a), unless the silver purchased abroad is purchased from a country in the sterling area, the argument certainly does not apply. Even where silver is purchased in the sterling area, the argument does not entirely apply unless the silver is a product of the sterling area. To illustrate, if we buy Mexican or Chinese silver in London, even though such silver has been held in London for some time, our action in part simply counterbalances the effects which the previous British purchase of that silver had on British exchange. Only to the extent of the British profit, if any, on the silver concerned, does the British exchange rate benefit from our purchase of that silver. The idea that, through our silver purchases, we could force an appreciation of the pound was indeed naive. One need only reflect that any country can, with the greatest of ease, depreciate its currency at will.

The unreality of argument (b) has been examined elsewhere.[20a] Here we need merely note that, excepting in the Anglo-Indian trade, the rupee exchange ratio is not a really vital matter to the British. To them the rupee is distinctly a very subordinate matter when compared to the pound sterling itself.

The suggestion (c) that our Treasury's opposite policy of December 1935, a policy of letting silver decline sharply in price, was another club over Britain's head was equally unrealistic. It is hard to conceive that anyone should have believed that a decline in the price of silver would cause the British to do our bidding in the matter of international currency stabilization.

(D) PURCHASING-POWER-OF-THE-ORIENT ARGUMENT

The arguments to the effect that our export trade would greatly benefit by increasing the price of silver played a most important role in building up sentiment favorable to the passage of the Silver Purchase Act of 1934. "Raise the price of silver, which is the Orient's only standard of value," we were told, "and thereby increase proportionately the purchasing power of hundreds of millions of people in the Far East." The argument took various forms, often including not only silver-standard China and Hong Kong and sterling-exchange-standard India but also South America, Australia, Mexico—erroneously presumed to be on the silver standard—"half the world," "three-quarters of the world," and even "four-fifths of the world's population." [21]

Another example is the following, quoted from a long letter from the secretary of the Bimetallic Association of Denver to the editor of the New York Times (published October 22, 1933):

"I am among the financially illiterate who want to know why the purchasing power of the Chinese has not been cut into less than one-third when we say their ounce of silver is worth 38 cents in our money, although our dollar, with less than 1 ounce in it, is worth 100 cents. I have been talking with Chinese merchants who know quite a lot about Chinese purchasing power. Many small articles that sold for 10 to 50 cents manufactured here were very popular with them, but they could not and would not pay 50 cents to $2 for them, silver being under 30 cents at the time of the talk."

Copious additional versions of the purchasing-power-of-the-Orient argument for raising the price of silver may be found in the speeches, articles, etc., of Senators Borah, Thomas, Wheeler, and Pittman, of Father Coughlin, René Léon, Raymond Moley, Sir Henri Deterding, and high administration spokesmen both in the Hoover and Roosevelt administrations.

Some of the same men who vigorously urged the above argument later urged us to raise the price of silver for a different reason; namely to prevent the development of oriental manufacturing industries. (See, e. g., Senator WHEELER in CONGRESSIONAL RECORD of January 27, 1934.) Both this and the main argument here under consideration, be it noted, were designed to enlist support of the export trade in the cause of silver.

It was, of course, true that the quotation of the currency of a silver-standard country—although not necessarily its purchasing power—increased when the price of silved increased. Accordingly, many persons interested in the trade with Asia, Mexico, etc., as well as others who favored any action which would stimulate international trade, were convinced by the apparent merit of the reasoning quoted above.

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[18] From Professor Warren's paper, Stabilization of the Measure of Value, published by the Committee for the Nation.

[19] This and following objections, it goes without saying, are as much objections to silver expansion in any form as objections to bimetallism specifically.

[20] For example, one commentator was quoted as saying that the silver program is "virtually the only current means available for shoving into world trade part of the massive gold hoard of this country" (The New York Times, December 25, 1935). A different statement of the same argument is given in Handy & Harman's Twentieth Annual Review of the Silver Market.

[20a] Hearings, To Repeal the Silver Purchase Act of 1934, op. cit., pp. 56–57.

[21] A good example of this argument is to be found in Senator BURTON K. WHEELER's radio address of December 28, 1932 (S. Doc. No. 158, 72d Cong., 2d sess.). Silver remonetization would "quadruple the purchasing power of untold millions of people * * * of the Orient, Russia, and South America." (Where the arguments referred to "the Orient" we may conservatively read "China.") The Reverend Charles E. Coughlin's radio address of December 3, 1933, contains the assertion that "four-fifths of the world's population [is] now using silver as its medium of exchange."

The most conspicuous error in statements identifying oriental purchasing power with the fortunes of silver was, of course, the inclusion of India, Mexico, South America, Australia, and New Zealand, etc., in the category of silver-standard countries whose currency would rise in keeping with a rise in the price of silver. The fact was that for many years the silver standard had not existed in Mexico, India, Australia, South America, etc. In 1929 and 1930, when this argument for silver made its appearance, only China, Hong Kong, and a very few countries of lesser importance maintained their currencies on a silver basis.[22] Strictly speaking, the argument here under analysis should be viewed only in relation to silver-standard countries. Since with the deepening of the depression various minor countries discontinued the silver standard (Siam, French Indochina, Persia), the area to which the argument supposedly applied was being definitely narrowed. Today, for example, there remains no silver-standard nation anywhere in the world, China and Hong Kong having adopted the policy of controlling exchange rates. It is therefore obvious that the sweeping area claimed for this argument for silver was very misleading to the uninformed. The argument, moreover, greatly overestimated the practical potentialities of the Orient in international trade.

A further error was the reasoning that an increase in the purchasing power of a silver-standard country was produced merely by increasing the foreign-exchange value of its currency. For example, consider the argument as it applied to silver-standard China prior to October 1934. For generations the Chinese (as also the Indians) had bought silver out of their savings. The silver had had to come from abroad, and—but for exceptional years of depression—China was long a net importer of silver. The ability of the Chinese to import silver depended upon their ability to sell goods and services abroad. If they sold more goods, their overseas balances (purchasing power) improved, and with it their ability to buy silver improved. By and large, they bought silver regardless of its price, and—so important a factor in the silver market was the demand from the Chinese—it is safe to say that the world price of silver depended in very large measure on "the purchasing power of the Orient," the very opposite of the claim made by American silver producers.

The depression hit China heavily and reduced its purchasing power, so that China was converted from a net importer of silver to a net exporter, but that does not in the least affect the validity of the facts just presented.

Silver advocates should have differentiated between the oversea purchasing power of the Chinese people and the purchasing power of the Chinese monetary unit, the silver yuan. The latter was merely the medium of exchange. It served as a unit of account and did not affect the oversea purchasing power of the Chinese unless and until it was physically taken out of circulation and sold abroad. In the latter event it did add to the purchasing power of the Chinese. But to argue that merely changing the value of the unit in which a country's international business is measured is to increase the quantum of that country's trade was completely misleading. One might as logically have argued that by increasing the size of ore cars we would proportionately increase the output of our mines. Raising the price of silver did increase the value of the yuan, but as a result silver flowed out of China. So difficult did the situation become that China suspended the silver standard in October 1934, and formally abandoned it in November 1935.[23]

Because of China's adverse international trade balances from 1932 to 1935, inclusive, she would have had to export large quantities of silver regardless of the Silver Purchase Act and it is not altogether impossible that this outward flow of metal would in any case have forced China to abandon the silver standard. From this aspect, the Silver Purchase Act may have been far more helpful to China than that country has admitted, by providing a buyer for silver which she might otherwise have had to dump at lower prices, and by thus facilitating her abandonment of the silver standard. This effect, however, was very different from what the sponsors of the Silver Purchase Act promised.

If we regard the American silver purchases as having a stimulating effect on China's imports and on America's exports to China, it should be noted that this involves the transfer of wealth and purchasing power from the United States to China in exchange for a metal that is of no use to us. It is pertinent to ask ourselves whether this is desirable from our own general viewpoint. For one thing, the increased Chinese purchasing power is not earmarked for expenditure in the United States, but may be used in importing goods from Germany, Japan, Great Britain, or any other country. While the purchase of Chinese silver does tend to increase Chinese purchases of American exports—albeit not by increasing the exchange value of China's monetary unit, as was claimed—is the resultant exchange of American products for silver of benefit to us? The products we export to China are consumable goods—hence real wealth—whereas the overvalued silver we get in exchange and impound serves no useful purpose from our national standpoint. Are we not really giving away some of our natural wealth and labor in this process? Is not the purchase of oriental silver merely dollar depreciation under another name?

While China was on the silver standard the argument that the oversea purchasing power of that country increased when the price of silver and the exchange value of China's unit of currency increased seemed plausible because of the fact that, following such increases, a given quantity of Chinese currency would buy more than it formerly would. This was quite undeniable (so long as China maintained the silver standard); temporarily, Chinese importers of foreign goods stood to benefit. But, by the same token, an appreciating Chinese exchange rate made it progressively more difficult for foreigners to buy Chinese goods. So, while one group of Chinese tended to benefit, another group—domestic customers of the first—tended in equal measure to lose. There was thus no net gain.

Reducing the local money income of the export group cannot balance a gain of purchasing power of the import group, which therefore gradually loses its benefits.[24] Moreover, any alteration of the exchange rate, however worthy its object, always entails undesirable price and economic readjustments.[25] Workers become unemployed and must seek new ways of earning a living. During periods of such readjustment, businessmen find it difficult to plan their operations and trade slows down.

Finally, once a readjustment between the importing and exporting classes has been completed, the stimulus which the one or the other group received has worn off and there remains no net benefit, even to the favored group. It should be borne in mind that only a very small fraction of the world's foreign trade was ever accounted for by silver-standard China and "silver-using" India, etc. Of the import trade of 90 countries in 1929, less than 5½ percent was accounted for by "over half the world," represented by China, Hong Kong, India, and Ceylon. China alone accounted for less than 2½ percent of the total. In 1930–32 the share of these countries in world trade was even smaller, reflecting the falling off in Occidental demands for raw materials.[26] Even more significant, the value of foreign trade was and still is an extremely unimportant part of China's total trade: less than 3 percent of the total volume. The serious inconvenience to domestic trade caused by a disappearance of China's currency, therefore, far outweighed any possible benefits of America's silver program to China's import trade. The adverse effects on Chinese trade of the monetary stringency caused by the flow of silver to America is illustrated in scores of official reports from China. For example, the American commercial attaché in Shanghai on June 8, 1935, reported:

"Shanghai trade and industry during May felt decidedly acute effects of the monetary stringency, with the situation accentuated by bank failures. Despite the best exchange rates prevailing in the past 6 years, dealers in a considerable range of staple commodities and manufactured goods are unable to take advantage thereof, due to the shortage of cash, slowness of up-country collections, and lack of bank credit."[27]

A study of Chinese trade statistics over a period of years, both under a falling and a rising price of silver, fails to substantiate the argument that a rising exchange rate produces a net increase in Chinese imports. For example, statistics show, for 1927 to 1935, the changes in the United States exports to China, including Hong Kong and excluding Manchuria, during the periods when silver was declining (1928–32) and when it was rising in market price and purchasing power (1933–35).

In 1935, when there was an increase of 35 percent in the price of silver, and when the value of our merchandise imports from

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[22] The argument is really an old one, and may be found in various reports and articles, notaby in the report of the National Monetary Commission (Washington, 1910), Foreign Exchanges, statement of Mr. Morton Frewen, pp. 9–13. The report cites various American consular reports from the Far East as to the deleterious effects of a declining price of silver on Chinese commodity imports. See also Worthington C. Ford, Silver in Commerce, in The Gold-Silver Controversy, Essays from Political Science Quarterly (New York, 1896), p. 112.

[23] It seems hardly necessary to point out that what we are here considering is the effect on the purchasing power of China abroad in the light of a change in Chinese exchange rates, and not the internal effects on China of our silver-purchase program. That heavy American silver purchases would be harmful to China was predicted long before this country embarked on its silver program. See C. A. Conant, The Principles of Money and Banking, New York, 1905, p. 348. Cf. Herbert M. Bratter: The Silver Market (U. S. Department of Commerce, Trade Promotion Series No. 139), p. 55; Oriental War Raises Interest in Silver Issue in New York Herald Tribune of November 29, 1931; What the Exporter Asks About Silver, in Export Trade and Finance (New York), January 2, 1932.

[24] A certain foreign machine cost 1,000 yuan prior to the advance in the price of silver, and 666 yuan subsequently. The importer could thus afford to sell it to his customers more cheaply, sharing with them the 334 yuan profit. But, simultaneously, a quantity of Chinese export hides formerly selling in New York at $1,000 were, due to the increased exchange rate on China, raised in dollar price to $1,500.

[25] Referring to the example in the above footnote, the sellers of hides find it difficult to maintain the normal volume of their sales, unless they reduce their price. If they do this, they lower their money income. The business of the machine importer in China has been temporarily stimulated, but, owing to the shrinkage of exports, on a dwindling market. Prices begin to readjust themselves to the changed conditions.

[26] For the figures, see Commerce Reports, February 1, 1932, p. 212; April 8, 1933, p. 212.

[27] For other similar reports, see U. S. Department of Commerce, Foreign Financial News, Far Eastern Notes, passim.

China showed an increase over 1934 (i. e., an addition to China's oversea purchasing power), China's merchandise imports from us declined about 80 percent. A similar distinct absence of the claimed relationship between the price of silver and China's purchasing power as expressed in imports of American goods is evidenced by the figures for 1928, 1931, 1932, and 1933. Indeed, in 1931 and 1933 the price of silver and the value of our merchandise exports to China actually moved in opposite directions. More important than the price of silver as a clue to changes in China's purchasing power abroad are the figures of American commodity imports from China.

(It should, of course, be noted that no published statistics take account of that part of our China trade transshipped in Japan; nor is any attempt here made to adjust the statistics for lag.)

The purchasing power of the Orient, it was further argued, would benefit from an increase in the price of silver because the market value of the silver hoarded in Asia would increase proportionately.[28] It was stated that the Chinese and Indian hoarders felt poor because silver had declined. "Raise the value of their silver holdings and they will buy foreign goods."

This argument is not convincing. Unless the silver is sold, no increase in purchasing power is felt. To argue, for example, that an increase in the theoretical value of India's 4,000,000,000 ounces of silver ornaments and coin is a great boon to the country while the silver remains hoarded is very misleading. Would the reader of this, assuming that he owns a living-room chair, feel richer tomorrow if the market price of new furniture advanced? Probably not. If, perchance, our reader were contemplating the purchase of another article of furniture, the advance in price might indeed make him feel poorer. To the Indian who habitually buys and hoards silver, his purchasing power over the commodity silver is at least as important as his purchasing power over other imported commodities like typewriters or alarm clocks; and a higher price of silver may actually displease him.

Quite a different suggestion as to the connection between silver and the trade with China is contained in an argument which was given some prominence during a period when Japanese industrial competition was attracting attention. According to this argument, a higher price of silver would reduce oriental industrial competition. Of course, as already mentioned, it was erroneous to assume that the whole Orient was on a silver basis. Japan and India, the two leading industrial countries of Asia, had not been silver-standard countries for many years, and their currencies were therefore not raised in foreign-exchange value by an increase in the price of silver. Insofar as the argument had any force with reference to China, it remained to be shown how a higher price of silver could reduce Chinese industrialization. The American silver program forced China off silver. But, even if this had not occurred, the increase in the price of silver and of the yuan, to the extent that it made Chinese commodity exports more difficult, cut into China's real purchasing power abroad and so would probably have tended to force China to manufacture goods formerly imported, had China retained the silver standard.

The argument under analysis is not a new one. In 1896 Francis A. Walker,[29] the bimetallist, wrote that for several years British consuls had been reporting the industrialization of "India, Japan, and even China," which latter was manufacturing the woodwork of pianos and "even manufacturing English beer." Since Walker's day this tendency had developed greatly, and Japan had become a powerful industrial nation. Yet our trade with Japan had not declined, but increased, until that Empire constituted one of our leading customers. Industrialization of China was not necessarily an evil which America should seek to delay. Nor was it something which America could easily stop. That the steady industrial development of Shanghai had not been prevented by changes in the exchange value of China's silver currency is shown in the statistics of kilowatts of load connected to the Shanghai Power Co. system from 1901 through 1934.[30]

The arguments dealing with the purchasing power of the Orient were indeed more varied than might be supposed. There was the assertion, for example, that bimetallism "would enable us to take away Britain's trade with the Orient,"[31] a statement unsupported by any evidence; and there was the prediction that "unless the United States remonetizes silver, British and Japanese interests will soon dominate the world textile markets,"[32] an equally undemonstrated proposition.

Related to the foregoing was the argument, stressed by Mr. René Léon during the 1932 coinage committee hearings, that "restoring the price of silver will reverse the flight of capital from Orient to Occident, which occurred when the price of silver declined." Actually there was no evidence of any flight of capital of the sort mentioned.[33] Today it is pertinent to ask, rather, whether the American-induced outflow of Chinese silver was not accompanied by a flight of capital, induced by the restoring of the price of silver.

(E) APPEALS TO SENTIMENT, ETC.

Finally we come to a group of assertions, statements, contentions, and the like, which were more often appeals to sentiment than to reason. Nonetheless, such appeals, setting forth fancied merits of silver, are to be found liberally scattered in the documents of the silver campaign. They would hardly merit consideration but for the fact that they were not without their intended effect. Some typical examples are therefore quoted with brief comment below.

For instance, it has been maintained that "nature alone can be trusted with the world's money supply,"[34] an assertion which, if true, would warrant the scrapping of our entire currency and credit system. Such a proposal would surely not be seriously entertained. No more convincing is the reasoning that "there may be something to the silver arguments; therefore, they should be tried as an experiment."[35] With all our knowledge of the history of silver, and with all the evidence of competent economists, bankers, and officials against it, there was no excuse for further "experimenting" with the metal. The silver-purchase acts of 1878 and 1890 had been experiments with a disastrous end. When President Cleveland summoned the special session of 1893 to repeal the Sherman Act, he stated plainly:

"The people of the United States are entitled to a sound and stable currency and to money recognized as such on every exchange and in every market of the world. Their Government has no right to injure them by financial experiments opposed to the policy and practice of other civilized states, nor is it justified in permitting an exaggerated and unreasonable reliance on our material strength and ability to jeopardize the soundness of the people's money.

"I cannot rid myself of the belief that there lurk in the proposition for the free coinage of silver, so strongly approved and so enthusiastically advocated by a multitude of my countrymen, a serious menace to our prosperity and an insidious temptation of our people to wander from the allegiance they owe to public and private integrity."

Another argument of dubious validity was that "we should substitute sound silver for unsound paper money." Paper money may become "unsound," but there is no reason to suppose that the exigencies which drive a government to inflate would not, were there no paper money, drive it to "clip the coin." History is replete with examples of such debasement by government. (In the Gold Reserve Act of 1934 the President was actually given the power to reduce the content of the standard silver dollar.)

A long-time silver advocate stated:[36]

"It would be safer and sounder to bring about an increase in the quantity of world purchasing power in use, not by the issue of banks or by government of more paper money, the flow of which might dry up or turn into a disastrous flood, according to circumstances, but rather by the legalizing of the free minting and use of more silver money, the supply of which could not dry up (by the arbitrary decision of a central bank in London or elsewhere), nor run and drown us (by excessive issues by some reckless or bankrupt government). Moreover, silver money is already used by, and has always been popular with, a half or more of the populations of the earth."

Suffice it to observe here that an increase in purchasing power comes from an increase in the production of saleable goods and services, not of money, by the use of which transactions are merely measured. Resort to silver for paper money would be only deflationary, if we were to depend on metal exclusively for our circulatory media. The above statement confuses "standard of value" with "store of savings."

Actually, one must allow for a large degree of management of currencies in the future, and there is no reason to suppose that the restoration of silver would improve the quality of the managing.

A related and historic argument, often adduced by proponents of bimetallism in justification of a higher price for silver runs as follows: "Silver and gold are found in nature in the ratio of about 16 to 1; therefore we should restore silver to this, its natural value." The world value of silver in terms of gold is not a matter which the United States can legislatively determine. Such value depends not upon the quantities of silver and gold produced in past centuries, but upon the relative demand for and market supply of each metal. Proponents of this argument cited estimates of total silver and gold production since 1493. Examination of the intervening trends of production shows marked fluctuations. The ratio of silver production to gold production was, during the last years of the seventeenth century, over 30 to 1; 20 years later it was barely 20 to 1; at the end of the eighteenth century it was about 50 to 1; and in the middle of the nineteenth century, about 5 to 1.[37] The historic ratio of 16 to 1, which is usually urged by bimetalists, has no relationship to present-day conditions. It was recommended during the worst part of the depression, when the silver-gold ratio on the open market went above 80 to 1, and it was recommended subsequently, when the ratio was as high as 77.7 to 1,[38] notwithstanding the recent vast accumulations by the Treasury.

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[28] Cf. The Effect of Low Silver, Hearings before the Committee on Coinage, Weights and Measures, Washington, 1932.

[29] International Bimetallism, New York, 1896, pp. 250–251.

[30] See Growth of Shanghai Industry, in The Far Eastern Review, Shanghai April 1935, especially graph on p. 146. Also see John E. Orchard, Shanghai, in The Geographical Review, January 1936.

[31] Senator WHEELER in Liberty (Chicago), Oct. 22, 1932.

[32] Senator WHEELER, quoted in The Washington Daily News, Dec. 27, 1933.

[33] Cf. The Effect of Low Silver, op. cit., p. 242 (testimony of Prof. E. W. Kemmerer) and p. 151 (statements of Mr. René Léon and K. C. Li).

[34] Edward Tuck in Scribner's magazine, January 1934.

[35] Senator Key Pittman, for example, urged this experimental approach during a Senate speech.

[36] Sir M. DeP. Webb in Capital (Bombay), August 17, 1933.

[37] For a graph, illustrating these changes, see Edwin Walter Kemmerer, Money, New York, 1935, p. 365.

[38] Based on gold at $35 per ounce and silver at 45 cents.

Following passage of the Silver Purchase Act, silver advocates sometimes asserted that our own action was more significant than might be supposed, and that the example we were setting the world by our 1-to-3 silver-gold program would inspire other countries to follow suit. But this supposition was not warranted by the evidence. To date there has been not the slightest indication that our purchases of silver have increased the monetary demand for that metal in other countries. Outside of the United States, silver as a standard of value is more than ever a dead metal. It will take more than United States Treasury demand to cause foreign monetary authorities to esteem silver. Instead, the manner of the Treasury's purchases in 1934 and 1935 served only to increase foreign uncertainty and distrust in the metal, and perhaps to delay any prospect of international currency stabilization. This country can never legislate silver back into its pristine esteem abroad.

A rather vague characterization by one of its authors has described the present silver program as "designed to balance our domestic currency.[39] Alternate versions of this statement were that the program "is designed to restore the monetary price of silver to parity with the gold which circulates in the United States," and "our silver program is designed to restore silver to parity in an orderly manner throughout the world and to stabilize it at such parity." [40]

These are rather meaningless descriptions, and we can only conjecture as to their rationalization. What, for example, is the "parity" of silver? In view of various earlier statements, which were widely circulated, we are probably safe in assuming that the above-quoted objects refer to the relative proportions of silver and gold currency in our monetary system during the last years of the nineteenth century. But why such a restoration of balance should be desirable has never been explained on other than sentimental grounds. In the 1890's the proportion of gold in our monetary system had become dangerously low for a gold-standard country, a condition directly due in large part to the effects of our Silver Purchase Acts of 1878 and 1890. It is somewhat ironical that that very ill result of past silver purchases later served effectively as a reason for our vastly larger 1933 and 1934 purchase program.[41] The appeal was in a class with the very widely voiced demand that "silver should be restored to its rightful and ancient position alongside gold," a purely sentimental plea for a return to horse-and-buggy days. It is similar to the observation that "after all, silver has served mankind as currency for well over 2,500 years," [42] to the plea to restore silver to its "historic role as a precious metal," [43] or to such references as the "position held by silver since the beginning of history until 1873." [44]

In slightly different form, although possibly more effective in its appeal to Americans, is the recommendation that we should remonetize silver because "Hamilton was a bimetallist, Jefferson was a bimetallist, Washington was a bimetallist." [45] Would it not be just as logical to urge a revival of slavery because Washington held slaves?

Such were the arguments which caused our Government to seek and secure an international agreement on silver at London in 1933, which brought to American silver producers a market for their entire silver output at a great premium, and which made possible additional silver purchases on an unheard-of scale.

Mr. TOWNSEND. As to the results of the program, I refer the Senator from Utah to part I of the Senate Banking and Currency Committee's 1939 hearings on Senate bill 785, pages 17 to 62.

Mr. THOMAS of Utah. Mr. President, of course I am very happy to stand corrected. At the same time, I think the argument referred to, no matter where or how used, was quite fantastic, and still remains quite fantastic. I am sorry to see it being used at the present time.

Mr. THOMAS of Oklahoma. Mr. President, I desire to discuss the merits of the bill pending before the Senate. I have no interest in the two amendments, one offered by the Senator from Nevada [Mr. PITTMAN] and the other by the Senator from Utah [Mr. KING]. Suffice it to say that I am against both amendments. Likewise, I am against the provisions of the bill.

I had hoped that the distinguished chairman of the Committee on Banking and Currency [Mr. WAGNER] might be present, at least at the beginning of my remarks. I see that he is not present. I shall have to defer reference to a particular feature of the bill until he is present in the Chamber.

Mr. President, I now make the charge—with no reference to the distinguished author of the bill—that the bill is a Federal Reserve Board bill and a bankers' bill.

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

Mr. THOMAS of Oklahoma. I yield.

Mr. TOWNSEND. For the information of the Senator, I will say that I have never consulted a banker or a member of the Federal Reserve Board in drafting the bill, or at any other time in reference to it.

Mr. THOMAS of Oklahoma. I do not intend any reflection upon the distinguished author of the bill.

Mr. President, the bill is supported by the Federal Reserve System and the members of that system.

Mr. TOWNSEND. That is true.

Mr. THOMAS of Oklahoma. The bill is supported by the Governor of the Federal Reserve Board.

Mr. TOWNSEND. That is true.

Mr. THOMAS of Oklahoma. It is supported by the members of the council which advises the Federal Reserve Board.

Mr. TOWNSEND. That is true.

Mr. THOMAS of Oklahoma. The members of the council are the heads of the great banks of the Nation; and they are unanimously against the use of silver, and in favor of the repeal of the Silver Purchase Act.

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

Mr. THOMAS of Oklahoma. I yield.

Mr. TOWNSEND. I might add further that the bill is also supported by a very large percentage of all the newspapers in the United States, including a great many in the Senator's own State.

Mr. THOMAS of Oklahoma. Mr. President, I do not dispute that statement. I have seen in the RECORD quotations from editorials in various newspapers of the country on the bill; and I have yet to find in those editorials a single line which throws any light upon this question. So far as I can learn, the writers of the editorials know little, or nothing, of the silver problem, and they know less of the monetary problem.

Mr. President, the pending bill is of very great importance. It affects the pocketbook of every man and women in America. If enacted, it has possibilities of lowering the prices of the things which the people produce.

What was the condition of the country when the act was passed? At the beginning of this administration, in 1933, approximately 6,000 kinds and forms of money were in circulation in the United States. This administration thought that was too many kinds of money to be in circulation; and, as the result of conferences no doubt, it was decided to simplify our monetary system. Economic conditions made it seem obvious that we should go off the gold standard. When that was done, gold was taken out of circulation. Gold certificates were recalled from circulation. So, as the result of economic conditions, the country lost two forms of its money—gold coin in the first instance, and gold certificates in the second instance.

Mr. President, that was not all. The next thing that was done was to call in for redemption Federal Reserve bank notes; and the next thing that was done was to call in for redemption the national bank notes. So every time the administration decided to eliminate some form of existing currency it made currency more scarce in the United States. At the time these things happened there were between 5,000 and 6,000 national banks in the United States. Each of those banks had its own circulation. Each had its own form of national-bank notes. When the policy of retiring the national bank notes was adopted, those national bank notes were called in and canceled, thus still further reducing the amount of money in circulation.

At this point, Mr. President, I desire to place in the RECORD the exact facts which I have been discussing. First, I call attention to a statement from the Treasury Department dated February 28, 1933. That was just before the present administration came into power. At that time we had in

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[39] Senator PITTMAN, quoted in New York Herald Tribune, January 14, 1936.

[40] Ibid.

[41] As to the reference to "gold which circulates in the United States," it was surprising to find such a statement being made in 1936, 3 years after the nationalization of gold. In 1936 gold did not circulate in the United States, and so this argument for silver purchases was then inapplicable.

[42] Francis W. Hirst, quoted in For Silver Money! (Paris), September 1934.

[43] H. Rothbarth, quoted in For Silver Money! (Paris), September 1934.

[44] Edward Tuck in Scribner's magazine, January 1934.

[45] Senator BURTON K. WHEELER in Liberty, October 22, 1932.

circulation $571,000,000 in gold coin. In a month or two that gold coin was called in. It went out of circulation; and the moment the gold was ordered out of circulation it ceased to circulate, or, when it did circulate, it went to a bank and was retired. So we reduced our circulation by that one order in the sum of about $571,000,000 in gold coin.

As soon as the gold coin was ordered out of circulation the gold certificates were called in for cancellation. At that time we had $649,000,000 of gold certificates in circulation. Add the gold coin and gold certificates and we have a sum of more than $1,000,000,000 of real money taken out of circulation early in 1933. But that is not all.

A little further down this list we find Federal Reserve bank notes. At that time we had in circulation a few million dollars of those notes, but they were ordered out of circulation. At that time we had national bank notes in circulation in the sum of $860,000,000, and the moment national bank notes were ordered out of circulation, of course, they ceased to circulate, or when they came to a bank they were cashed and sent to the Treasury for retirement.

So by that one policy gold coins were taken out of circulation; gold certificates were taken out of circulation; Federal Reserve bank notes were taken out of circulation, and national bank notes were taken out of circulation. By that action and policy our circulating medium was contracted in a sum in excess of $2,000,000,000.

Mr. President, I think no one will disagree with my statement that as money became scarcer money became more valuable when measured in terms of property. So this policy was deflationary. The calling in of gold, the retirement of gold certificates, the retirement of gold coin, and the withdrawal from circulation of Federal Reserve bank notes and national bank notes had the result of contracting our currency in the total sum of over $2,000,000,000.

It was at that time that the policy was inaugurated of increasing the supply of silver certificates, if not silver dollars. So the law, to which I have referred, was designed to counteract the decrease in the then existing supply of money—and by money I mean the thing that one can see, the thing he can spend with a stranger. So in 1934 the present law was enacted. At that time we did not have very much silver in the United States. I shall place in the RECORD figures showing the exact amount. On February 28, 1933, we had in circulation of standard silver dollars some $28,000,000; we had silver certificates in circulation at that time to the extent of only $362,000,000. The two would not nearly take the place of the gold withdrawn from circulation; it would not take the place of gold certificates withdrawn from circulation; it would not take the place of national bank notes withdrawn from circulation. So the present silver law was passed with one objective, at least, and that was to furnish a satisfactory form of money to take the place of money withdrawn and canceled out of circulation.

Mr. President, silver has been money for a long time. I think history will bear out the statement that silver was, if not the first, at least one of the first things used for money throughout the world. So far back as we can go in history, silver has been the one metal, along with gold perhaps, that has served the peoples of the world. In the days of the American Colonies things or commodities were first used for money. In some sections of the eastern seaboard tobacco was used for money; in other sections Indian beads or wampum was used for money. Every colony, so I am advised, had a different system of money; but when the struggle with the mother country came and the Colonies were forced together for the purpose of defense, the first thing that had to be done was to devise something that might circulate among all the Colonies as money.

Mr. President, what was that thing? It was not tobacco; tobacco could not circulate among all the Colonies as money. It was not beads, wampum; they could not circulate among all the Colonies as money. The one thing that the Colonies agreed to use as a circulating medium throughout all the Colonies was silver.

At that time the Colonies had no mint; they did not have very much silver; but there was in circulation among the Colonies what was known as the Spanish milled dollar, which was a coin made of silver. I exhibit to the Senate a Spanish milled dollar which was in actual circulation in colonial days. This piece of silver [exhibiting] called a Spanish milled dollar, which I hold in my hand and exhibit to the Senate, has a date on its face of 1787. This particular coin was minted 2 years before the birth of this Government.

So, in the early days the Colonies agreed to accept Spanish milled dollars as they were then current in some sections of the eastern seaboard. The first unit in colonial days was a silver unit. It was not an American dollar; the American dollar had not been heard of at that time; it was not a gold dollar; the gold dollar had not been heard of at that time; but it was a coin known as the Spanish milled dollar.

Later on, after the Government was organized in 1789, when it was found to be necessary to have a system of money, the new Secretary of the Treasury, Mr. Hamilton, was directed by the President to investigate the advisability of the establishment of a mint and the formation of a monetary system. Mr. Hamilton made a thorough study of the whole financial question, and very shortly he submitted a report recommending a definite system of money for the United States. Under that system a dollar made of silver came to be the unit of account for the monetary system of the United States. At that time the amount of silver recommended to go into the dollar was exactly the same amount that is in the dollar of today. I exhibit to the Senate a silver dollar that is today current throughout the United States. This coin has not been changed in 150 years save in one particular. The amount of pure silver in the dollar has never been changed, but the proportion of alloy has been changed. In the early days the silver dollar contained 12 points of alloy, whereas today it contains only 10 points of alloy; but the amount of pure silver in the dollar which is in circulation today throughout the country has not been changed since it was established in the early days of the United States Government shortly after it was formed in 1789.

So, Mr. President, silver has always been regarded as money in the United States. Silver was the basic unit of account for many years. Later on gold came into circulation. Then gold and silver circulated at a parity on a ratio approximately of 16 to 1 from the early days of the Nation up until about 1873. At one time, under the administration of Andrew Jackson, the silver dollar was more valuable in terms of property than was the then gold dollar. A slight adjustment was made during Andrew Jackson's administration seeking to bring the two species of money, the gold dollar and the silver dollar, to a parity. That was done. Two acts of Congress were passed during Jackson's administration in the effort to bring about the adjustment. Thereafter gold dollars and silver dollars circulated on a parity at a ratio of about 16 to 1 until 1873, when silver was demonetized as money. Silver continued, however, to be recognized as a form of money from that time until the present.

For many years, in the Congress, the issue over money was very acute. Many bills were passed seeking to revitalize and remonetize silver. Silver acts were passed providing for the purchase of silver and the coining of such silver into money. In 1900, it is true, the Congress passed what is known as the present Gold Standard Act, but, notwithstanding the enactment of that act, silver was then in circulation, and silver has continued to be in circulation ever since the enactment of the so-called gold-standard law in 1900.

Mr. President, the law which some now seek to repeal was enacted in 1934 for the specific purpose of increasing the amount of money in circulation—and by "money" I mean actual money; I mean specie as distinguished from credit money. The bill was passed, as I have said, in 1934. The Nation began to acquire silver. I think very little, if any, of that silver has been coined into standard silver dollars. The fact is that as silver was acquired by the Government the Treasury Department issued silver certificates

against such silver, and those certificates were placed in circulation. As I said a moment ago, when this act was passed silver certificates were in circulation to the extent of $362,000,000 and silver dollars were in circulation to the amount of $30,000,000. We had a few more silver dollars than that, and a few more silver certificates.

I shall place in the RECORD the total amount of standard silver dollars in existence at the time of the enactment of the present law.

According to this statement—it is Form 1020 of the Treasury Department, of date February 28, 1933—at that time we had, of standard silver dollars, $540,007,703. At that time we had silver certificates in the sum of $482,682,100. Of course, as the silver dollars accumulated in the Treasury, the Treasury in turn issued certificates against them and kept those certificates in constant circulation. As a result of our silver policy, we have increased the amount of our silver certificates in circulation from the amount just stated of approximately half a billion dollars until on the 29th of April 1940, only 2 or 3 days ago, we had silver certificates in circulation to the amount of $1,818,697,732.

So it is true that through this policy we have increased the permanent money in circulation in this country from about half a billion dollars to $1,800,000,000. That means that this policy has been the direct means of increasing the permanent money supply about $1,300,000,000.

A while ago I made the statement that this bill is a Federal Reserve bank bill and a bankers' bill. That statement is true, and that is all there is to this fight. It may be asked, Why are the bankers and the Federal Reserve System against silver? The answer is plain. As we get silver and issue Treasury certificates against it, the banks get no interest on that money. The silver is received by the Treasury. The Treasury prints paper and circulates the paper. It does not necessarily go out through the Federal Reserve banks; and neither the Federal Reserve banks nor any other banks, for that matter, get any interest whatever on a silver certificate. The banks do not like that. To the extent that we place in circulation permanent money on which they get no interest, their interest money goes out of circulation. It goes out of existence. If we could put in circulation four, five, or six billion dollars of silver certificates or United States notes, there would be little, if any, occasion for any Federal Reserve notes; and if there were no Federal Reserve notes, the Federal Reserve System, as a system, would fold up and collapse for want of revenue to support the system.

The Federal Reserve System is maintained through interest on the notes it issues, and through the loans it makes; and if we eliminate the Federal Reserve notes, we eliminate the interest the Federal Reserve banks get on those notes. So, to the extent that we have issued silver certificates, we have driven out of circulation Federal Reserve notes; and to the extent we have done that we have diminished the interest which the Federal Reserve banks receive, and which the big banks of the Nation receive.

Mr. President, I will not ask the Senate to take my word upon that proposition. The hearings on this bill are clear, and I shall refer briefly to a few sentences from them.

Mr. Eccles is the Chairman of the Board of Governors of the Federal Reserve System. Mr. Eccles testified in behalf of this bill. Mr. Eccles, speaking for the Federal Reserve Board, for the Federal Reserve System, and for the big banks of the Nation, is for this bill, which means he is against silver.

I quote from the testimony of Mr. Eccles on page 70 of the hearings on this bill. In the middle of that page Mr. Eccles says:

> As a matter of fact, silver certificates have displaced Federal Reserve notes to a certain extent. Nearly all the dollar bills, the greater part of the $5 bills, and a portion of the $10 bills, are now silver certificates.

He admits that the issuance of silver certificates replaces and drives out of circulation Federal Reserve notes; and when a Federal Reserve note goes out of circulation it goes back to the Federal Reserve System, where it is canceled. Then they do not get interest on the circulation of that Federal Reserve note. So the banks of the Federal Reserve System are against silver. They are against United States notes. They would be against gold certificates. They would like to see gold, theoretically, come back into circulation, because they know it would not actually circulate. It would be in circulation for them to keep in their vaults and to have in reserve, and probably no gold certificates would be issued against it; so they would be for gold coin coming back into circulation, but they are against silver coin coming into circulation, because silver and silver coins are not now held to be a satisfactory reserve.

At another place in the hearings I quote from Mr. Eccles. On page 73 of the hearings I quote again from his testimony. At that place he says:

> The issuance of silver certificates does not change the amount of currency outstanding but results in the substitution of silver certificates for the same amount of other currency in circulation.

There are two admissions, two positive, unqualified statements. First, when silver is placed in circulation or silver certificates are placed in circulation, they drive out other kinds of currency. When they are placed in circulation they drive out Federal Reserve notes, because that now is the only other kind of circulation we have. At the present time there is no gold or gold coin in circulation; only silver and Federal Reserve notes, and United States notes; that is true, but United States notes are not being redeemed.

In the days of Lincoln, when United States notes were first issued, they had to be issued because there was nothing else to use for money. We had no gold; we had no silver; we had to have money; and the so-called Lincoln greenbacks were printed and circulated with which to finance the so-called War between the States. After the war was over, and the country got back on its feet again, and taxes began to come in, the Department of the Treasury began to retire the so-called Lincoln greenbacks. As the greenbacks were retired, money became scarcer; and as money became scarcer, money became dearer; and as money became dearer, prices began to fall. The Congress in those days was wise enough to understand at least something about the money question; and when Congress saw money becoming scarce, and prices beginning to fall, it passed a law which provided that from the date of its enactment the greenbacks should not be retired.

That law did not have the full effect desired. Congress passed a law providing that the greenbacks could not be retired, but still the banks collected the greenbacks and would not put them in circulation; so then Congress passed a second law providing that not only should the greenbacks not be retired, but when they should be paid into the Treasury for any purpose whatever they should not then be canceled, but should be placed back in circulation, and kept in constant circulation. So, Mr. President, from that day until this not a single dollar in greenbacks has been canceled, and the law now is that the greenbacks shall be kept in circulation; but I desire to call the attention of the Senate to exactly how this law is being observed.

It is now the law that the greenbacks shall be kept in constant circulation. I exhibit to the Senate a sheet similar to the one referred to just a moment ago, but of a different month. I now call attention to Form No. 1028 of the Treasury Department, the issue of March 31, 1940, only a little over 1 month ago. On that date we had in circulation $44,000,000 of silver dollars, and we had in circulation $1,507,000,000 of silver certificates, but the Federal Reserve System held in its vaults the sum of $263,000,000 of silver certificates.

Now, let me show what is being done about United States notes. Silver certificates are in existence; they are in circulation; but the Federal Reserve System will not permit the full amount to be placed in circulation and kept in circulation.

In regard to United States notes, on March 31, 1940, we had the full amount we have had now for 70 years—that is, $346,681,016 in Lincoln greenbacks. Under the law those notes are supposed to be kept in constant circulation, but on March 31, 1940, the Federal Reserve Board had hoarded up in the vaults of its banks $84,000,000 of United States notes.

To the extent that they can hoard silver certificates, to the extent that they can hoard United States notes, they can make money scarcer, so that if the people have a demand for money and the banks have a demand for money they will not send out silver certificates; they will not send out greenbacks; but they will send out their own Federal Reserve notes, on which they get interest. There is no interest on silver certificates and they will not send them out. There is no interest on greenbacks and they will not send them out. So, while I am not saying that the distinguished author of this measure is aware that his bill is a Federal Reserve bank bill and a big-bankers' bill, nevertheless, that is exactly the case; and, from my viewpoint, that is the only excuse for the bill being before the Senate. It is an attempt to make money scarce.

Mr. President, if this bill shall be passed, there will soon follow, in my judgment, a bill to repeal the law providing for the purchase of domestically mined silver. If Congress still further discredits silver, in my judgment, a bill will soon be prepared and introduced repealing the so-called subsidy upon domestically mined silver. We shall first discredit silver still further by the passage of this measure. We shall next discredit silver still further by stopping the so-called subsidy to the domestic miners. Then we shall have silver about where we want it from the standpoint of the Federal Reserve System and the standpoint of the big bankers of the country. Still one more bill must be passed, however, and that is a bill that will stop the circulation of silver certificates—exactly as we stopped the circulation of gold certificates, but for another reason, at the beginning of this administration. If the bankers can call in the silver certificates and replace them with Federal Reserve notes, thus taking silver dollars out of circulation, as was done with regard to gold, then what kind of money will we have left? We will have but two kinds. Eight years ago we had 6,000 kinds of money. Now we have got down to about three kinds—that is, silver, United States notes, and Federal Reserve notes.

Those are the only kinds there are now. Of course I do not count pennies and dimes and nickels and quarters as money. That is change, and it is legal tender, but, in my estimation, it is not used in the calculation. So if the pending bill shall be enacted, the movement will be on its way to get silver and silver certificates out of circulation. That will leave, then, two kinds of money, United States notes and Federal Reserve notes.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Nebraska?

Mr. THOMAS of Oklahoma. I yield.

Mr. NORRIS. The Senator has not told us what form the other bill, which must follow if this one shall be passed, to take silver certificates out of circulation, will take. It is quite evident, from what the Senator has said, that if we enact this bill, then another one, to stop the purchase of American-produced silver, will be passed, and that by those two bills we will stop the purchase of silver and its circulation to that extent. But to take care of the amount already in circulation will take another bill.

Mr. THOMAS of Oklahoma. That is correct.

Mr. NORRIS. Another bill will be necessary to get it out of circulation.

Mr. THOMAS of Oklahoma. That is correct.

Mr. NORRIS. The Senator has not described the form of that bill.

Mr. THOMAS of Oklahoma. The form of that bill I cannot foretell. Eight years ago there were almost a billion dollars of national bank notes in circulation. They are not in circulation now. They went out of circulation. We have retired those national bank notes. Something has taken their place.

As I have stated, the gold certificates are out of circulation. As to the form of the third bill, to get rid of silver. I cannot now say, but some bill will be proposed, and probably passed, retiring silver certificates, and replacing them with Federal Reserve notes. If that shall be done, silver certificates will be out of circulation, as national bank notes are out of circulation.

National bank notes did not draw any interest. There were a billion dollars of national bank notes in circulation, from time immemorial, until 8 years ago. The Federal Reserve System got no interest on national bank notes, and national bank notes are now history. There were gold certificates in circulation. No interest was paid on gold certificates, and gold certificates are now history. There were the Treasury notes of 1890. No interest was received from those, and they were ordered called years ago. A million dollars' worth of Treasury notes of 1890 are still out. They are perhaps lost, or in hoarding somewhere, or perhaps have been destroyed. As soon as one shows up, it is canceled. They are not in circulation.

I am making the forecast that if this bill passes, the next bill will be to stop the purchase of domestically mined silver. If we discredit silver here today by the enactment of the pending bill, then Congress and the country will have a right to assume that Congress is against silver; that silver is no more valuable for money than is copper, or lead, or zinc, or some other form of base metal.

Mr. President, if that happens, then, in my judgment, for the same reason the national bank notes have gone out of circulation, for the same reason that the Federal Reserve tried to do away with United States notes, the powers behind this bill will concentrate on some program to get rid of the silver certificates, and if they succeed, they will be replaced by $1,800,000,000 of Federal Reserve notes, and each one of those Federal Reserve notes would draw interest for the Federal Reserve System.

If that should happen, we would have then but two kinds of money: first, permanent money, United States notes; and, second, temporary money, Federal Reserve notes. If these forces are as powerful as that, they will introduce another bill very shortly, to retire United States notes. Then what will we have left? One form of money, and one form only, that is, Federal Reserve notes, subject to being placed in circulation at the will of the bank, and subject to be called at the will of the bank. Then we will have rubber money in truth and in fact, a dollar of one purchasing power today, perhaps, and a dollar of another purchasing power tomorrow. All printed money will be removed from circulation, and the only kind we will have left will be the temporary money, which can be placed in circulation at will and withdrawn at will.

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

Mr. THOMAS of Oklahoma. I yield.

Mr. HUGHES. What rate of interest will the Federal Reserve notes bear, those which the Senator predicts?

Mr. THOMAS of Oklahoma. The Federal Reserve System tries to control credit through the rate of interest which it charges on its loans. It is true that under the law the Federal Reserve System may charge the very highest rate for its money, and under the same law it may charge a lower rate for its money. That is the way the Federal Reserve System controls the amount of credit in existence. If credit becomes tight it reduces the rate in order to stimulate the use of credit. If credit becomes too plentiful it raises the rate on its loans, to make it very expensive to use credit. For that reason we would have but one temporary form of money, put out at will, contracted at will, and then we would have a monetary system which would be in the hands of a particular group, not the Congress, not a Federal agency, but a private agency, which could do what it wanted with the money of the people of the United States.

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

Mr. THOMAS of Oklahoma. I yield.

Mr. TOWNSEND. Is the Senator familiar with the rate of interest charged by the Federal Reserve at the present time?

Mr. THOMAS of Oklahoma. I cannot tell the Senator the rate of interest being charged at the present time. It is very low.

Mr. TOWNSEND. It is very low, less than 1 percent.

Mr. THOMAS of Oklahoma. It is very low, it is true. That is from the necessities of the case. The Government has to borrow vast sums of money, and, of course, the Government is interested in financing its borrowings at the lowest possible rate. But the fact is that while the Federal Reserve at the present time is willing to lend money to the Government at a very low rate, indeed, the loans to the member banks are not made at such a low rate of interest.

Mr. President, the money question, I know, is somewhat involved. It has been stated on the floor many times during recent years that we are paying too much for gold. Almost every day we hear it said that $35 an ounce for gold is entirely too much to pay. In my judgment, those who make that charge do not understand the first principle of our monetary system.

In 1900, to be specific, Congress passed a law making gold the basis of the money of the United States. At that time and since that time gold has been regarded as the basic money of the world. Until recently gold was the basis of all domestic money throughout the world, as well as exchange money. Gold today is the basis of all exchange, but it is not the basis of domestic money. So in 1900, I think it was, we declared that gold was the basic primary metal money of the United States, and Congress fixed 25.8 grains of gold nine-tenths fine as the amount we would call a dollar. At that rate of gold in the dollar, 25.8 grains nine-tenths fine, an ounce would coin $20.67 worth of money. If those figures are accurate—and they are—an ounce of gold contains enough metal to coin, under the old system, $20.67 of gold coin. That means that one-twentieth and sixty-seven one-hundredths of an ounce of gold became a dollar.

I have a very crude diagram which I desire to exhibit to the Senator from Nebraska [Mr. NORRIS], the Senator from Wisconsin [Mr. WILEY], the Senator from Kentucky [Mr. BARKLEY], and the other Senators who are doing me the honor of listening to me. I have here a pasteboard disk. For the purposes of my argument let us assume that this disk is an ounce of gold. It is made round in order to make my demonstration a little more intelligent.

I have marked on this disk a series of spokes, making the disk resemble a wheel. This ounce of gold was worth $20.67 prior to our gold devaluation. That meant that you could take an ounce of gold and cut it into 20 parts and sixty-seven one-hundredths of a part, and each whole part would be a dollar.

Gold is supposed to have intrinsic value. Paper has practically no intrinsic value. But gold, the thing with which we redeem our paper money, is supposed to have intrinsic value, and for the purposes of my argument it does have an intrinsic value. It is something which people desire; it is something which men go into the earth to dig for; it is something which people search sand and gravel throughout the earth to find. So this ounce of gold could be divided into twenty and sixty-seven one-hundredths parts, and each part would be a dollar. That would mean that each of the parts between the spokes, for example, the part I am now indicating, and which I take out, is one-twentieth of the whole. That piece contains enough gold to be a dollar under the old system. That would mean that the ounce of gold would coin 20 gold dollars and 67 cents of another gold dollar.

Of course, at the time to which I have been referring we measured all our commodities and all our property in gold; so if we said that a bushel of wheat was worth a dollar, it was worth that amount of gold, indicated by the crude illustration. In other words, this much gold [indicating] could be exchanged for one bushel of wheat.

We found that because of increased demand for money throughout the world, and the increase in debts throughout the world, the demand for money vastly increased. Whereas years ago a few dollars would transact the business of a community, or of a State, or of a nation, because of increased population, increased trade and commerce, increased debt, and increased taxes, the people had to have more money. Gold was not being produced in proportion to the demand for money; that is, the increase in the production of gold was not comparable with the increase in the demand for gold. So gold began to increase in value. By February of 1933 the little piece of gold I indicate, representing a dollar, had so increased in value that it was worth $1.67 in terms of property. The people of the country who produced wheat, and cotton, and corn, and livestock, and all the other commodities produced in America, had to get money for them. The money is convertible into gold, and in order for people to get a silver dollar or a gold dollar, they had to produce on the average $1.67 worth of whichever commodity was to be exchanged for the amount of gold shown by one-twentieth of the disk I exhibit.

As the result of the increased value of gold, the increased value of the dollar, and consequent falling of prices, the people were not able to produce sufficient cotton to provide $1.67 worth, on the average, to get a dollar. They could not produce sufficient wheat to provide $1.67 worth, on the average, to get a dollar. The same thing was true with respect to livestock. As a result the agricultural population of America went bankrupt. They could not pay their bills; they could not pay their taxes. There were foreclosures on every hand. The same thing that applied to farmers applied to the producers of almost all raw materials.

So in 1933 Congress proceeded to decrease the size of the gold dollar, which meant increasing the price paid for an ounce of gold.

Mr. President, this may be somewhat intricate, but it should be very simple. Under the old system this disk of gold was worth $20.67. It could be coined into 20 gold dollars and 67 cents over. When we increased the price of gold to $35 an ounce we did it by decreasing the size of the gold dollar.

In 1930, before devaluation came, it took one-twentieth of an ounce of gold to make a dollar, because gold was worth $20 an ounce plus. When we increased the price of gold to $35 an ounce, then we had another picture before us. I turn the disk over. On the other side I have the same wheel, but instead of having 20 compartments we now have 35 compartments, because this gold disk weighing 1 ounce can now be coined into 35 gold dollars. What does that mean in its effect upon commodities? I will show the Senate what it means. Under the old system a bushel of wheat was worth, for example, one-twentieth of an ounce of gold, as represented by the part of the disk which I exhibit to the Senate. Under the new system we made a new dollar containing only 15 grains plus of gold; that is, we put only as much gold in it as I exhibit on this disk. We reduced the size of the gold dollar so that the new gold dollar contains today $15\frac{5}{21}$ grains of gold. It is slightly more than one-half as large as was the old gold dollar. Today an ounce of gold, instead of coining $20 in gold, will coin $35 in gold. That means that the gold dollar today is only slightly more than one-half as large as it was before.

Someone may ask: "How does this system affect prices?" It is very simple. Under the old system of $20 to an ounce of gold the gold dollar was of the size I indicated before removing a part of this disk. Take wheat, for example. Before 1933 wheat was worth, for example, a dollar a bushel; that is, it took that much gold to buy a bushel of wheat, or it took a bushel of wheat to buy that much gold. Wheat is always measured in gold because it is a world commodity. It has the same value in terms of gold throughout the world, making allowance for transportation and insurance. Wheat is worth the same in Russia, in France, and everywhere in terms of gold if it is going to be exported, and that is the way we measure the value of wheat. Wheat is worth so much in value of gold.

Under the old system it was worth a piece of gold of the size I indicate; that is, a dollar. But when we changed our valuation that piece of gold, formerly one dollar, became of the value of $1.69. A bushel of wheat is worth this piece of gold. Formerly that piece of gold was worth a dollar, but now it is worth $1.69. So by devaluation of the dollar, which

means increasing the price of gold per ounce from $20 to $35, we increased the price of wheat from $1 to $1.69 a bushel.

Mr. President, those—if there be any—who favor reducing the price of gold per ounce in terms of dollars, favor putting more gold in the dollar, making the dollar a larger chunk of gold, and to the extent that they favor increasing the size of the gold dollar, to that extent they favor a decrease in the price of commodities.

We now measure everything by gold. It is the measuring device of the world. But, Mr. President, if the pending bill shall be passed silver is history. We are acquiring much of the gold in the world, and we are acquiring it pretty fast. I called attention to that sometime ago. There are only $27,000,000,000 of gold in the world so far as we know—less than $28,000,000,000. Of that sum we had on the 29th of April, 3 days ago, the sum of $18,754,000,000. In other words, we have practically $19,000,000,000 of the world's gold. That is nineteen twenty-sevenths or nineteen twenty-eights of all the gold in the world. If this bill shall pass silver will be discredited. No other nation is trying to use silver save the United States, nor is any other nation able to use silver, and if, after full deliberation, we discredit silver, then silver will be a memory.

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

Mr. THOMAS of Oklahoma. I yield.

Mr. TOWNSEND. Is there any other country using silver now?

Mr. THOMAS of Oklahoma. Mr. President, a number of countries use silver. I do not know of any country which may be said to have a stable monetary standard based on silver. Here is a Mexican silver peso. When one goes to Mexico all he sees there is Mexican pesos.

Mr. TOWNSEND. I want to say that this bill does not discredit silver. It merely stops the purchase of silver from foreign countries.

Mr. THOMAS of Oklahoma. Yes, I know, Mr. President. That is the statement of the Senator from Delaware. But if we pass his bill, what chance would any future Congress have, or what chance would any future Senator or Representative have who tried to favor silver as a monetary metal? No one can prophesy that with any assurance.

Mr. TOWNSEND. We have a law on the books providing for the purchase of silver at a price fixed.

Mr. THOMAS of Oklahoma. Yes; but as I said a moment ago in the Senator's absence, if his bill should pass, I would not say that the Senator from Delaware would come forth in a few days with a bill to repeal the law providing for the purchase of domestically mined silver, but if he should not do so, somebody else would. If Congress puts its condemnation on silver, it is only a question of time until there is introduced in this body a bill to repeal the use of silver entirely. Then the second bill to follow will be a bill to retire the silver certificates, as we retired the gold certificates, as we retired the Treasury notes of 1890, as we retired the Federal Reserve bank notes, and as we retired a billion dollars of national bank currency in the past 8 years.

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

Mr. THOMAS of Oklahoma. I yield.

Mr. BARKLEY. A year or two ago we passed a law which is a permanent statute fixing the price of domestic silver at the equivalent of approximately 71 cents per ounce. While that is a permanent law, and will remain so until repealed or modified by Congress, does the Senator from Oklahoma agree with the theory which I entertain, that if the United States withdraws from the purchase of foreign silver, the world price of which is now about 35 cents an ounce, automatically the world price of silver will be reduced to some 20 cents or 25 cents an ounce, because the question of supply and demand controls the price of silver to some extent, as it does other things? Does the Senator agree with that theory?

Mr. THOMAS of Oklahoma. It cannot be disputed, Mr. President, that if we pass the pending bill the Government, of course, immediately will stop buying silver. There will be no quotation on the boards in New York or any place else where we will accept or buy silver at a certain price. Then the speculators of the world will enter the market and become active in buying and selling silver. Boards of trade will be set up in New York and other places, and silver will be dealt in exactly as copper and other commodities are now dealt in.

Mr. BARKLEY. If the world price of silver should decline to 20 cents or 25 cents, would it not inevitably make it harder for us to maintain a permanent statute that fixes the price of domestic silver at 71 cents?

Mr. THOMAS of Oklahoma. Mr. President, if the Congress favors this bill, I cannot imagine anyone, excepting the Senators from those States which have a major interest in the production of silver, being favorable to paying a subsidy on domestically mined silver.

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

Mr. THOMAS of Oklahoma. I yield.

Mr. TOWNSEND. Of course, the statute is on the books now. It is the law. We would have to repeal the law to change that.

Mr. THOMAS of Oklahoma. Mr. President, the Congress can repeal the existing law.

Mr. TOWNSEND. Of course, it can; but this is authority of Congress that has been given to the Secretary of the Treasury to purchase foreign silver and fix the price. He fixes the price, which is evidenced by the fact that last year, when my bill passed, he changed the price from 43 cents to 35 cents.

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

Mr. THOMAS of Oklahoma. I yield.

Mr. BARKLEY. That was because the world prices went down. It was not a fixing of prices by the Secretary of the Treasury, because he testified before the committee that he is paying the world price now, and has been paying it, and that price has gone down from fifty-odd cents to 35 cents, because the world price has gone down, and the Secretary of the Treasury follows the world price as it goes down. He does not fix the price, but he follows it.

Mr. TOWNSEND. If the Senator will permit me, I want to differ with that statement. The Secretary of the Treasury fixes the price, and he fixes it at any time he desires, and at any price he chooses. He changed the price from 43 cents to 35 cents, and he can change it to 30 cents today if he so desires.

Mr. BARKLEY. The Senator knows, of course, that the Secretary of the Treasury fixes the price of the gold he takes, but he does not fix the world price. The reason why he reduced the price of silver from 43 cents to 35 cents was that the world price fell; and he paid and is now paying what is recognized as the world price for silver.

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

Mr. THOMAS of Oklahoma. I yield.

Mr. TOWNSEND. Why does not the Secretary of the Treasury fix the price, when we get all the silver that is offered from Mexico and all other countries? It all comes here, and he fixes the price. Suppose some other country were paying 36 cents. We would not get the silver. Suppose some other country were paying 40 cents. We would not get the silver. The Secretary of the Treasury has the authority to fix the price, and he fixes the price.

Mr. THOMAS of Oklahoma. Under the existing law the Secretary of the Treasury is not obligated to buy a single ounce of silver. He is under no direction to buy a single ounce of silver, today, tomorrow, this month, next month, or next year.

Mr. TOWNSEND. I beg to differ with the Senator.

Mr. THOMAS of Oklahoma. Mr. President, I know the law. The law requires the Secretary of the Treasury eventually—there is no fixed time—to buy silver until the price of silver rises to $1.29 an ounce, or until one-fourth of our total monetary stock is represented by silver, which would be one-third as much silver as gold, in terms of dollars.

Silver is the only metal today used for money which has a value throughout the world. We cannot obtain gold money. We have no gold money, as such. In no place in the world can we obtain a gold coin. We can still obtain silver coin.

Mr. President, I have here, and I exhibit to the Senate, a Mexican peso. It is worth less than 20 cents. If I should gather a group of boys and girls from any country on earth and pitch out this Mexican peso, worth 20 cents, and then scatter a handful of paper money gathered from the face of the earth, which money would the youngsters scramble for? I think they would scramble for the silver money. I should not limit that statement to boys and girls. I should apply it to the United States Senate.

I have here a wad of money collected from various parts of the world. What is this paper money worth? Does the Senator know?

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

Mr. THOMAS of Oklahoma. I yield.

Mr. TOWNSEND. What fixes the value of the silver dollar, as well as of the paper dollar? It is the stamping which is done by the United States, is it not?

Mr. THOMAS of Oklahoma. Mr. President, that question is most academic. It is the stamp on the paper, and it is the stamp on the silver which gives both the paper and silver their monetary value. It is not the stamp on the gold which gives gold its monetary value. A piece of gold with no stamp whatever on it is worth as much to the man who knows its value as a piece of gold which is stamped. The only thing the stamp does to a $20 gold piece is to certify that it contains so much gold, nine-tenths fine. That is all the stamp does. But on paper money the stamp is everything.

I exhibit to the Senate some pieces of paper. Here is a Diaz 10-peso note. How much am I offered for it?

Mr. NORRIS. I offer a quarter.

Mr. THOMAS of Oklahoma. I would not take the Senator's money. That is more than it is worth, because it is the money of a defunct government.

Mr. NORRIS. The offer still stands. [Laughter.]

Mr. THOMAS of Oklahoma. Mr. President, I exhibit to the Senate another piece of paper money. It is stamped "$2." It is issued by the city of Detroit. How much am I offered for a $2 bill issued by the city of Detroit?

Mr. BARKLEY. A nickel. [Laughter.]

Mr. THOMAS of Oklahoma. I would not take the Senator's money, because that is a nickel more than it is worth—not because the money of Detroit is not good, but because the money has been redeemed.

I exhibit to the Senate a United States 50-cent note. I doubt if any of the youngsters of the Senate ever before saw a piece of money like this. It is a piece of good money. It is a 50-cent piece. It is a "shinplaster" of Civil War days. It is a Lincoln greenback in the sum of 50 cents, issued during Mr. Lincoln's time, because it carries his picture.

Mr. President, paper money is good in the country where it circulates. What paper money circulates in America save American money? None. What American money circulates abroad? None, except among a few persons who know paper money and know its value. If one were to give a porter in a foreign country a paper dollar, the porter would look at the giver, look at the paper, and the chances are he would shake his head. He would not want to take it. He would take silver. One can pay porters anywhere in the world with silver money. They understand it. They can count it. But if one gives paper money to uneducated persons anywhere in the world, they shake their heads. They will not accept paper money. Paper money is all right domestically, but it is no good outside the territorial limits of the country where it is in circulation.

I have here a piece of money which looks rather peculiar. If I should offer it to some youngster who is not used to accepting money the chances are he would not take it. If one should take it to a cashier in a restaurant and offer it in payment of his bill, the chances are it would not be accepted. It is nothing more or less than a $2 bill of the old "saddle blanket" variety. It is much larger than the modern bill, but it is perfectly good money. It can be spent anywhere in the United States, but if it were offered to anyone outside the United States he would shake his head.

Mr. President, persons outside the United States do not shake their heads at silver. If one takes a silver coin anywhere in the world, that coin is worth something. One might offer a $100 bill in paper money outside the United States. The recipient might shake his head and refuse to give in exchange for the $100 bill a coin of the lowest denomination, because he would not know the value of the $100 bill.

It is now proposed to discredit the only kind of money we have which is recognized as such throughout the world today. We cannot obtain gold money. We do not know when we shall be able to obtain gold money. We have silver. We can keep the silver. However, the Senator's bill would kill silver. Silver has been killed time and time again, but it still has a little life left.

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

Mr. THOMAS of Oklahoma. I yield.

Mr. TOWNSEND. The Senator says my bill would kill silver. I disagree with him. I want to stop the purchase of foreign silver. A dollar bill has back of it 27 cents worth of silver. That is what the silver costs. It has on it the stamp of the Government, which makes that paper money worth something; and there is the same amount of silver in the silver dollar. We do not refuse to take it because it has only 27 cents worth of silver in it. It has the stamp of the United States on it, and we take it. We have buried at West Point nearly $1,000,000,000 worth of silver which has not been coined into money. If we had use for the foreign silver in our monetary system the problem would be different. We have no use for it. We have the silver buried up at West Point. We do not use it, and we are paying foreign governments with our goods, for something for which we have no use, an exorbitant price fixed by the Secretary of the Treasury.

Mr. THOMAS of Oklahoma. Mr. President, the same thing could be said of gold. If the pending bill discrediting silver is passed—and before it is passed I understand an amendment is to be offered adding the word "gold"—we shall stop the purchase of silver and gold. That means stopping the purchase of foreign silver and foreign gold. If the bill is passed, silver, as money and as a basis of money, will be passé. It will be a thing of the past.

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

Mr. THOMAS of Oklahoma. I yield.

Mr. BARKLEY. The Senator from Delaware continually makes the assertion that we are trading our goods for silver for which we have no use. We are trading our goods, which we do not ourselves need, which we do not ourselves consume, for silver.

This is the only time in my experience in the Congress of the United States, extending over a quarter of a century, when anybody has ever asserted that silver is of no value or that it is useless. If, as a matter of commerce and employment of our people, we have to decide between piling up some silver which may be temporarily useless and piling up unsalable surpluses of goods which are equally useless, which would be the wiser course to pursue—to stop the production of goods which we cannot sell and thereby throw other men out of employment, or to go on producing those goods and selling them in return for silver, which, in my judgment, is not only useful now but will be more useful in the future?

Mr. THOMAS of Oklahoma. Mr. President, let me answer that question. If the bill is passed silver will be through. If the flood of gold keeps on coming to America, in 2 or 3 years—3 years at the most—we shall have all the monetary gold in the world. What will then be the condition? With silver discredited, it will no longer be money, or the basis of money. It will be only a commodity, like copper, lead, and zinc. Silver will be dead. Then, if we shall have all the gold in the world in our vaults in America, there will be no more gold to be used as the basis of trade. There is now no gold in circulation. At that time there will be no gold to support the exchange of the world.

Then what will happen? What will happen is what is happening today in some countries which have neither gold nor silver. Countries such as Germany, with neither gold nor silver, are strictly upon a barter basis. When that time comes in America, we shall be unable to sell our goods for silver. We will not accept it. We shall be willing to sell our goods for gold, but nobody will have any gold with which to pay for them. We shall have it all. What are we to do with our automobiles? We will not accept silver for them, and we shall not be able to obtain gold for them, because no one will have any gold. We shall be unable to sell a single car abroad. What shall we do with our surplus wheat? We shall be unable to sell it. Other nations will not be able to pay us, either with silver or with gold. What shall we do with our surplus cotton in the South, one-half of which we must sell abroad in order to sustain that great industrial and farming area? What shall we do with the surplus products of America? We shall be unable to obtain gold for them. We will not accept silver.

We shall begin to trade wheat for coffee, and we shall get all the coffee in the world each year. We shall begin to trade cotton for silk, and we shall get all the silk in the world each year and begin to lay it away, because the balance of trade will be in our favor. Whatever commodity we accept we will get more of it; we will get all there is, if we are willing to trade our surplus products for it, because all they have to pay with is their manufactured goods, their coffee or rubber, or silk, or something else that we will accept. What will be the end?

Mr. President, I am still waiting for the distinguished Senator from New York [Mr. WAGNER], the chairman of the great Banking and Currency Committee, who, together with members of the committee who are now on the floor, reported the pending bill to the Senate. A year ago the Senate adopted a resolution in effect directing the Committee on Banking and Currency, a conservative committee, a brainy committee, an experienced committee, one of the best committees in the Senate, to make a thorough study of our financial, monetary, and banking systems. It has been a year since that was done. Have they undertaken their work? I understood they talked about it one day; but have they done anything to bring about a solution of the monetary question?

Mr. President, I should like to ask the distinguished chairman of the committee, if he were here, if this bill is the result of a study of a year? Is this bill a part of the reformed banking and currency and financial program which we are to follow in the future?

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

Mr. THOMAS of Oklahoma. I yield.

Mr. BARKLEY. I happen to be a member of the Committee on Banking and Currency, and I can answer the Senator that the pending bill is not a product of the investigation which the Senate ordered last year. If it were, I would conclude that the mountain had labored and brought forth a chigger, not even a mouse. [Laughter.]

The truth of the matter is that the Senator from New York, chairman of the Committee on Banking and Currency, has set in motion the machinery to lay foundations for the investigation which the Senate ordered it to make. It has done that by asking various agencies of the Government, including the Federal Reserve System, the Comptroller of the Currency, the Treasury Department, the Reconstruction Finance Corporation, and the other lending agencies, to submit information in response to a long questionnaire, carefully prepared by the committee and by its employees, in order that we might collect certain information from the proper departments of the Government, to be used as a basis for hearings and further investigation by the committee later.

Those questionnaires have gone out. I am not informed as to the number of responses which have been made or as to the information which has been collected; but that much has been done in laying the foundation for the investigation and the conclusions which the Senator has in mind.

One of the reasons, among other reasons, why I opposed this bill in the committee, and why I oppose it on the floor, is that if we are going to investigate the monetary question, which involves gold and silver and all other forms of currency, then, it seems to me folly to cut off one of the very prongs of the question which the Committee on Banking and Currency is supposed to investigate and report upon.

Mr. THOMAS of Oklahoma. I was proposing to use that as one argument against this bill. This investigation has not been held, and until the investigation is held, and a report made to the Senate, recommending, perhaps, that this kind of legislation be enacted, I am not willing that the pending bill shall pass, and I shall not vote for it.

Mr. ADAMS and Mr. TOWNSEND addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Oklahoma yield; and if so, to whom?

Mr. THOMAS of Oklahoma. I yield first to the Senator from Colorado.

Mr. ADAMS. I merely wish to supplement the statement of the Senator from Kentucky by pointing out that the first two pages of the questionnaire are devoted to inquries relative to silver in its various phases.

Mr. THOMAS of Oklahoma. I now yield to the Senator from Delaware.

Mr. TOWNSEND. I agree that the first two pages are devoted to silver, but this bill has been before the Senate for a long time; it passed the Senate once, but was defeated in conference. The committee have not only held very elaborate hearings on it, but have reported the bill, and recommended that it be passed.

Mr. THOMAS of Oklahoma. Any metal that has a record of 6,000 years as a monetary metal, anything we are using for money and have used for money for 150 years, and anything we now have in circulation to the extent of $2,000,000,000, in my judgment, should not be cast aside until the Banking and Currency Committee have made a thorough study of the whole monetary problem and have submitted a report which may be considered as an entity.

Mr. TOWNSEND. May I say that the Banking and Currency Committee made investigation and reported the pending bill?

Mr. President, if the Senator will yield further.

Mr. THOMAS of Oklahoma. I yield.

Mr. TOWNSEND. I understood the Senator to say that Federal Reserve notes involved interest payments. I think the Senator said that, did he not?

Mr. THOMAS of Oklahoma. The Federal Reserve System makes loans to banks. Of course if a bank has a balance with the Federal Reserve System, and desires to cash that balance in the form of notes, it can do so, but if the bank desires to increase its holdings and borrows from the Federal Reserve bank and then obtains notes, of course, the bank pays interest on such notes.

Mr. TOWNSEND. I desire to quote, if I may, from the statement of Mr. Eccles, chairman of the Federal Reserve Board. He says:

> It has been stated that the circulation of Federal Reserve notes involves interest payments, while the circulation of silver certificates does not. The fact is that the issuance of Federal Reserve notes as such does not involve interest payments any more than the issuance of any other kind of currency. A person who has a bank deposit can withdraw it in currency and does not have to pay interest; a person who has no deposit and has to borrow must pay interest on his loan regardless of the kind of currency in which he withdraws the proceeds, or whether he leaves them on deposit and checks against them.
>
> The issuance of silver certificates in payment for silver purchases by the Treasury in no way diminishes interest payments on the public debt. If the Treasury paid for silver purchased out of its regular funds, it would have to increase the public debt by the amount of those payments, but the Treasury does not in fact pay for silver in that way, and no proposal has been made that it should do so. Consequently, the issuance of silver certificates has no bearing whatsoever on the interest burden of the Government.

Mr. THOMAS of Oklahoma. I am glad to have the Senator make that admission, and to read from the Governor of the Federal Reserve Board, because in his report the Senator says the silver-buying program is a burden upon the

people of America; yet he just read from the testimony of the head of our financial system, so called, the Governor of the Federal Reserve Board, who makes the statement which I will reread:

Consequently, the issuance of silver certificates has no bearing whatsoever on the interest burden of the Government.

Mr. TOWNSEND. That is correct. I quote further from Mr. Eccles' testimony:

In a period of tight money, when member banks were in debt to the Reserve banks, the issuance of silver certificates, just as of greenbacks, would ease the situation by giving banks reserve money with which to repay their borrowings at Federal Reserve banks. But this result could be accomplished as effectively by open-market operations by the Reserve banks, which would not raise any problems of currency inflation. In any case, this is not the problem today, when banks are out of debt and have a huge volume of excess reserves.

Mr. THOMAS of Oklahoma. Mr. President, I shall close in a moment because the chairman of the subcommittee handling the appropriation bill for the Interior Department desires to call up that bill, and I have no objection to that being done.

Mr. KING. Mr. President——

Mr. THOMAS of Oklahoma. Before I close, I will yield to the Senator from Utah.

Mr. KING. Mr. President, perhaps this is an inopportune time to make the suggestion, but I was about to observe that an amendment has been tendered to the pending bill which calls for liberating the gold which is locked up at Fort Knox and other places and using it in circulation. Obviously, that amendment is germane to the bill under consideration; and, therefore, if we are to consider further the silver bill, we must consider the amendment which I have offered, which deals with gold. So it seems to me that the whole question ought to be considered, I shall not say de novo, but considered in its entirety, gold and silver, in connection with our financial system.

Mr. THOMAS of Oklahoma. Mr. President, it is well known to all those present that the Constitution puts the problem of money upon the back of the Congress. The Constitution says that "the Congress shall have the power to coin money" and "regulate the value thereof."

No other tribunal has that power. The Congress might create a tribunal within certain limitations to do that thing, but the Congress has not done so. Therefore, what we have for money, good or bad, and what we shall have is the responsibility of the Congress of the United States, and at the present time the Treasury Department, as well as the other departments, are conceding that responsibility to us. Not very long ago I introduced a bill with regard to our surplus gold. That bill was sent to the Treasury and other departments mentioned in the bill. The Secretary of the Treasury, acting through his agent, reported on the bill, stating that inasmuch as the Senate had ordered an exhaustive study and investigation of monetary and financial questions and the banking system, they would not care to make any recommendations about the bill introduced by me, which I take it to mean any bill on monetary questions. The Secretary of State made a similar report upon the same bill. I do not have before me the Treasury Department report, but I have the report from the Secretary of State, and the language is practically the same in both. The Secretary of State says:

It would appear that action with respect to the bill might well be deferred pending such further study as the Congress may wish to give to the determination of a national monetary and banking policy.

Mr. President, the Government is not going to buy very much more silver; it is coming in now very slowly; its purchase is discretionary and within the power of the Secretary of the Treasury. So until the study which is now under way can be completed I urge as an objection, which, from my standpoint, cannot be waived, that the pending bill should not be passed until that study shall have been made and the report submitted to the Senate of the United States.

AMERICA'S POLICY TOWARD INSULAR POSSESSIONS OF FOREIGN COUNTRIES

Mr. REYNOLDS. Mr. President, last Sunday night I had the honor to speak over the coast-to-coast network of the Mutual Broadcasting System in a debate with my colleagues the Senator from Minnesota [Mr. LUNDEEN], the Senator from Washington [Mr. SCHWELLENBACH], and the Senator from Utah [Mr. THOMAS] on America's policy toward insular possessions of foreign countries. The debate was presented by the American Forum of the Air, whose director, Theodore Granik, a brilliant attorney and writer, acted as moderator.

Of course, like other Members of the Congress, I have been familiar with the American Forum of the Air. In fact, in its earlier days I debated over its stations. But as I sat there last Sunday night I was suddenly impressed with the fact that only in America—only in a land which grants freedom of speech to its citizens—could such an institution as the American Forum of the Air be possible. In contrast, I thought of certain benighted countries in Europe where totalitarian governments have stifled the press, have done away with anything resembling freedom of speech, and have driven fear into the hearts of their citizens so that no one dares to say what he thinks.

I became curious about the origin of the American Forum of the Air, and I learned that it dates back to the hobby of one man—its director, Theodore Granik.

Back about 15 years ago a youngster just out of law school, who was serving as assistant director of a local New York radio station, conceived the idea of presenting a program under the title of "Law for the Layman." Outstanding civic leaders, judges, legislators, and attorneys discussed legal questions in simple terms that the layman could understand. Later, while a member of the bar in New York City and an assistant district attorney of New York, this young man continued this program over station WOR.

But people wanted both sides of the questions. Letters to the station stated that fact. The result was the founding of the WOR forum hour by Mr. Granik, presenting men and women in debates on vital questions of the day. It was the first program of its kind and was heard over station WOR until 1937, when that station became the key station of the Mutual network in the East.

By that time Mr. Granik had come to Washington to practice law; but his interest in his hobby as a contribution to mass education continued. He revived the idea of a forum program, this time over the Mutual network. During 1937–38 the program was presented as a half-hour feature and soon was attracting the attention of leading national personages, particularly the Members of the House and Senate. Fan mail became so insistent on a longer program that about a year ago Mr. Granik formed the American Forum of the Air.

With this opportunity to indulge in his hobby—mass education—Mr. Granik gave more and more thought to this program. Hobby, indeed, it is, as the program is a sustaining educational feature for which Granik gets no compensation. He considers it his humble contribution to education and to the cause of free speech in its fight against totalitarian muzzling by presenting the pros and cons of controversial timely topics of the day. Many of the topics are suggested in the thousands of letters he receives from listeners throughout the country.

It was not enough to secure as a speaker just a Senator, a Member of the House of Representatives, or a Cabinet officer. It must be the Senator, the Member of the House, or the Cabinet officer who was most vitally interested in the subject to be discussed. The extra half-hour has made it possible to add additional speakers in the form of a panel, and to have impromptu discussions following the presentation of the first two debaters.

In response to many requests from listeners who have been anxious to see their legislators and public officials in action and to ask them a question or two, it was suggested to Granik that he present these programs in an auditorium in

Washington to which people from all parts of the country who might be visiting Washington could come to witness the broadcasts free of charge. The program being in the noncommercial class, there were no funds to pay for an auditorium or meeting place; but undaunted, and believing that as the topics discussed affected government and people, and as the speakers were usually officials of the Government, the public should use one of its own buildings for this purpose, Granik and officials of the Mutual Broadcasting System persuaded Secretary Ickes to allow the use of one of the Government auditoriums. Secretary Ickes agreed to allow the use of the facilities of the radio studios in one of the Interior buildings so as to permit an audience to attend, provided the Interior Department would have no part or connection with the program whatsoever, and provided it was clear that the Interior Department was merely permitting the use of its auditorium to seat an audience. It was also provided there was not to be an item of expense to the Interior Department, and, above all, that both sides should be presented at all times.

It is interesting to note that while Secretary Ickes has appeared on other forum programs he has refrained from appearing on this program, as he has always wanted it clearly understood that in no way was he or the Government in anyway connected with the program.

Granik checks with leaders of both parties in the Senate and the House on each program before he books it. If a Democratic Senator suggests a program, Granik immediately checks with an outstanding Republican leader to inquire whom they want for their lead speaker in opposition, and their panel. Similarly, Republican leaders of both Senate and House suggest programs from time to time, and Granik checks with the Democratic leaders to have them suggest their side.

To maintain a complete, fair presentation and balance, for which Granik has been commended and praised by leaders of both parties, he regularly asks the opposing speakers to send him their suggestions for remarks they might like to have him include in his introductions, and when Granik prepares his introductory remarks he measures what he says about the proponents and opponents line by line, giving the same number of quotations, the same number of phrases pro and con, and so forth.

Despite competition of other popular programs, the fan mail continued to increase. Friends suggested that a similar feature for newspapers be developed and Mr. Granik went wholeheartedly into this field. This newspaper feature, distributed to a large number of papers by United Feature Syndicate and published in Washington in the Washington Daily News, offers to national leaders the same opportunity in the press that the American Forum of the Air gives them over the radio. The articles are of a controversial nature, and both sides are presented by outstanding men and women who are authorities on the subjects discussed.

In addition, the newspaper features carry a box inviting the opinions of the public in general on the subjects discussed. Several thousand letters were received as a result of the first article in the series, and an equally large number on the second article. These letters give a comprehensive cross-section vote on questions of the day, and eventually will furnish a method of getting a real cross section of American opinion on any vital question of the day.

As on the air series, Cabinet officers, Congressmen, and other officials are given an opportunity to present their own unedited, unexpurgated opinions on the subjects under discussion.

I desire to say on the floor of the United States Senate that Theodore Granik deserves a vote of thanks from America for making possible the means of free speech, free expression of opinion, over the air and in the press, on the most vital topics of the day—a condition that could obtain nowhere but in America.

I ask unanimous consent that the record of the debate to which I have referred be published in the RECORD at this juncture in my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The debate is as follows:

Announcer McCORMICK. This is the American Forum of the Air. Listeners from coast to coast are invited to hear the American Forum of the Air.

The facilities of these studios have been extended by the Secretary of the Interior, Harold L. Ickes, in the interest of promoting educational radio programs temperately discussed by leaders of various schools of thought.

Information as to how you may receive a copy of tonight's proceedings will be given at the conclusion of the broadcast. Tonight the American Forum of the Air will be presented in two parts.

Under the direction of the chairman, Theodore Granik, pioneer in educational radio discussion and newspaper columnist, you first will hear the formal presentation of an opinion expressed by the four invited speakers.

This portion will be followed by extemporaneous discussion by the same speakers.

And now your chairman, Mr. Granik.

Chairman GRANIK. Thank you, Mr. McCormick.

Latest developments of the second world war in Europe have focused our attention on the insular possessions of the warring powers—their colonial holdings—especially those adjacent to or vitally affecting the United States.

Purchase or acquisition in lieu of war debts of British-owned Bermuda and British West Indies have been debated on the floors of the Congress and on the front pages of the daily press. The proximity of Greenland and Iceland to the United States has likewise been a subject of much discussion and the question of application of the Monroe Doctrine has come into the limelight.

And stories of the possibilities of Japan eyeing the Dutch East Indies, with a view to possible acquisition should the Netherlands become involved in the European struggle, again have aroused American public opinion in view of the vast resources of these islands, many of which are vital to this country.

The German occupation of Denmark has already brought to the forefront the problem of sovereignty over Greenland, a vast Arctic bloc only about 1,250 miles from northernmost Maine and well within the Monroe Doctrine's continental sphere. What of Greenland, Americans ponder, with its nearness to the United States and the possibility of its development by a European nation as a naval and air base which might threaten the security of the United States? And what of the Netherlands, whose possessions lie within 1,500 miles of the Panama Canal?

In a speech addressed to the United States and its sister republics in the Western Hemisphere, President Roosevelt declared, "In this association of nations whoever touches any one of us touches all," a speech which might be taken as a warning to aggressor nations against seeking a foothold in western sections.

As new phases of the European war are constantly developing, Americans anxiously ask many questions as to our policy toward these possessions of foreign countries.

What will happen to the British possessions, Bermuda and the British West Indies, if Germany should win? How would it affect the United States?

What is our policy toward the acquisition of Dutch colonial possessions, with their vast stores of rubber and tin, on which the United States must depend for its supplies of these necessities?

We are already pledged to protect Canada againt invasion, but what about Greenland, Iceland, and other foreign possessions, all within striking distance of this country?

The American Forum of the Air has invited four distinguished Members of the Senate, all authorities on the subject, to present their views tonight.

We shall hear first from Senator ELBERT D. THOMAS, of Utah, member of the Foreign Relations Committee. He will be followed by Senator ERNEST LUNDEEN, of Minnesota, member of the Military Affairs Committee and national chairman of the "Make Europe Pay War Debts Committee." We shall then hear from Senator LEWIS B. SCHWELLENBACH, of the State of Washington, and Senator ROBERT R. REYNOLDS, of North Carolina, both members of the Senate Foreign Relations Committee.

Immediately following their short presentations of the subject they will engage in an informal panel discussion.

We invite your letters and comments on tonight's presentation.

And now our opening speaker, Senator THOMAS.

ADDRESS BY SENATOR ELBERT D. THOMAS

America finds herself faced with grave problems as nations in Europe with dependencies in the Western Hemisphere and dependencies near our outlying territorial interests in the Eastern Hemisphere enter into war. In the North Pacific we are neighbors to Canada, Japan, and Russia; in the South Pacific to members of the British Commonwealth of Nations; around the Philippines to China, France, Japan, Holland, Portugal, and the British Commonwealth. In Africa little Liberia has remained untouched and unharmed for generations because of our long-recognized friendly interest. Throughout the Americas we pride ourselves on being a good neighbor among our sister republics. The Monroe Doctrine is now a hundred years old. It has never been a static doctrine, but it has represented principles with a single prevailing thought, which is that the Western Hemisphere shall never be longer considered a place for European or Asiatic exploitation or forced control. Up until a few years ago the doctrine—whether it be thought

of as a principle of self-defense for our own country, whether it be thought of as a principle looking toward a functioning unity for western nations, or whether it be thought of as a regional understanding which the world had learned to respect—was a principle primarily of our own making. Yet its basic idea rested upon the first and foremost principle of international law, which is respect for the independence and territorial integrity of all nations, regardless of their size or power.

In the last few years, due to the extension of the theory of the good neighbor and due to the agreements among the American states, the principles underlying the Monroe Doctrine have been accepted by practically the entire Western Hemisphere. To put it in another way: The Monroe Doctrine has been extended from a unilateral understanding to a multilateral one, and the spirit of cooperative endeavor in maintaining the doctrine and keeping from our shores those who would violate it has now become a task for unified action rather than merely the action of a single state.

Thus, when we talk about the change of status of any territory within the Western Hemisphere such change is not merely a matter of our own concern, it is a matter of concern to all of our neighbors; it is a matter surely of concern to the people of the territory affected, because if the doctrine of nonexploitation and noninterference is good for one it is good for all. Canada has never seen fit to join the Pan American Union or to become a party to pan-American agreements, but Canada has never resisted the theory of the Monroe Doctrine. It is useless, therefore, for us tonight to attempt to talk about what we should do in case of certain eventualities. If a real emergency were to come making it necessary to act first and talk afterward, as might occur, if the Panama Canal, for example, were in danger or if a neighbor were invaded, or if an expeditionary force were sent against one of our neighbors in such a way as to definitely expose us to attack, America should not be backward in acting. For America's whole military and naval theory is based upon the theory of defense and not of offense, so that any action outside this sphere of defense could not be contemplated without doing violence to theories and to understandings which have become fundamental. So well have some of these understandings become recognized that the United States no longer deems it necessary to arm against certain possible eventualities, and miles and miles of our boundaries are unprotected primarily because we cannot conceive of the trust and faith behind the understandings of nonaggression, which have grown up in the last 100 years, ever being violated. How, then, can we be definite about unheard of, unexpected eventualities? Personally, I believe that the mere spirit of cooperative endeavor and the existence of this understanding almost universally throughout the Western Hemisphere is probably our greatest protective force. It, too, is responsible for our naval and military policies. But that we do not put faith entirely in this understanding is proved by the size of our Navy and the preparations made by our Army. But both the size of our Navy and the readiness of our Army are known by the whole world to be in no sense threats but merely sustainers of peaceful processes on a defensive basis.

But that does not leave us without responsibilities. Allow an upsetting of accepted standards of thought and action to enter into these spheres of peaceful and friendly intercourse and the present-day sense of security from molestation from without is ended. No new problems seem ours today but tomorrow may bring many. I will cite a few. You will see that they come right home to you. It is not an exaggeration to say that America lives on rubber and out of tin cans. But we produce no rubber and no tin. Unfriendly interference with our tin and rubber trade lanes would upset our industry, transportation, and our food supplies. Tea and coffee drinking are well nigh universal habits. The trade lanes bringing tea and coffee are far and wide. Let these lanes become closed and American breakfasts are not as usual. I might go on but my task tonight is to lay a foundation for a thoughtful hour of discussion. I have said enough, I hope to drive, at least for 1 hour, two types of the commonest of our slogan mongers from our midsts. First, that America is self-contained and that if she minds her own business and sees that that business remains right here at home everything will be lovely, and second, that if Government left everything to business we would have a happy home world. It is hardly fair to be so simple but slogan mongers are always simple. They know how to fix things. They are like all gamblers—they know it's merely a matter of having the right combination. So let us leave them to it by withdrawing all Government interest in tea, coffee, rubber, and tin and see what happens. Then after we have settled our international policies by not being interested in trade lanes and trade routes let us settle our internal industrial and unemployment troubles by building our internal policies by formula, a formula older even than certain sloganized oft-quoted sentences from Washington's Farewell Address, and, thus solve our health problems, our wealth problems, and our educational problems by a simple proverb:

Early to bed and early to rise
Makes a man healthy, wealthy, and wise!

Some men tell us our world and domestic problems may be solved with that simplicity. I wish to heaven that were the case.

Chairman GRANIK. Thank you, Senator THOMAS. And now as our second speaker in tonight's forum, we present Senator ERNEST LUNDEEN, of Minnesota.

ADDRESS BY SENATOR ERNEST LUNDEEN

Developments in Europe have made the Americas conscious of the necessity of pan-American defense—defense which would remove the danger of foreign possessions and foreign governments now established within our natural defense lines. The United States has suddenly begun to consider what is and has been its policy toward insular possessions of foreign countries within the Western Hemisphere. The West Indies, Greenland, the Monroe Doctrine now are subjects of daily conversation by the American people.

Andrew Jackson demanded the seizure of the West Indies more than a century ago. He successfully collected from France a debt which France had refused to pay for a quarter of a century. Andrew Jackson said in his annual message to Congress, 1834:

"It is a well-settled principle of the international code that where one nation owes another a liquidated debt which it refuses or neglects to pay, the aggrieved party may seize on the property belonging to the other, its citizens or subjects, sufficient to pay the debt, without giving just cause for war. This remedy has been repeatedly resorted to, and recently by France herself toward Portugal, under circumstances less questionable."

Europe owes us fourteen and one-half billion dollars. Military authorities agree that the Caribbean Islands would form our Maginot Line, making the Canal Zone invulnerable and adding absolute protection to our entire coast line—east and west. It would make the Caribbean a protected inland American sea closed to the Old World and open only to the American Hemisphere. In the interest and welfare of the American people who are at present paying 4½-percent interest on the old war loans to Europe, our Government should begin negotiations for the acquisition of these islands in the Caribbean as part payment of the war debts. That action is absolutely in line with the principles established by the great American, Andrew Jackson. It would save us billions of dollars in defense.

Andrew Jackson does not stand alone as the only man who has advocated seizure of the West Indies. Senator Henry Cabot Lodge, Sr., stated in an article entitled "Our Blundering Foreign Policy," which appeared in Forum, March 1895: "England has studded the West Indies with strong places which are a standing menace to our Atlantic seaboard. We should have among those islands at least one strong naval station * * *."

Captain Mahan, greatest United States authority in naval strategy emphasized the vulnerability of our Caribbean interests with foreign countries established in that area. And today Maj. George Fielding Eliot, author of the Ramparts We Watch, admits that "it would be of great advantage to us if we could have a base at the southern end of the chain of islands, a base such as Trinidad or Barbados," British possession in America.

It was February 20, 1923, when Senator James A. Reed, the brilliant orator from the great State of Missouri addressed the Senate on a resolution proposing to take over the British and French West Indies. He said: "There is no strategic reason why Great Britain should insist on holding these islands against us, her friend and brother. They are not necessary for her defense against other countries. If we are to indulge the hope of eternal peace with Great Britain, then they are of no use for attack against us, because we are not to be attacked. They are contiguous to our coast and would be of great value to America in case of any contest with any other foreign power other than herself. Their possession by America would render the canal secure and enable us to keep it open against any nation in the world."

The able and distinguished Senator from Missouri said that Great Britain could maintain these fortified island bases with only one purpose in mind; there could be no other purpose. He maintained then that they should be our military bases, and in this he is sustained by all military and naval authorities.

These men are distinguished by their eminent service to the United States. They restate our foreign policy laid down by Washington, Jefferson, and Jackson regarding insular possessions in our American Hemisphere.

Recent European developments have brought the attention of the American public to Greenland, an island which the President, as well as geography, admits is within the Western Hemisphere.

On April 19, 1939, I offered upon the floor of the United States Senate a resolution authorizing the purchase of Greenland from Denmark. I drew attention to the fact that Greenland was within the American Hemisphere and was one of our strategic points of defense. Further I stated at that time, and I repeat now, that if we can appropriate billions for naval expansion we can well ask for a few million dollars with which to acquire by negotiation and purchase some of these islands lying near our coast and vital to American defense.

Pan-American Airways has been exploring the territory of Greenland for years. Colonel Lindbergh has pointed out the strategic advantages of this truly American land, and the Soviet Government last April 1939 sent two fliers from Moscow to New York by way of Greenland.

Now we are waking up to the facts. We have been in the habit of looking upon this strategic, valuable island as somewhat of an impossible place of no earthly use to anyone. Recent delving into available information regarding Greenland has started the United States thinking of an American Hemisphere for the Americas which will eventually include all islands lying within our hemisphere and now in foreign hands.

The posession of American land by foreign countries is a violation of the spirit of the Monroe Doctrine. We must pursue a foreign policy which will separate America from the quarrels and boundary disputes of Europe.

Chairman GRANIK. Thank you, Senator LUNDEEN. And now we are pleased to present Senator LEWIS B. SCHWELLENBACH, of the State of Washington, who will discuss America's foreign policy in its more general phases. Senator SCHWELLENBACH:

ADDRESS BY SENATOR LEWIS B. SCHWELLENBACH

First, let me state the points on which I think I agree with my friends Senator REYNOLDS and Senator LUNDEEN.

1. When they urge that the United States must not become involved in any foreign war, I agree 100 percent.

2. When they say that our former allies committed a stupid blunder in repudiating their war debt to us, I agree 100 percent.

3. If they urge that by honorable negotiation we should try to secure partial payment of these debts by obtaining from England and France necessary strategic possessions in this continent, I agree 100 percent.

At this point I think I must part company with my two good friends. I think that what I advocate will be much more likely to result in a lasting peace for our people than the course they propose.

Let me put it in this way: We all remember what England's Prime Minister Chamberlain said when he returned from Munich. These were his words: "We have preserved peace in our time." His phrase "in our time" turned out to be just about 11 months.

I will not be content with a "peace in our time" for the United States. I know that each of us in Government is responsible to the mothers and fathers of the young men of military age to see that their boys are not dragged off into war. But I am not content to assure that group of parents alone. I think we in Government have an equally serious responsibility to the parents of boys 10 to 15 years of age. I even venture to think of the mother and father listening to this program who may before this night is over tiptoe in for a good-night glance at an infant boy in his crib. I think, Senators, that you and I have a responsibility to try to so conduct our Government that even they need not fear that that child will become the fodder for cannon when he comes to military age.

We will have no great task in attaining a Chamberlain's peace in our time. We can stay out of this war for the next 11 months, or even the next few years, without much difficulty. We can do that by simply refusing to see or hear what is going on in the world around us. We can rely upon the protection of our two oceans. We can trust to the fact that the other nations are too busy in their own wars to bother with us. It will take no great statesmanship to preserve that sort of a peace "in our time." But I am not content with that. America is entitled to peace during this whole next generation. Those of us in Government owe it to our people to strive to maintain it.

We hear so much today of the lesson we should learn from what happened between 1914 and 1917. I fully agree that that lesson should not be forgotten. The mistakes we made then must not be repeated.

What we must not forget, however, is that avoiding these mistakes will not suffice. By avoiding these mistakes we can preserve a Chamberlain peace "in our time." The avoiding of these mistakes we owe to the parents of the boys who are now of military age. If you agree that we also owe a responsibility to the parents of the younger boys, then you must agree that we must go further than avoid the 1914 to 1917 mistakes.

That responsibility requires that we avoid the mistakes made since November 11, 1918. People often wonder why the peace which followed the last World War was of such short duration. Statesmanship requires an analysis of the reasons behind the short tenure of that peace.

First, it must be conceded that the bases of that peace were unfair. The bases of that peace were punitive. You can't long maintain a peace that has as its purpose either the punishment or intimidation of a great race of people. That's why it is so important that our Government keep the record straight. That's why it is essential that our Government should protest every effort by any government to impose its will through either force or fear upon a weaker government. That is why it is important that we should preserve our economic stability in order that our voice might be heard when the belligerent nations sit around a peace conference at the termination of the present hostilities. If our peace is to last, the peace to which the belligerents agree must have as its basis the principle of fundamental fairness.

The second mistake that the nations made was the abandonment by most of them of the principles of simple, common honesty. The best standard by which to judge the honesty of nations as well as men is whether they keep their word. Broken promises, broken pledges, broken treaties have contributed more to the present world disaster than has any other single factor. These breaches of faith have not been limited to any single nation or group of nations. Treaty breaking, promise breaking, and word breaking have been the rule instead of the exception. International morality reached the lowest point since the seventeenth century. The present war is the natural and logical consequence.

Our people hope when the present wars end to play some part in establishing a lasting peace. To my mind that hope will be barren unless we can enter into such a peace conference with a record clear of the taint of treaty breaking on our own part. The only leadership we want to give the world is moral leadership. We must have our own hands clean if we try it.

That is why I am so insistent that we should discontinue our present policy of violating our obligations under the Nine Power Pact by supplying war materials used by Japan to destroy the administrative and territorial integrity of China.

The third mistake has been the failure of peace-loving nations to prepare to protect themselves against the aggressions of nations which they should have known were bent upon a policy of aggression. Not only China, Ethiopia, Czechoslovakia, Poland, Finland, and Norway have been the victims of their own unpreparedness. Even England and France today are suffering from that mistake. That is why I insist that we shall not permit ourselves to be similarly victimized.

It must not be forgotten that our responsibility for defense is not limited to the 48 States in the continental United States. Almost 120 years ago we assumed the responsibility of defense of the entire Western Hemisphere. That policy of over a century cannot be and will not be abandoned by our people.

America's international policy today must have as its foundation the recognition of these three policies:

First, the maintenance of fairness in our dealing with the other nations of the world.

Second, the eternal insistence that we at least will respect our international promises and obligations.

Third, that we will be so vigilant in our degree of preparedness as will allow us to protect ourselves from attacks from any source.

No one can lay down a guaranteed formula for lasting peace. The best that may be asked of anyone is that he does not repeat the mistakes which should be already evident to him. Certainly it should be apparent that we cannot ignore the world around us. While we may not like what is going on in the rest of the world, the fact is that we live in it. We could commit no greater blunder than to ignore it. There is nothing shorter lived than a fool's paradise. It will take more than a cool head to keep us at peace. We must keep our head up and alert to maintain a lasting peace for our people. May I conclude by repeating that when I speak of peace I mean peace even for that little boy child who is lying in his crib. Even he is relying on us.

Chairman GRANIK. Thank you, Senator SCHWELLENBACH. And as our concluding speaker in the first half of tonight's forum we now present Senator ROBERT R. REYNOLDS, of North Carolina.

ADDRESS BY SENATOR ROBERT R. REYNOLDS

The acquisition of island possessions in the immediate neighborhood of the northern portion of the Western Hemisphere, in which we are interested, really interests itself in the subject of providing for ourselves a stronger national defense. I am interested in making acquisition of islands in the Atlantic and in the Pacific, either by purchase or lease, in order that we may thereby forge around us a steel band for our protection.

Let us weld an iron ring around us. Let us safeguard ourselves by establishment of outposts in the Atlantic, the Pacific, and elsewhere. If we are to be attacked, and if there must be fighting, let's provide ourselves with such outposts as will successfully beat the enemy or enemies from our shores, thus prohibiting fighting within the confines of continental United States.

Firstly, as to the Panama Canal. It must be protected in order to provide uninterrupted ship negotiation from the Pacific to the Atlantic, or vice versa. This is extremely important. The Panama Canal is the key which makes possible the United States' unique two-ocean fleet. At Puerto Rico we are spending millions to strengthen our position in the Caribbean likewise with a view particularly to defending the Canal, which lies to the west. It is important to remember that while Puerto Rico is not particularly valuable economically, it is important to every American that the United States—and not another country—own it, and that no foreign ships and shells be there. Those defenses at Puerto Rico should be further strengthened to the north and to the south by making acquisition of British and French islands in the Caribbean extending from Port of Spain in Trinidad, just off the coast of Venezuela in South America, northward to and including Bermuda, which latter would provide us with our first and only outpost in the North Atlantic.

In the far North Atlantic we should acquire from the French St. Pierre and Miquelon Islands, just off the coast of Newfoundland. There we could construct valuable air, and, if necessary, naval bases, from which points we would be in a position to meet any attack from Iceland, Greenland, or the northeast.

With a view to welding strongly this band of steel in the Atlantic I have but recently introduced a resolution in the Senate of the United States which authorizes the President to enter into negotiations with Great Britain and France for the acquisition of these several island possessions to be credited upon their indebtedness to us, which approximates $10,000,000,000.

Now, to the west, in the matter of outposts in the Pacific for the purpose of protecting the western entrance to the Panama Canal, I suggest the leasing of islands of the Republic of Colombia, just south of the Equator, and the leasing or purchasing of Goose and Cocos Islands—owned by the Republic of Costa Rica. I also suggest that our Government endeavor to acquire Lower California by peaceful negotiations from our sister republic to the south so as to provide additional protection for the Panama Canal from the north. If this were done it would be impossible for any submarine or battle cruiser to find shelter in the waters lying between the mainland of Mexico and the Peninsula of Southern California.

Our fortifications in the Hawaiian Islands are splendidly located as protective outposts in that portion of the Pacific. At Honolulu we have one of the finest and strongest military establishments in the world.

Now, let's proceed northward to the Aleutian Islands. We purchased these a number of years ago from the Russians at the same time we acquired Alaska and other islands of that far-away northern country, for a consideration of $7,200,000. At Unalaska or Dutch Harbor, one of the Aleutian group, we have established a naval air base. These islands extend for more than 700 miles westward from Dutch Harbor in the direction of Japan and Russia. Attu, the westernmost of the Aleutian group, is only about 2 hours' flying time from Japanese territory, and even a shorter distance from Soviet Russia. A base should be established on Attu Island.

At the present time we are now engaged in the construction of a central air base at Fairbanks in Alaska. That is well. Further north at Nome we will eventually find it expedient to erect a military base in view of the fact that Siberia, part of Soviet Russia, is a distance of a mere few hours by boat from American territory. Fact is, the two Diomede Islands near Nome belong to the Russian and American Governments. They are only a mile apart.

North of the Diomedes in the Arctic Ocean lies Wrangell Island. It is about the size of Jamaica. It is located between the mainlands of Alaska and Siberia. As the crow flies it is virtually on a line from the metropolis of New York City to the capital city of the Philippines, the commonwealth of Manila. As a result of its geographical position it has great potential military value on account of the miraculous and phenomenal development of air power.

The first flag was planted on Wrangell Island by members of the American Jeannette expedition around 1880. It is now occupied by Soviet Eskimos and a few Russian soldiers. Its legal possession is in dispute. Recognizing its potential military value, some weeks ago I introduced a bill in the Senate of the United States requesting our State Department to ascertain the legal status of this island.

With the acquisition and development of outposts in the Atlantic and in the Pacific and in the far north where our territory is in the immediate proximity of both Japan and Russia, I believe that thereby we would be able to forge a steel band around our portion of the Western Hemisphere so strong that no enemy from foreign shores, regardless of strength, could successfully penetrate to the extent of waging war upon our shores.

With the development of air power, in which I have unlimited faith, and with these outposts which I have mentioned, there we would establish our first line of defense, and those lines of defense in the Atlantic and in the Pacific, south and north, east and west, would be carried many miles further into the two oceans by the utilization of aircraft. Air power has displaced already to a very large extent the Navy, battleship cruisers, or what not. For instance, it takes a battleship approximately 11 days to proceed from San Francisco through the Canal to New York. A battleship costs around $80,000,000. A fleet of battle planes, bombers, transporting tons of high explosives, can be purchased for an amount not in excess of the cost of one battleship. A fleet of fast-flying battleplanes, deadly in attack, can negotiate the distance from San Francisco to New York within a period of 11 hours. Make your own comparison. Ascertain for yourself by comparison the potential value of each—11 days as against 11 hours.

It is important for Americans to know that England has a naval base at Jamaica, France one at Martinique, the Netherlands one at Curacao. And it is further important for Americans to know that American territory is in the immediate proximity of Russia and Japan—because naval bases these days mean far more than slow battleships. They mean bombers—big and fast and deadly—let's forge that steel band around us and let's do it now.

Chairman GRANIK. Thank you, Senator REYNOLDS. This concludes part 1 of tonight's Forum presentation.

And now as part 2 of tonight's American Forum of the Air, our speakers will engage in an informal panel discussion. Senator THOMAS will open the discussion.

Mr. THOMAS. Senator LUNDEEN closed his remarks with these two sentences: "The possession of American land by foreign countries is a violation of the spirit of the Monroe Doctrine. We must pursue a foreign policy which will separate America from the quarrels and boundary disputes of Europe."

The first sentence lays down a theory of the Monroe Doctrine which I have never heard until tonight. It is a theory that I cannot agree with, it is a theory that is completely out of harmony with the whole history of that Doctrine from its first enunciation.

For example, the American Monroe Doctrine was never aimed at foreign lands that held land in America. If it had been the American Monroe Doctrine would have attempted to drive England out of Canada, to drive France out of certain parts of the West Indies, it would have attempted to drive Holland, and England again, out of her parts of South America. That was not the idea. It was true that the Monroe Doctrine was against foreign exploitation and inroads of foreign power, and it was for sustaining countries in America that had rebelled against foreign oppression and had driven off the influence of foreign lands that were controlled and become independent. But to assume that the Monroe Doctrine is an aggressive doctrine causing us to go out and take land which does not belong to us in this hemisphere would upset entirely the whole peaceful scheme of the Doctrine and all that is behind our pan-American understanding.

Mr. LUNDEEN. In reply to the able Senator from Utah, I would like to say that we hear many new versions of old doctrines, especially under the New Deal. Perhaps we have heard some before. We heard one from Colonel Lindbergh not long ago. Does Canada have the right to involve herself in a European war and, if defeated, then ask us to fight her battles for her? Maybe that will bring some new construction of the Monroe Doctrine. And do nations in Europe have a right to default debts and then fail to provide us with bases whereby we can form that iron band of steel that the able Senator of North Carolina has just spoken of, fail to give us those bases? And certainly that involves new constructions of the Monroe Doctrine. There may be an evolution of the Monroe Doctrine that will change from time to time, although the main principles of the Monroe Doctrine, as I understand them, are these: That we are not to permit Europe to engage in any disturbance here within North and South America, neither are we to mix in their quarrels. It is a two-way proposition.

Of course, the subject is one for writings, and the able Senator from Utah made a long speech; he is a scholarly gentleman, and his statement was a learned one, I must say.

Mr. REYNOLDS. May I just add in reference to that proposition that here recently I have heard a lot of people saying that we ought to use the Monroe Doctrine for the purpose of taking over Greenland and Iceland and going 10,000 miles out of the way into the Orient to take charge of the Dutch East Indies that belong to the Netherlands, and a portion of which belong to the British.

Mr. SCHWELLENBACH. I think that Senator REYNOLDS heard Senator LUNDEEN make the first part of that statement. I haven't heard anyone with much sense, in my opinion, make that part of that statement. They talk about the Four Power Agreement which involved the Dutch Indies, and say that we have some obligation in it. My position is that as long as we violated the Nine Power Agreement, which was written at approximately the same time and is of the same nature with reference to China as the Four Power Agreement is with reference to the Dutch East Indies, so long as we violate that affirmatively by furnishing the materials to Japan with which to destroy the territorial integrity of China, nobody should argue in this country that we should go over and protect the Dutch East Indies under the Monroe Doctrine.

Mr. REYNOLDS. I quite agree with you, Senator, and I do not think there is any obligation on our part whatever to go into the Orient at all and try to protect the French in Indo-China or the British in Borneo or the Dutch East Indies.

Of course, as the able Senator from Utah said a moment ago that we want to protect ourselves insofar as being able to get tin and rubber from the Dutch East Indies, that is true, but at the same time I do not think we should involve ourselves by going over there and trying to protect them.

I want to say this, Mr. Chairman, in answer to what my good friend, Lewis, has just stated here about our selling war materials to Japan. I think it is a crime for us to sell implements of death to any nation in the world for the purpose of making use thereof; and he is right, we ought not to sell implements of death to the Japanese for the purpose of slaughtering and murdering the Chinese, and at the same time we ought not sell implements of death to any nation across the broad waters of the Atlantic for the purpose of killing one another over there. If we are going to stop them from killing them in Asia by not sending the Japanese implements of death, we ought to stop them from killing them in Europe by not selling them war materials over there, and I voted against lifting the arms embargo.

Mr. LUNDEEN. May I ask the able Senator this brief question. You don't believe then in having favored nations over there that we should arm?

Mr. REYNOLDS. I believe we should have one policy for Asia and one policy for Europe. We should have the same policy for the whole world. We ought not say we are going to sell war materials to Europe and we won't sell them to Japan. We have to have one policy for the whole world.

Mr. SCHWELLENBACH. So far as Japan and China are concerned we do occupy a different position. In that case we have a definite agreement, the Nine Power Pact, under which we agree to respect the territorial and administrative integrity of China. Now when we furnish war materials to Japan, which we know they are using for the purpose of destroying the territorial and administrative integrity of China, we are not only doing what you object to, the selling of war materials, but we are also violating a provision of the same agreement into which we entered.

Mr. REYNOLDS. I quite agree there that it is a violation of the agreement, as the Senator just stated.

Mr. THOMAS. I would like to say a word about this band of steel that we are going to build up around us to protect. Probably the best way in the world to invite war on us is to put such a band of steel around us, and where are we going to put it if we start building and start putting our hopes in that kind of an idea to preserve peace?

Mr. REYNOLDS. I would say to the Senator that we are building that band of steel for the purpose of protecting ourselves against the attacks of any enemy or enemies from foreign shores.

Mr. SCHWELLENBACH. You have discussed the question of acquiring new territory for the purpose of protecting ourselves in what you call a band of steel, around all parts of our possessions. Is it very good for us to purchase and acquire new territories when we have a territory, Alaska, across from which, at a distance of about 200 miles, the Russians have in a short period of time constructed seven different naval and air bases? And we permit that territory to be absolutely defenseless and refuse even to appropriate some $12,000,000 to construct an air base at Anchorage.

Mr. REYNOLDS. I heard the Senator quarreling with that committee over that $12,500,000 which was to be utilized for naval bases,

and I agreed with him then and I agree with him now, and I will say to the Senator that I think that we should certainly be giving much more attention particularly at this time to our defenses in the Alaskan Territory.

And by the way, may I mention in passing, that Russian territory is only one-half mile from our territory. The two Diomede Islands up there in the Arctic are just one-half mile apart. One of them, the Big Diomede, belongs to Russia and the Little Diomede belongs to the United States.

Mr. SCHWELLENBACH. You could almost jump from one to the other.

Mr. REYNOLDS. You could almost jump from one to the other. And just a hundred miles north is Wrangell Island, and the legal possession of that is under discussion at the present time.

Mr. LUNDEEN. I would say this, that I agree with the able Senator from Washington that we should fortify Alaska. We should fortify the Fairbanks base and all of those bases. My wife and I traveled through, we are familiar with it, and the fortifications are being neglected there.

Now, when the Senator of North Carolina speaks of the Big Diomede and the Little Diomede, I am not surprised that he says that America has the Little Diomede. We have been getting the little end of everything in the history of foreign affairs.

I would like to call attention to the letter of Mr. William G. McAdoo on March 18, 1940, on this question of debts. He loaned the money under the Wilson administration during the World War. What does he think about it?

Mr. REYNOLDS. When he loaned $25,000,000 for the purpose of buying the Virgin Islands, is that what you are speaking about?

Mr. LUNDEEN. No, I am speaking of the general larger subject.

March 18, 1940—if the Senator will permit:

"I have always favored acquiring the British West Indies and Bermuda in part payment of Great Britain's debt to the United States, and I have advocated it for more than 20 years. The first debt settlement was effected without any consideration of this important question by the United States representative of the Debt Commission. I doubt if this is an opportune time for reviving the subject, but I favor, nevertheless, acquisition of these islands and I am frank to say that I can see no good reason why the British Government should not be willing to transfer these possessions to us in part payment of their debt.

"The advent of the airplane and its continuing development make it more than ever important that the islands adjacent to our shores should be wholly under American sovereignty.

"Very truly,

"WILLIAM G. MCADOO,

"Secretary of the Treasury During the World War."

I think we should consider his opinion.

Mr. REYNOLDS. Senator, McAdoo, you know, was instrumental in our making the purchase in 1916 of the Virgin Islands for $25,000,000 and they are one of the group of islands in the Caribbean.

Mr. THOMAS. I am merely interested in bringing home to all thoughtful persons the problems that you multiply immediately when you start attempting to put a steel ring or a steel band around Alaska. We have gotten along pretty well up in Alaska without putting a steel band there; we can fortify Dutch Harbor, we can fortify Wrangell Island, we can do those things, but they must be in conformity with the general defense for the Pacific and our defense out in the Pacific.

Now, say we take over Greenland; do we want to put an iron band around Greenland? Do we want to put an iron band around any new island that you acquire in the South Pacific or in the Gulf Stream or any place of that kind? It is utterly impossible. When you start a policy of defense you want to take into consideration your probable enemies, build your defenses where your enemies are going to come from. We do know how many nations there are in the world; we don't know how many nations there will be in the world tomorrow judging from the way things are going, but for us to accept a defensive policy or a Monroe Doctrine policy of acquiring all the land in the Western Hemisphere and then put an iron band around it, that wouldn't solve a single question for America. You must think in terms of what your reason is for arming.

Now, if, for instance, our sea lanes and things of that kind are interfered with, then it is time for us to think about defenses and to make our defenses accordingly. But if you put an iron band around America it means arming the boundary between the United States and Canada, for example. We have gotten along there pretty well for a hundred years without a single incident.

Mr. REYNOLDS. Not necessarily.

Mr. THOMAS. Well, if it isn't necessary, then let's get down to a foreign policy and Monroe Doctrine policy and a defense policy based upon some principle of common sense, not upon a principle of an iron band or a principle owning the whole territory within the Western Hemisphere.

Mr. REYNOLDS. As I stated at the outset in my preliminary statement, if we are attacked by an enemy or enemies I want that fighting to take place outside of Continental United States. I don't want any of the blood to be spilled upon American soil. I want the fighting to take place beyond the shores of the islands in the Caribbean, beyond the shores of St. Pierre and Miquelon Islands in the north, beyond the shores of the Hawaiian Islands. I want it to take place outside of the United States. Now there is just as much reason for our building defenses in the Atlantic and in the Pacific in a national-defense program as there is reason and sense for us to spend billions upon billions of dollars for a Navy. Why spend a billion dollars this year for a Navy? Are we expecting to attack somebody, are we expecting somebody to attack us? If, as suggested by the Senator, there is no danger of anybody ever attacking us, then let's quit spending these billions of dollars for the Navy and let's therefore begin to fight the enemy with the enemy, the enemy then being poverty and lack of education and misery and illness and sickness and unemployment and all that sort of thing. If the Senator doesn't think that we should build up our forces outside of the United States to keep the enemy out, why then let's take that money and spend it for the purpose of destroying the enemy within.

Mr. THOMAS. I do think that by all means. And the greatest defense the United States can have is a healthy, honest, earnest, well-trained citizenry, able to sustain itself and able to fight for what it knows is right. That is where we should begin.

Mr. REYNOLDS. I am in entire agreement with that.

Mr. THOMAS. Never put faith in a steel band because you sometimes get captured from the rear, and then the steel band belongs to somebody else.

Mr. REYNOLDS. That is the very idea; we don't want them to attack us from the rear, and therefore if we build a band of steel around the United States no enemy can possibly get in to attack us from the rear.

Mr. SCHWELLENBACH. I think that possibly Senator REYNOLDS went a little further than he intended by using the words "steel band," and I think that possibly Senator THOMAS has gone further than he really thinks the Senator went in using the term "steel band." As I understood Senator REYNOLDS, it was his contention that there was a necessity for securing certain strategic positions and that those positions were necessary for the protection of the Panama Canal very largely, the proposals that he made. He swept to one side the necessity for taking over Greenland and Iceland, and I think the fact that he did that is in itself proof that he isn't an advocate of one steel ring entirely surrounding the country, but he simply wants certain strategic places to be secured, and I have no dispute with him so long as no effort is made to pull what might be called a squeeze play upon the present owners of those territories; I think we must conduct honorable negotiations in an honorable way. No matter what other nations may do our position should be, if we want to secure territory, to secure that territory in an honorable way by proper negotiation, and I don't think we should make any effort, as has been suggested here, to make use of an extension of the Monroe Doctrine as being a vindication of our right to seize or to intimidate other nations into giving us possession.

Mr. LUNDEEN. Let us not give out the idea to America that the United States is trying to gain all the territory in the Western Hemisphere, which I like to call the American Hemisphere. There are 21 nations here, I believe I am correct in that, and we are only one of them. True, we are the greatest and the strongest and all that, and have the greatest resources, but there are many other nations, and we do not intend to trespass upon their territory except by negotiation, if there should be some advantage in some small island near the canal where we can fortify and they cannot fortify, but our objective is to so protect all of America that we will be secure against the war madness of Europe, and let us not intrude ourselves into their quarrels, but let us do that which the able Senator from North Carolina said, turn to our domestic problems, our 12,000,000 unemployed, our hunger, poverty, destitution, malnutrition, illness, and ill-clothed and ill-fed people here. There is where our real danger lies; these people will not have the patience much longer to endure, and we will get rid of many of our undesirable elements the minute we have given these people jobs, and I want to say that I thoroughly agree with that.

Mr. REYNOLDS. Just one other word.

Mr. LUNDEEN. I agree with the Senator from Utah and the able Senator from Washington, and perhaps we can have an armistice, a peace, right here among ourselves.

Mr. REYNOLDS. Just one other word about that steel band. A lot of people are saying that Germany is going to win that war in 6 months and at the end of 6 months they are going to come over here and take the United States, including the little gem city of the mountains, that is my home town, Ashland, N. C. I know the Senator from Utah doesn't want Hitler and the Germans to come over here and take Utah and North Carolina and the other States of the Union, and to save his State and to save North Carolina I want to weld a band of steel around the United States so Hitler and the Germans and nobody can ever get in here and bother us.

Mr. SCHWELLENBACH. As long as we have declared an armistice, couldn't you conclude by telling how beautiful the State of Washington is?

Mr. REYNOLDS. It is a very lovely State. But I want to spank you for one thing and that is this: I do think it would be very unsportsmanlike for us to attempt to seize by force the British and French possessions in the Atlantic, and I have never suggested that. As a matter of fact I introduced two resolutions in the Senate of the United States, both of which authorized the President of the United States to enter into negotiations with the Republic of France and with Great Britain with a view to making acquisition of those islands, and the amount agreed upon to be credited to the $10,000,000,000 that France and Great Britain owe us now.

Mr. LUNDEEN. May I say there that I have never advocated the seizure of those islands unless negotiations failed. The seizure that I mentioned and have referred to for more than 20 years was quoting the words of Andrew Jackson against France when she owed us a debt, and he then advocated that policy, but when you

talk of Seattle and the beauties of North Carolina, it is a poor fish that never saw the 10,000 lakes of Minnesota.

Chairman GRANIK. Thank you, gentlemen. You have been listening to an informal panel discussion on "America's Policy Toward Insular Possessions of Foreign Countries."

And now for a final word from Mr. McCormick.

Announcer MCCORMICK. Thus we conclude another broadcast in this season's series of "The American Forum of the Air."

This program emanates from the studios of the Department of the Interior in Washington, D. C., and is a presentation of WOL in cooperation with WOR.

These facilities have been extended by the Secretary of the Interior, Harold L. Ickes, in order to promote educational broadcasts which present all sides of national problems.

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Address your requests to station WOL, Washington, D. C.

This series of programs is arranged by Theodore Granik, radio and newspaper commentator, who presided tonight as chairman.

They originate each Sunday evening through the facilities of WOL in the Nation's Capital.

Stephen McCormick speaking. This is the Mutual Broadcasting System.

Mr. REYNOLDS. Mr. President, in view of the fact that we discussed at the time of the debate to which I have referred the fortifications in Alaska and in that section of the hemisphere, I ask that there be printed in the RECORD at this juncture a very able article by the pen of Gen. Hugh S. Johnson, who writes in reference to that particular question.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article is as follows:

[From the Washington Daily News]

ONE MAN'S OPINION

(By Hugh S. Johnson)

A glance at a map of the North Pacific will show that we are closer to Russia than any other good neighbor except Canada and Mexico. At Bering Strait, Siberia and Alaska almost touch. That is under the Arctic Circle and is not a dangerous menace. But far to the south of that our Aleutian Islands like stepping stones on the way to Kamchatka. The outlying Russian islands of Komandorski and Bering seem to be a mere extension of the Aleutian Archipelago and are within a few miles of the American Near Islands.

The Russians have naval and military air stations on these islands and no less than five such stations on nearby Kamchatka. Expert German naval personnel are reported to be present advising on the extension and strengthening of these bases and outposts. Submarines are being built or assembled on the Amur River behind Kamchatka and German technical missions are known to be at Vladivostok.

We are told that the Germans are there to advise the Russians in defensive works against Japan, but the activity at Komandorski—which sticks out like a sore thumb toward Alaska at Russia's most eastward point in the subarctic North Pacific—is not located against Japan.

We have no fortifications or air bases in the Aleutians, notwithstanding that they skirt the shortest or great-circle route between Seattle and either Japan or the Siberian coast, and that enemy air bases there could threaten the whole North Pacific and our main defensive line—Alaska, Hawaii, and Panama.

It is a threatening and dangerous situation. I know of no professional authority that does not agree that, purely for defensive purposes, we must guard this flank. The Army has authority for an auxiliary air base at Fairbanks, Alaska, but the proposed main operating air base is at Anchorage, at the head of Cook Inlet. This will require $14,000,000 to complete and urgently and immediately demands $4,000,000 to start.

The strategists of the House Appropriations Committee "economized" here while refusing to do so on billions of vote-getting hand-outs. They blacked-out Anchorage. They "economized" also on reserve airplanes for the Army—cutting the number asked for from 476 to 57. Part of this cut the War Department approved in view of increased foreign purchases of military types, but it did not do so as to 166 planes of a type the need for which was not lessened by expanded airplane-production capacity.

Finally, due to the increased tempo of the war and the fact that previous limited production plans do not promise enough equipment in rifles, guns, ammunition, and tanks for a very minimum American protective force in less than 2 years, the Army asked for $39,000,000 not included in the Budget—a Budget ruthlessly slashed by the Budget Bureau against military advice before it even got to Congress. That $39,000,000 bids fair to be denied.

* * * * * * *

In view of the present dangerous world conditions, this kind of careless or stupid trifling with national security may yet write these spendthrifts of political billions and cheeseparers of defensive necessities down as architects of national ruin.

In my opinion, the War Department itself has been bullied into presenting a wholly inadequate program in both speed and quantity. By that very token its timid requests may be taken as an irreducible minimum not to be whittled away by politicians under a claim of economy—when there is no economy elsewhere in their hearts.

The elimination of the Anchorage outpost is especially indefensible. We have by far the best General Staff we have ever had. Its recommendations are the result of years of study and more complete information on world military developments than any other department in Washington. In view of its showing and emphasis on the point, if I were a Congressman I would hate to have it on my soul that I had thrown it out.

Mr. REYNOLDS. In further view of the fact that at that time my colleague the Senator from Utah [Mr. THOMAS] made mention of the Dutch East Indies and the British East Indies, I ask that there now be published in the RECORD an article from some newspaper, the name of which I do not know—the dispatch seems to have come from Amsterdam under date of April 22—entitled "Jap Threat to Dutch East Indies Ridiculed."

The PRESIDING OFFICER. Without objection, it is so ordered.

The article is as follows:

JAP THREAT TO DUTCH EAST INDIES RIDICULED—HIGH NETHERLANDS OFFICIAL WARNS AMERICA TO BEWARE OF ENGLAND'S ATTEMPT TO DRAW UNITED STATES INTO WAR VIA BACK-DOOR ROUTE

(By Frazier Hunt)

AMSTERDAM, April 22.—A high Government official has completely punctured for me the bubble of possible Japanese intervention in the Dutch East Indies.

"We are victims of our own busybody friends," he told me. "England would like nothing better than to drag America into war through the back door.

BITTERNESS SAID FANNED

"If the Allies are able to involve America in the Far East against Japan, it would remove from the Allies the responsibility for checking Japan in China and fighting her in the event she should decide to join up with Germany.

"Feeding America the idea that Japan is planning an invasion of the Dutch East Indies fans bitterness which might break out into flames."

With astonishing candor this important official also restated the Netherlands' determination to run her own affairs. He said:

"Even if we are invaded by Germany, and Britain and France were to become our Allies, we would not permit them to have anything to do with our islands.

PREPARING FOR SHOW-DOWN

"We would help them fight Germany, but we always make our own decisions on where and how. We would not permit the British to inject themselves into the East Indies."

This comment dovetails with the viewpoint the Dutch here hold regarding their homeland. They will permit no one to make the slightest intrusion upon their neutrality and independence.

"We have been preparing ourselves for some such show-down for a long time," the high official said, continuing:

"The world apparently underestimates our capacity for resistance at home or in the Far East.

"We have around 70,000 soldiers in the East Indies, most of them well-trained, disciplined natives with Dutch officers. But there are also a number of regiments of Dutch regulars.

"There is a modern coast defense at all important harbors with 3 cruisers, 24 submarines, a large number of destroyers, several excellent squadrons of Martin (American-made) bombers and more than 200 seaplanes.

"EMBARGO HELD UNITED STATES WEAPON

"An invasion would be a long-time, major operation. We would blow up the oil wells of Borneo and it would take Japan at least a year to reopen them even if she captured the islands.

"I insist that Holland isn't going to be bullied or thrown off balance. Everybody looks the same to us. We are determined to look after our own destiny."

Then he slyly added:

"Of course, if the situation regarding Japan should be dangerous—which we do not look for at present—then America by a total two-way embargo alone could bring tremendous pressure against Japan.

"We are not telling America her business. She is quite able to take care of herself, but she must understand how much the Allies would like to involve her in a Japanese war and thus into the European war by way of the back door."

CIVIL AERONAUTICS AUTHORITY AND AIR SAFETY BOARD

Mr. McCARRAN. Mr. President, some 2 weeks ago, and after Executive Order No. 4 on reorganization had been submitted to the special committee having charge of that matter, pursuant to a call to which I had to respond to leave the Senate for a few days I arranged with the chairman of the committee the Senator from South Carolina [Mr. BYRNES]

that the matter would not be reported to the Senate until my return to the Senate.

Today I have conferred with the Senator from South Carolina, and we have an understanding, which I am sorry the Senator is not here to listen to but which I quote carefully, that some day early next week the special committee having charge of the resolution which I offered against Reorganization Plan IV will report it to the Senate.

The rule, as I recall it, is that after 10 days such a resolution may be called back to the Senate on discharge of the committee. With the arrangement and agreement I have had with the Senator from South Carolina I do not believe such a motion will be necessary, because, as I understand, he will call a meeting of his committee and have the matter reported to the whole Senate for consideration.

I make this statement so that the Senate may know that early next week I hope to secure Senate action with reference to Reorganization Plan IV and the resolution pertaining thereto.

Mr. President, on yesterday, according to the press, the President, anticipating a solid front of Republican opposition in the Congress to the proposed reorganization of the Civil Aeronautics Authority, summoned to the White House Democratic members of the House Committee on Reorganization, apparently for a discussion of prospects and strategy.

The implication in the President's action that the reorganization issue is to become a party issue, and the suggestion that the battle should be waged on party lines, are regrettable.

In the first place, the machinery set up by the Civil Aeronautics Act and the organization of the Authority provided in that act were adopted by a Congress of predominantly Democratic sentiment, and with the approval and encouragement of a Democratic President.

To a large degree, the need for an independent agency regulating civil aeronautics was first disclosed in evidence produced before a committee headed by a Democratic Senator who has since been elevated by the President to the Supreme Court. Judgment that a new order for the regulation and development of civil aeronautics was an imperative need was more than vindicated by the investigations and reports of another Senate committee headed by another member of the Democratic Party, and actively participated in by prominent members of the Democratic Party.

Both in the House and in the Senate, committee hearings and deliberations lasting for a period of 4 years, and dealing specifically with the bills which resulted in the Civil Aeronautics Act, were conducted under the leadership of able and distinguished members of the Democratic Party; and from beginning to end valued contributions to the writing of the law and to the preparation of the method of organization of the agency set up to administer the law were made by eminent members of the Democratic Party.

In fact, as those participating in the committee hearings are fully aware, representatives of six of the executive departments, and the President himself, vigorously supported the legislation proposed, and fully approved the creation of an independent agency, separate from the executive departments, to be charged with the regulation of civil aeronautics.

The Civil Aeronautics Act was not hastily passed, nor were the Authority and the Air Safety Board given only casual consideration. Deliberate study for many months and many years by members of both parties led to the Civil Aeronautics Act as it now stands. The Authority and the Air Safety Board were the products of the best thought which disinterested Members on both sides of the aisle so generously contributed.

The fight to preserve the creation of Congress, to guard the independence of the Authority, and to maintain the Air Safety Board is not a partisan fight. Democrats and Republicans together created the Authority and set up the Board with an eye alone upon the safety of passengers and pilots, the sound development of a science and an industry, and the strengthening of our national defense.

Mr. President, in connection with my remarks on this subject today I ask leave to have inserted in the body of the RECORD, immediately following my remarks, an editorial appearing in the Washington Daily News of Thursday, May 2, entitled "Lobby to Save Lives."

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

[The Washington Daily News, Thursday, May 2, 1940]

LOBBY TO SAVE LIVES

President Roosevelt's defense of his plan to reorganize Government control of civil aviation is unconvincing at best, and the President's case was not improved by his sarcastic references to the plan's opponents.

It was easy for Mr. Roosevelt to say, but it would be difficult to prove, that objections are due to ignorance, gullibility, or politics. And the remark about well-intentioned people—Mr. Roosevelt said he was being frightfully polite when he called them that—staking out an exclusive claim to a so-called Lobby to Save Lives was an unworthy slur on a group of men who certainly are not politicians, not gullible, and not ignorant on the subject of safety in the air.

Of course the President also is interested in saving lives. But the progress during recent years, which he cited as evidence of his interest, was made under the system which he now proposes to upset. The story was very different when civil aviation was under the Department of Commerce, where Mr. Roosevelt wants to put it again.

The present Air Safety Board, which his reorganization plan would abolish, is "helpless to take positive steps toward preventing the recurrence of accidents," the President said. But somehow the recurrence of accidents has been prevented. In nearly 14 months no passenger or employee has been killed or seriously injured on any commercial air line.

The Lobby to Save Lives represents 1,500 air-line pilots. Their spokesman, Capt. David L. Behncke, president of the National Air-line Pilots Association, says this:

"The pilots are not in Washington to enter into controversy with the President or anyone else. They are not schooled in politics. They are schooled in flying and know what is necessary to make air transportation safe. They learned about this the hard way.

"One hundred and forty-six of their number met death in air crashes while the Department of Commerce had control of civil flying. There were 130 fatal accidents, and 146 pilots, 279 passengers, and 48 stewardesses and other nonrevenue passengers—a total of 473 persons—were killed during this period. The pilots, the industry and, I am sure, the air-traveling public, do not want aviation put back under control of the Government department that made this kind of record."

One could get the impression that the pilots are being, under the circumstances, frightfully polite to the President.

Mr. McCARRAN. Mr. President, I also ask unanimous consent to have inserted in the body of the RECORD immediately following the editorial just printed a very able article appearing in the Washington Post of today, entitled "C. A. A. Transfer Rejection Seen in Congress."

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

[From the Washington Post of May 2, 1940]

C. A. A. TRANSFER REJECTION SEEN IN CONGRESS—COX EXPECTS HOUSE TO TURN DOWN PLAN; GREEN OPPOSES MOVE

Administration forces in the House fear that opposition to the President's proposal to shift the Civil Aeronautics Authority into the Commerce Department will be overwhelming, it was reported last night.

Representative E. E. Cox (Democrat), of Georgia, said that while he himself thought the transfer is justified, the chances are that the House will turn down the plan.

Cox was one of five members of the select committee on Government organization who conferred yesterday with the President on the fourth reorganization order, which calls for the C. A. A. transfer, and abolition of the Air Safety Board.

Two other members, JOHN J. COCHRAN (Democrat), of Missouri, chairman, and LINDSAY C. WARREN (Democrat), of Utah, said they favored the President's plan but declined to predict its chances on the floor.

On the other side, taking the floor of the Senate for an attack on the proposal, Senator MCCARRAN (Democrat), of Nevada, produced a letter from William Green, president of the American Federation of Labor, protesting vigorously against the proposed change.

Green's letter declared he was "utterly amazed" by the President's proposal, contrasted with the "no fatality" air lines record of the last 13 months under the C. A. A. to a death record of 473 while aviation was regulated by the Commerce Department, and appealed to Congress to reject Mr. Roosevelt's plan.

Freshly returned from a visit to his home State, MCCARRAN assailed the President's plan to drop the Air Safety Board and place the C. A. A. under Secretary of Commerce Hopkins.

"Despite widespread opposition," the Nevadan said, "the President attempts to brush aside the criticism by charges that the opposition is being led by persons 'ignorant, gullible, or playing politics.'"

At New York, Attorney Henry Breckenridge, close friend and personal adviser of Col. Charles A. Lindbergh, issued a statement

accusing President Roosevelt of moving "to lay the hand of politics on the clean, bright wings of American aviation."

"The courageous Democratic Senator PAT MCCARRAN, after prodigious toil accomplished the existing legislation which has proved a satisfactory solution of the relations between the Government and the flying industry," he said. "Now comes the President with a scheme to emasculate the independent status of the C. A. A. and restore political control thereof. This after the phenomenal record of the air lines, which have just passed a year without a single fatality.

Here, air-line pilots who had gathered to approve the transfer, replied to the President's cricitism of their "lobby to save lives." Their statement, made by Capt. David L. Behncke, president of the Air Line Pilots Association, said, in part:

"The pilots are not in Washington to enter into controversy with the President or anyone else. They are here in the interest of saving lives. They are not schooled in politics. They are schooled in flying and know what is necessary to make air transportation safe. They learned about this the hard way. One hundred and forty-six of their number met death in air crashes while the Department of Commerce had control of civil flying and air transportation. There were 130 fatal air-line crashes and 146 pilots, 279 passengers, and 48 stewardesses and other nonrevenue passengers—a total of 473 persons—were killed during this period. The pilots, the industry, and, I am sure, the air-traveling public do not want aviation put back under control of the Government Department that made this kind of a record."

It voiced the opinion that the Safety Board was the "greatest single factor in bringing about the present safety in flying."

Mr. McCARRAN. Mr. President, I also ask leave to have printed in the RECORD a letter from the Santa Monica Junior Chamber of Commerce embracing a resolution against the change.

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

SANTA MONICA JUNIOR CHAMBER OF COMMERCE,
Santa Monica, Calif., April 30, 1940.

Hon. PAT MCCARRAN,
Senator from Nevada, Washington, D. C.

Regarding the President's Reorganization Plan No. IV.

HONORABLE SIR: After a thorough investigation and report by our aviation committee, the board of directors of the Santa Monica Junior Chamber of Commerce voted to express their opposition to the President's Reorganization Plan No. IV because:

(1) The independent Civil Aeronautics Authority should be able to plan ahead with the assurance that a possible change of administration would not disrupt their program.

(2) The Civil Aeronautics Authority and the Air Safety Board are at least partly responsible for the fine safety record of the air lines (87,000,000 miles without a fatality), and of the Civil Aeronautics Authority training program (one fatality—29,000,000 miles).

(3) We oppose a change when the present structure is reported by all operators to be functioning the most efficiently in history.

Our air lines and schools have set the world's highest standards, why change now?

Most respectfully submitted.

SANTA MONICA JUNIOR CHAMBER OF COMMERCE,
By FRANK WIRE, *Secretary.*

Mr. McCARRAN. Mr. President, I also ask to have inserted in the body of the RECORD, following my remarks, an article appearing in the Washington Star of May 1, entitled "Roosevelt Consults House Members on C. A. A. Transfer."

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

[From the Washington Evening Star of May 1, 1940]

ROOSEVELT CONSULTS HOUSE MEMBERS ON C. A. A. TRANSFER—SOLID REPUBLICAN VOTE AGAINST REORGANIZATION PLAN EXPECTED

(By John C. Henry)

Anticipating a virtually solid front of Republican resistance in both House and Senate to the two pending Government reorganization plans, President Roosevelt today summoned to the White House the Democratic members of the House Committee on Reorganization for a discussion of prospects for acceptance of the plans.

Most furious controversy yet aroused over any of the four plans was precipitated by the President's proposal in plan IV to transfer the Civil Aeronautics Authority from its present independent status to the jurisdiction of the Department of Commerce.

Centering mostly on this provision resolutions calling for rejection of the pending reorganization plans have been introduced in both House and Senate.

ROOSEVELT DEFENDS TRANSFER

Yesterday, Mr. Roosevelt spoke in defense of the C. A. A. shift, asserting that opposition is based either on ignorance, gullibility, or politics. Furthermore, he added sharply, friction within the Air Safety Board, which would be abolished as such by the pending plan, makes it imperative that the change be made if progress in civil aviation is to continue.

Those who saw the President today were Representatives COCHRAN of Missouri, WARREN of North Carolina, ROBINSON of Utah, BEAM of Illinois, and Cox of Georgia.

WILL COME UP MONDAY

As the group left the White House, Chairman COCHRAN told reporters the matter would be brought to the House floor Monday.

Declining any prediction as to the outcome on the grounds that he had not polled the House, Mr. COCHRAN said the whole fight is centering over the fourth reorganization order which vests jurisdiction of the C. A. A. in the Department of Commerce. The President emphasized to the committee, he said, that the transfer will not impair the independent operation of the Authority but simply will bring it under broad jurisdiction of a Cabinet officer.

Mr. COCHRAN said he had heard no objection to the third order which makes certain changes in the functioning of the C. A. A. Administrator.

White House anticipation of a solid Republican vote against the plans was disclosed this morning by Stephen T. Early, secretary to the President.

One of the purposes of his reorganization plan, President Roosevelt told reporters, was to have the Civil Aeronautics Authority report through the Secretary of Commerce, rather than directly to the President. Mr. Roosevelt explained that he already receives annual reports from about 45 independent Federal agencies and a reduction of this burden was one of the motivating reasons behind the C. A. A. transfer.

PROVISION QUOTED

As a matter of fact, however, the Civil Aeronautics Authority does not and never has submitted its reports to the President.

Section 206 of the Aeronautics Act of 1938, creating the Authority, provides that:

"The Authority shall make an annual report to the Congress, copies of which shall be distributed as are other reports transmitted to the Congress. Such reports shall contain, in addition to a report of the work performed under this act, such information and data collected by the Authority, the Administrator, and the Air Safety Board as may be considered of value in the determination of questions connected with the development and regulation of civil aeronautics, together with such recommendations as to additional legislation relating thereto as the Authority may deem necessary. The Authority may also transmit recommendations as to such legislation more frequently."

Pending in the Senate is a resolution sponsored by Senator MCCARRAN, Democrat, of Nevada, rejecting the transfer. Chairman BYRNES, of the Senate Committee on Reorganization, indicated last night that he would expedite consideration of the McCarran measure.

CLARK DEFENDS C. A. A.

With many Members of Congress already on record as to their reaction to the plan, the Associated Press today quoted Senator CLARK, Democrat, of Idaho, as terming Mr. Roosevelt's defense of yesterday "rather a weak justification for dismemberment of an agency which has established such an incontestibly fine record."

Senator TRUMAN, Democrat, of Missouri urged colleagues not to "permit a proved success to become a proved failure."

On the other hand, Senator ADAMS, Democrat, of Colorado, said he had obtained the impression that "a little reorganization wouldn't hurt" the C. A. A. He explained, however, that he was not sure the President's proposal was the best solution.

From Capt. David L. Behncke, president of the Air Line Pilots' Association, came an immediate rebuttal to Mr. Roosevelt's ironic reference to a "group of well-intentioned people staking out an exclusive claim to a so-called lobby to save lives."

Heading a bloc of veteran pilots now in Washington to oppose the reorganization, Capt. Behncke said:

"The pilots are not in Washington to enter into controversy with the President or anyone else. They are here in the interest of saving lives. They are not schooled in politics. They are schooled in flying and know what is necessary to make air transportation safe. They learned about this the hard way. One hundred and forty-six of their number met death in air crashes while the Department of Commerce had control of civil flying and air transportation. There were 130 fatal air-line crashes, and 146 pilots, 279 passengers, and 48 stewardesses and other nonrevenue passengers—a total of 473 persons—were killed during this period. The pilots, the industry, and, I am sure, the air-traveling public do not want aviation put back under control of the Government Department that made this kind of record."

DISAGREEMENT SCOUTED

Since last November, when Col. Sumpter Smith resigned to devote his full time to chairmanship of the engineering commission in charge of building the Washington National Airport, the Air Safety Board has had only two members. The charge that these two, Thomas O. Hardin and C. B. Allen, have been in any continuing disagreement was scouted today by persons who have observed the work of the Board and point to the fact that there has been no evidence of a deadlock.

It was recalled that when the Bureau of Air Commerce was in the Commerce Department the same organization which made and enforced regulations governing air transportation and which installed, maintained, and operated aids to air navigation along the airways also investigated accidents. Since many of the accidents

involved regulations or aids, the Bureau was an interested party to the investigations, it was pointed out. Some of the harshest criticism of the former set-up was directed to the fact that the Bureau failed to decide against itself in accident cases in which testimony tended to show air navigation aids were at fault. Critics contended there was too much disposition to blame accidents on pilots who had died at their controls and to overlook defects in airways or Federal regulations and their enforcement.

This criticism was one of the chief reasons for creation of the independent Air Safety Board.

INTERIOR DEPARTMENT APPROPRIATIONS

Mr. HAYDEN. Mr. President, I ask unanimous consent that the pending bill be temporarily laid aside, and that the Senate proceed to the consideration of House bill 8745, the Interior Department appropriation bill. I further ask that the formal reading of the bill be dispensed with, that it be read for amendment, and that the amendments of the committee be first considered.

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

Mr. TOWNSEND. Mr. President, reserving the right to object, does the Senator think there will be a long debate on the appropriation bill?

Mr. HAYDEN. I know of nothing to indicate that such will be the case. I am quite sure the Senate will very promptly dispose of the bill, probably this afternoon.

Mr. TOWNSEND. I am wondering if we cannot fix a time when we shall vote on the silver bill at some future date.

Mr. BARKLEY. Mr. President, I could not at this time suggest an agreement of that kind, or enter into one, because several other speeches are to be made on the bill, and it is impossible to tell how much time will be consumed in the further argument. I think we had better not attempt to reach any agreement today about fixing a time to vote.

Mr. TOWNSEND. May I ask a further question of the distinguished leader? Does he expect the Senate to continue in session tomorrow?

Mr. BARKLEY. No; I do not. I think we shall take a recess until Monday at the conclusion of the consideration of the appropriation bill.

Mr. TOWNSEND. We shall go over until Monday, and then the silver bill will come up again?

Mr. BARKLEY. The bill will then again come up for consideration.

Mr. TOWNSEND. I have no objection.

The PRESIDING OFFICER. Without objection, the first request of the Senator from Arizona is agreed to.

Without objection, the second request is agreed to.

The Senate proceeded to consider the bill (H. R. 8745) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1941, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

The first amendment of the Committee on Appropriations was, under the heading "Office of the Secretary—Office of Solicitor", on page 3, line 14, after "Division)", to strike out "$310,000" and insert "$314,340", so as to read:

For personal services in the District of Columbia and in the field (except Consumers' Counsel Division), $314,340.

The amendment was agreed to.

The next amendment was, on page 4, line 6, after the word "periodicals", to strike out "$139,583" and insert "$151,830", so as to read:

Consumers' Counsel Division, salaries and expenses: For all necessary expenditures of the Consumers' Counsel Division, in performing the duties devolving upon said Consumers' Counsel Division by the Bituminous Coal Act of 1937, approved April 26, 1937 (50 Stat. 72), including witness fees and mileage for witnesses appearing in behalf of the Division before the Bituminous Coal Division and including witnesses before the Interstate Commerce Commission, personal services and rent in the District of Columbia and elsewhere, traveling expenses, including not to exceed $3,000 for expenses of attendance at meetings at which matters of importance to the work of the Consumers' Counsel Division are to be discussed, printing and binding, contract stenographic reporting services, stationery and office supplies and equipment, and not to exceed $1,000 for newspapers, books, and periodicals, $151,830.

The amendment was agreed to.

The next amendment was, under the subhead "Division of Territories and island possessions", on page 4, line 9, to strike out "$118,780" and insert "$121,100"; so as to read:

For personal services in the District of Columbia, $121,100.

The amendment was agreed to.

The next amendment was, under the subhead "Division of Investigations", on page 4, line 19, after the word "exceeding", to strike out "$40,000" and insert "$43,500", so as to read:

For investigating official matters under the control of the Department of the Interior; for protecting timber on the public lands, and for the more efficient execution of the law and rules relating to the cutting thereof; for protecting public lands from illegal and fraudulent entry or appropriation; for adjusting claims for swamplands and indemnity for swamplands; and for traveling and other expenses of persons employed hereunder, $470,000, including not exceeding $43,500 for personal services in the District of Columbia; not exceeding $52,500 for the purchase, exchange, operation, and maintenance of motor-propelled passenger-carrying vehicles and motorboats for the use of agents and others employed in the field service. The Secretary of the Interior shall include in his annual report a full statement of all expenditures made under authority of this paragraph.

The amendment was agreed to.

The next amendment was, under the subhead "Bituminous Coal Division," on page 8, line 12, after the word "periodicals", to strike out "$1,187,800" and insert "$2,387,800"; so as to read:

Salaries and expenses: For all necessary expenditures of the Bituminous Coal Division in carrying out the purposes of the Bituminous Coal Act of 1937, approved April 26, 1937 (50 Stat. 72), including personal services and rent in the District of Columbia and elsewhere; traveling expenses, including expenses of attendance at meetings which, in the discretion of the Secretary of the Interior, are necessary for the efficient discharge of the responsibilities of the Division; contract stenographic reporting services; stationery and office supplies; purchase, rental, exchange, operation, maintenance, and repair of reproducing, photographing, and other such equipment, typewriters, calculating machines, mechanical tabulating equipment, and other office appliances and labor-saving devices; printing and binding; witness fees and fees and mileage in accordance with section 8 of the Bituminous Coal Act of 1937; not to exceed $4,500 for hire, maintenance, operation, and repair of motor-propelled passenger-carrying vehicles including one for use in the District of Columbia; garage rentals; miscellaneous items, including those for public instruction and information deemed necessary; and not to exceed $1,800 for purchase and exchange of newspapers, lawbooks, reference books, and periodicals, $2,387,800.

The amendment was agreed to.

The next amendment was, on page 12, after line 3, to insert:

WAR MINERALS RELIEF COMMISSION

Administrative expenses: For administrative expenses made necessary by section 5 of the act entitled "An act to provide relief in cases of contracts connected with the prosecution of the war, and for other purposes," approved March 2, 1919 (40 Stat. 1272), including personal services, without regard to the civil-service laws and regulations; traveling and subsistence expenses; supplies and all other expenses incident to the proper prosecution of this work, both in the District of Columbia and elsewhere, $11,200: *Provided*, That any claim that has not been prosecuted and disposed of prior to July 1, 1941, shall not thereafter be considered by the Secretary of the Interior and shall be barred.

The amendment was agreed to.

The next amendment was, under the heading "Bonneville power administration", on page 13, line 3, before the word "of", to strike out "$5,650,000" and insert "$6,650,000", so as to read:

For all expenses necessary to enable the Bonneville Power Administrator to exercise and perform the powers and duties imposed upon him by the act "To authorize the completion, maintenance, and operation of the Bonneville project, for navigation and for other purposes," approved August 20, 1937 (50 Stat. 731), including personal services, travel expenses, purchase and exchange of equipment, printing and binding, and purchase and exchange (including one at not to exceed $1,200), maintenance, and operation of motor-propelled passenger-carrying vehicles, $6,650,000, of which amount $8,200 shall be available for personal services in the District of Columbia and $641,800 shall be available for expenses of marketing and transmission facilities, and administrative costs in connection therewith.

The amendment was agreed to.

The next amendment was, under the heading "United States High Commissioner to the Philippine Islands", on page 14, line 4, after the word "expenses", to strike out "$141,000" and insert "$159,000", so as to read:

For the maintenance of the office of the United States High Commissioner to the Philippine Islands as authorized by subsection 4 of section 7 of the act approved March 24, 1934 (48 Stat. 456), including salaries and wages; rental, furnishings, equipment, maintenance, renovation, and repair of office quarters and living quarters for the High Commissioner; supplies and equipment; purchase and exchange of lawbooks and books of reference, periodicals, and newspapers; traveling expenses, including for persons appointed hereunder within the United States and their families, actual expenses of travel and transportation of household effects from their homes in the United States to the Philippine Islands, and return, utilizing Government vessels whenever practicable; operation, maintenance, and repair of motor vehicles, and all other necessary expenses, $159,000.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Indian Affairs—Salaries", on page 19, line 23, after the name "District of Columbia", to strike out "$548,580" and insert "$556,740", so as to read:

For the Commissioner of Indian Affairs and other personal services in the District of Columbia, $556,740.

The amendment was agreed to.

The next amendment was, under the subhead "Indian lands", on page 25, in line 5, after the name "Colorado", to insert "Nevada", so as to read:

For the acquisition of lands, interest in lands, water rights and surface rights to lands, and for expenses incident to such acquisition (except salaries and expenses of employees), in accordance with the provisions of the act of June 18, 1934 (48 Stat. 985), $325,000, together with the unexpended balance of the appropriation for this purpose for the fiscal year 1940: *Provided*, That no part of the sum herein appropriated shall be used for the acquisition of land within the States of Arizona, Colorado, Nevada, New Mexico, and Wyoming outside of the boundaries of existing Indian reservations.

The amendment was agreed to.

The next amendment was, under the subhead "Industrial assistance and advancement", on page 31, line 23, after the word "available", to strike out "$12,000" and insert "$22,000", and in line 24, after the word "follows" and the colon, to insert "Blackfeet, Montana, $10,000", so as to read:

Industrial assistance (tribal funds): For advances to individual members of the tribes for the construction of homes and for the purchase of seed, animals, machinery, tools, implements, building material, and other equipment and supplies; and for advances to old, disabled, or indigent Indians for their support and burial, and Indians having irrigable allotments to assist them in the development and cultivation thereof, to be immediately available, $22,000, payable from tribal funds as follows: Blackfeet, Montana, $10,000; Hoopa Valley, Calif., $2,000; Red Lake, Minn., $10,000 (from funds held in trust by the United States for said Indians pursuant to the act of June 15, 1938 (52 Stat. 697), and to be used only for educational loans to Indian youths of the Red Lake Band possessing one-fourth degree or more of Indian blood); and the unexpended balances of funds available under this head in the Interior Department Appropriation Act for the fiscal year 1940, and the Third Deficiency Act, fiscal year 1939, are hereby continued available during the fiscal year 1941 for the purposes for which they were appropriated:

The amendment was agreed to.

The next amendment was, on page 34, line 12, after the word "exceed", to strike out "$15,000" and insert "$18,000", so as to read:

For the development, under the direction of the Commissioner of Indian Affairs, of Indian arts and crafts, as authorized by the Act of August 27, 1935 (49 Stat. 891), including personal services, purchase and transportation of equipment and supplies, purchase of periodicals, directories, and books of reference, purchase and operation of motor-propelled passenger-carrying vehicles, telegraph and telephone services, cost of packing, crating, drayage, and transportation of personal effects of employees upon permanent change of station, expenses of exhibits and of attendance at meetings concerned with the development of Indian arts and crafts, traveling expenses, including payment of actual transportation expenses, not to exceed $2,500 for printing and binding, and other necessary expenses, $48,400, of which not to exceed $18,000 shall be available for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, under the subhead "Irrigation and drainage," on page 37, after line 16, to strike out:

For operation and maintenance of the San Carlos project for the irrigation of lands in the Gila River Indian Reservation, Ariz., $140,000 (operation and maintenance collections) and $180,000 (power revenues), of which latter sum not to exceed $24,000 shall be available for major repairs in case of unforeseen emergencies caused by fire, flood, or storm, from which amount, of $140,000 and $180,000, respectively, expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934; in all, $320,000.

And in lieu thereof to insert:

For operation and maintenance of the San Carlos project for the irrigation of lands in the Gila River Indian Reservation, Ariz., $65,000, reimbursable, together with $140,000 (operation and maintenance, collections), and $220,000 (power revenues), of which latter sum not to exceed $24,000 shall be available for major repairs in case of unforeseen emergencies caused by fire, flood, or storm, from which amounts, of $140,000 and $220,000, respectively, expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934; in all, $425,000.

The amendment was agreed to.

Mr. KING. Mr. President, I should like to inquire of the Senator from Arizona, having the bill in charge, whether the appropriations for the Indian Office are in excess of those last year.

Mr. HAYDEN. They are less.

Mr. KING. What agencies have sustained the reductions?

Mr. HAYDEN. There has been a general reduction in the appropriations for the operations of the Interior Department. That has been accomplished, the Senator will notice from the report, in that the amount appropriated by the pending bill is $15,045,000 less than was carried in the Interior Department appropriation bill last year.

Mr. KING. Let me inquire whether the point which the Senator from New Mexico raised against the bill at the last session of the Congress has been taken into consideration in drafting the pending measure.

Mr. HAYDEN. I am not quite aware of what the objections of the Senator from New Mexico were.

Mr. KING. They related to the Navajo Indians, and to the superimposition upon them, in the form of local autonomy, of a government of which they did not approve, also compelling them to pursue a certain policy in connection with grazing which they regarded as detrimental.

Mr. HAYDEN. So far as I know, at the present time the Navajo Indians have not accepted the Wheeler-Howard Act, to which the Senator from New Mexico objected.

Mr. KING. The Senator has received no objection from the Senator from New Mexico or any statement from him?

Mr. HAYDEN. No. I am sure the Senator from New Mexico is satisfied with the bill.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, on page 44, line 23, after "(49 Stat. 1039, 1040)", to insert a comma and "including the development or purchase of electrical energy and the distribution and sale thereof"; in line 25, before the name "Navajo", to strike out "$650,000" and insert "$1,150,000"; and on page 45, line 1, after the figures "$50,000", to insert "San Carlos, $90,000; Salt River, $50,000;", so as to read:

Arizona: Colorado River, as authorized by and in accordance with section 2 of the River and Harbor Act, approved August 30, 1935 (49 Stat. 1039, 1040), including the development or purchase of electrical energy and the distribution and sale thereof, $1,150,000; Navajo, Arizona, and New Mexico, $50,000; San Carlos, $90,000; Salt River, $50,000; San Xavier, $10,000.

The amendment was agreed to.

The next amendment was, on page 45, at the end of line 4, to strike out "$50,000" and insert "$10,000", so as to read:

California: Mission, $15,000; Sacramento, $10,000; Owens Valley (Carson Agency, Nev.), $10,000.

The amendment was agreed to.

The next amendment was, on page 45, after line 4, to insert:

Colorado: Southern Ute, $10,000.

The amendment was agreed to.

The next amendment was, on page 45, line 6, after the name "Crow", to strike out "$500,000" and insert "$400,000", so as to read:

Montana: Crow, $400,000; Flathead, $250,000; Fort Belknap, $12,000; Blackfeet, $50,000; Fort Peck, $50,000.

The amendment was agreed to.

The next amendment was, on page 45, line 12, after the name "Wapato", to strike out "$75,000" and insert "including surveys of the Klickitat unit, $100,000", so as to read:

Washington: Wapato, including surveys of the Klickitat unit, $100,000.

The amendment was agreed to.

The next amendment was, on page 45, at the end of line 14, to strike out "$46,000" and insert "$41,000", so as to read:

Wyoming: Wind River, $41,000.

The amendment was agreed to.

The next amendment was, on page 45, at the end of line 15, to strike out "$50,000" and insert "$45,000", so as to read:

Miscellaneous garden tracts, $45,000.

The amendment was agreed to.

The next amendment was, on page 45, line 20, after the words "In all", to strike out "$2,047,300" and insert "$2,572,300", so as to read:

In all, $2,572,300, to be reimbursable in accordance with law, and to be immediately available, which amount, together with the unexpended balances of funds made available under this head in the Interior Department Appropriation Act, fiscal year 1940, shall remain available until June 30, 1941.

The amendment was agreed to.

The next amendment was, under the subhead "Education," on page 46, line 13, after the word "schools," to strike out "$6,000,000" and insert "$6,015,000", so as to read:

For the support of Indian schools not otherwise provided for, and for other Indian educational purposes, including apprentice teachers for reservation and nonreservation schools, educational facilities authorized by treaty provisions, care of Indian children of school age attending public and private schools, and tuition and other assistance for Indian pupils attending public schools, $6,015,000.

The amendment was agreed to.

The next amendment was, under the subhead "General support and administration", on page 58, line 18, after the word "provisions", to strike out "$2,846,700" and insert "$2,897,520", so as to read:

For general support of Indians and administration of Indian property, including pay of employees authorized by continuing or permanent treaty provisions, $2,897,520.

The amendment was agreed to.

The next amendment was, on page 60, after line 11, to insert:

Oklahoma, Seminole: The unexpended balance of the appropriation of $7,787 from tribal funds of the Seminole Indians, Oklahoma, contained in the Interior Department Appropriation Act, fiscal year 1940, for reconstruction of a community house is hereby continued available for the same purposes until June 30, 1941.

The amendment was agreed to.

The next amendment was, on page 60, line 18, after the name "Klamath", to strike out "$123,760" and insert "$125,760", so as to read:

Oregon: Klamath, $125,760, of which not to exceed $4,500 shall be available for fees and expenses of an attorney or firm of attorneys selected by the tribe and employed under a contract approved by the Secretary of the Interior in accordance with existing law, and not to exceed $30,000 shall be available for the construction and equipment of a nurses' home and a nurses' dwelling.

The amendment was agreed to.

The next amendment was, on page 61, line 20, after the word "exceed", to strike out "$521,126" and insert "$523,126", so as to read:

In all, not to exceed $523,126.

The amendment was agreed to.

The next amendment was, on page 62, after line 14, to insert:

Expenses of attorneys, Chippewa Tribe, Minnesota (tribal funds): For compensation and expenses of an attorney or attorneys employed by the Chippewa Tribe, under a contract approved by the Secretary of the Interior, $6,000, or so much thereof as may be necessary, payable from the principal sum on deposit to the credit of the Chippewa Indians of Minnesota, arising under section 7 of the act entitled "An act for the relief and civilization of the Chippewa Indians in the State of Minnesota," approved January 14, 1889 (25 Stat. 645), and the amount herein appropriated shall be available for compensation earned and expenses incurred during the period covered by said contract.

The amendment was agreed to.

The next amendment was, under the subhead "Construction and repair", on page 67, after line 6, to insert:

Alaska: Day-school facilities and quarters, $20,000.

The amendment was agreed to.

The next amendment was, on page 67, after line 22, to strike out:

Five Civilized Tribes, Oklahoma (Jones Academy): Improvements to water system, $4,500.

And in lieu thereof to insert:

Five Civilized Tribes, Oklahoma: Improvements to water system, Jones Academy, $31,500; improvements to water system, Talihina Sanatorium, $27,500.

The amendment was agreed to.

The next amendment was, on page 68, line 5, after the figures "$15,000", to insert "quarters, $7,500", so as to read:

Fork Belknap, Mont.: General repairs and improvements, $15,000; quarters, $7,500.

The amendment was agreed to.

The next amendment was, on page 68, line 6, after the word "Quarters", to strike out "$5,000" and insert "$7,500", so as to read:

Fort Berthold, N. Dak.: Quarters, $7,500.

The amendment was agreed to.

The next amendment was, on page 68, line 8, after the word "Quarters", to strike out "$7,500" and insert "$8,500; shop building and garage, $10,000", so as to read:

Fort Totten, N. Dak.: Quarters, $8,500; shop building and garage, $10,000.

The amendment was agreed to.

The next amendment was, on page 68, after line 10, to insert:

Hopi, Ariz.: School facilities, $125,000.

The amendment was agreed to.

The next amendment was, on page 68, line 13, after the figures "$7,500" and the semicolon, to insert "dairy barn, $15,000; shop building, $20,000", so as to read:

Kiowa, Okla.: Nurse aides' dormitory facilities, $40,000; Fort Sill, quarters, $7,500; dairy barn, $15,000; shop building $20,000.

The amendment was agreed to.

The next amendment was, on page 68, after line 17, to insert:

Pipestone, Minn.: Improvements to utility system, $22,500.

The amendment was agreed to.

The next amendment was, on page 69, line 5, after the word "Quarters", to strike out "$5,000" and insert "$7,500", so as to read:

Standing Rock, N. Dak.: Quarters, $7,500.

The amendment was agreed to.

The next amendment was, on page 69, line 17, after the word "Quarters", to strike out "$30,000" and insert "$37,500", so as to read:

Western Shoshone, Nev.: Quarters, $37,500.

The amendment was agreed to.

The next amendment was, on page 70, line 2, after the word "herein", to strike out "$85,000" and insert "$110,000"; in line 3, after the words "in all", to strike out "$916,000" and insert "$1,229,000"; in the same line, after the word "available", to insert "and to remain available until completion of the projects when the unobligated balances shall revert to the general fund of the Treasury"; in line 6 after the word "Provided", to strike out "that not to exceed 10 percent of the amount of any specific authorization may be transferred, in the discretion of the Commissioner of Indian Affairs, to the

amount of any other specific authorization, but no limitation shall be increased more than 10 percent by any such transfer: *Provided further*", and in line 19, after the name "Treasury", to strike out the colon and "*Provided further*, That the appropriation contained in the Interior Department Appropriation Act, fiscal year 1939, for the construction of a central heating plant, and rehabilitation of distribution lines at Chilocco, Okla., shall be available also for the construction of a print shop."

So as to read:

For administrative expenses, including personal services in the District of Columbia and elsewhere; not to exceed $2,500 for printing and binding; purchase of periodicals, directories, and books of reference; purchase and operation of motor-propelled passenger-carrying vehicles; traveling expenses of employees; rent of office and storage space; telegraph and telephone tolls; and all other necessary expenses not specifically authorized herein, $110,000; in all, $1,229,000, to be immediately available and to remain available until completion of the projects when the unobligated balances shall revert to the general fund of the Treasury: *Provided*, That the unexpended balances of appropriations made available under this head in the Interior Department Appropriation Acts, fiscal years 1939 and 1940, the Urgent Deficiency and Supplemental Appropriation Act, fiscal years 1939 and 1940, and the Third Deficiency Appropriation Act, fiscal year 1939, shall continue available until completion of the projects when the unobligated balances shall revert to the general fund of the Treasury.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Reclamation", on page 81, line 17, after the name "Colorado", to strike out "$75,000" and insert "$100,000", so as to read:

Uncompahgre project, Colorado, $100,000.

The amendment was agreed to.

The next amendment was, on page 81, line 18, after the word "division", to strike out "$700,000" and insert "$900,000", so as to read:

Boise project, Idaho, Payette division, $900,000; the sum heretofore appropriated for construction of the Twin Springs Dam and Snake River pumping plant shall remain available for construction of either or both of the same or such other project works on the Boise River or its tributaries as may be found by the Secretary of the Interior, following current investigations, to be more feasible.

The amendment was agreed to.

The next amendment was, at the top of page 82, to insert:

Humboldt project, Nevada, $100,000.

The amendment was agreed to.

The next amendment was, on page 82, line 2, after the name "New Mexico", to strike out "$50,000" and insert "$100,000", so as to read:

Carlsbad project, New Mexico, $100,000.

The amendment was agreed to.

The next amendment was, on page 82, after line 5, to insert:

Klamath project, Oregon-California, $200,000.

The amendment was agreed to.

The next amendment was, on page 82, line 8, after the name "Wyoming", to strike out "$500,000" and insert "$900,000", so as to read:

Kendrick project, Wyoming, $900,000.

The amendment was agreed to.

The next amendment was, on page 83, line 3, after the word "fund", to strike out "$7,197,000" and insert "$8,172,000", so as to read:

Total, construction, from reclamation fund, $8,172,000.

The amendment was agreed to.

The next amendment was, on page 83, line 17, after the word "fund", to strike out "$8,099,600" and insert "$9,174,600", so as to read:

Total, from reclamation fund, $9,074,600.

The amendment was agreed to.

The next amendment was, on page 86, line 10, before the word "which", to strike out "$1,500,000" and insert "$850,000", so as to read:

Boulder Canyon project (All-American Canal): For continuation of construction of a diversion dam, and main canal (and appurtenant structures including distribution and drainage systems) located entirely within the United States connecting the diversion dam with the Imperial and Coachella Valleys in California; to acquire by proceedings in eminent domain, or otherwise, all lands, rights-of-way, and other property necessary for such purposes; and for incidental operations, as authorized by the Boulder Canyon Project Act, approved December 21, 1928 (43 U. S. C., ch. 12A); to be immediately available and to remain available until advanced to the Colorado River Dam fund, $850,000, which amount shall be available for personal services in the District of Columbia (not to exceed $5,000) and in the field and for all other objects of expenditure that are specified for projects hereinbefore included in this act under the caption "Bureau of Reclamation, Administrative provisions and limitations," without regard to the amounts of the limitations therein set forth.

The amendment was agreed to.

The next amendment was, under the subhead "General fund, construction," on page 87, line 6, after the name "Arizona-California", to strike out "$3,000,000" and insert "$3,500,000, together with the unexpended balance of the appropriation of $4,000,000 for this project contained in the Second Deficiency Appropriation Act, fiscal year 1939;", so as to read:

Parker Dam Power project, Arizona-California, $3,500,000, together with the unexpended balance of the appropriation of $4,000,000 for this project contained in the Second Deficiency Appropriation Act, fiscal year 1939.

The amendment was agreed to.

The next amendment was, on page 87, line 10, after the name "California", to strike out "$16,000,000" and insert "$23,600,000", so as to read:

Central Valley project, California, $23,600,000.

The amendment was agreed to.

The next amendment was, on page 87, after line 12, to insert:

San Luis Valley project, Colorado: For further investigations, exploratory and preparatory work, and commencement of construction in accordance with House Document No. 693, Seventy-sixth Congress, third session: *Provided*, That commencement of construction of the Closed Basin Drain feature shall be contingent on (a) a conclusive finding of justification for the drain on the basis of cost and the quantity and quality of water to be secured, and (b) adequate arrangements for maintenance of the drain, $150,000.

The amendment was agreed to.

The next amendment was, on page 88, line 13, after the word "construction", to strike out "$35,100,000" and insert "$43,350,000", so as to read:

Total, general fund construction, $43,350,000.

The amendment was agreed to.

The next amendment was, under the subhead "Water conservation and utility projects", on page 88, after line 15, to insert:

For the construction of water conservation and utilization projects and small reservoirs including not to exceed $140,000 for surveys, investigations, and administrative expenses in connection therewith (of which not to exceed $20,000 shall be available for personal services in the District of Columbia), all as authorized by the act of August 11, 1939 (53 Stat. 1418), to remain available until expended, $2,600,000.

NEED OF SMALL RESERVOIR PROGRAM

Mr. O'MAHONEY. Mr. President, this amendment deals, I believe, with one of the most important subjects included in the bill. Members of the Senate may feel that they have heard enough of the problem of the migratory farm family. Testimony has been presented to various committees of the Senate with respect to the gravity of the situation in which the farm families which have been driven out by the drought find themselves. We all know the conditions which exist in California, because these former farm families have now become migrants upon the face of the earth and I am confident that this body will want to leave nothing undone that may prove helpful.

The pending amendment, approved by the committee, is an attempt to prevent further dispersion of the farm population by providing for the conservation of water resources so as to keep on the lands families which have not yet been driven out. But it does not go far enough. The Bureau of Reclamation in the Department of the Interior was given

$5,000,000 for this purpose last year and asked a similar appropriation this year. No provision, however, was made in the first Budget report and this appropriation bill as it passed the House of Representatives carried no item for this work.

A week ago, however, I am happy to say, the Budget Bureau sent up a supplemental estimate for $2,600,000. I sought to persuade the committee to grant the full $5,000,000 believing that there are many items in this bill of much larger amounts and many items in other bills which are not nearly so important. The committee, however, saw fit not to increase the Budget estimate and I gave notice of my intention to ask the Senate for the larger amount, confident that this body would desire to do everything in its power to keep as many farm families as possible on the land.

I have here a report from the Farm Security Administration which indicates not only that at least 350,000 American farm families have lost their foothold on the land and have become migrant laborers wandering from State to State in search of occasional seasonal work, but that many other thousands of families are still attempting to maintain themselves on the land though faced with the danger of being driven away by lack of water. It is stated, for example, that in each of the Dakotas there are fully 20,000 families still trying to hold on; that in Montana, Colorado, Wyoming, and Nebraska there are other thousands of farm families in the same condition.

Most of the families which have migrated to California came from Oklahoma, Texas, Arkansas, and Missouri. They were driven out of what was called the Dust Bowl by the great drought of 1934 and 1936. I know of nothing more touching than the effort of people who have grown up upon the land, in agricultural communities, to struggle against the elements which seem to conspire to drive them off. I know of numerous areas in my own State which can be preserved and developed as economic farm units provided only we build small reservoirs and conserve the water resources. How much better it is to help such families to remain on the land than to try to provide relief for them after they have been driven out.

The increase which I am asking will not be sufficient to do all that should be done, but it will make a splendid start. It will enable the Bureau of Reclamation to take full advantage of laws which have already been enacted, allowing it to use the facilities of the Civilian Conservation Corps and the W. P. A. as well as the Farm Security Administration to provide for the permanent rehabilitation of thousands of families which represent the best citizenship in America.

One of the most satisfactory and encouraging facts about the Farm Security program has been the high degree of responsibility exhibited by the beneficiaries of the Farm Security loans as evidenced by the remarkable record of repayment which has been made by rehabilitated families.

DEPARTMENTS COOPERATING

The Interior Department and the Department of Agriculture are both anxious to cooperate, and when one considers the large proportion of young people who are affected, I am sure there will be little hesitation on the part of this Senate in granting what I ask.

Dr. Will L. Alexander, Administrator of the Farm Security Administration, recently reported to me of a study of 6,655 typical migrant families in California. Almost half of them had lived for 20 years or more in States from which they had come so that, obviously, the conditions which I am here trying to overcome are conditions which tear at the very roots of our society. But more appalling than that, to me at least, was the fact disclosed by this study that the average age of the heads of families was only 33 years and that only one-fifth of all the children of these families were 15 years of age, or older.

In some of the very States in which this problem exists millions of dollars are being taken out of the land in the development of natural resources. Even the oil lands on the public domain are frequently developed by large corporations which take the profits beyond the boundaries of the States. I am seeking to help the families who live in the States, the families who build up the communities, the families who produce the citizens of these States, and I know of no better way to do it than providing, as this amendment provides, for the conservation and development of water resources.

The amount of money carried in the committee recommendation is not sufficient to deal with the problem. The senior Senator from Utah [Mr. KING] appeared before the committee and urged larger appropriations. I do not suppose there is a Senator from the whole region west of the Mississippi, sometimes called the Great Plains area, sometimes referred to as the arid States, sometimes referred to as the Dust Bowl, who does not realize the importance of dealing adequately with this situation.

Mr. President, without taking more time of the Senate at this moment, I move to amend the committee amendment by increasing the amount from $2,600,000 to $5,000,000. The Farm Security Administration and the Bureau of Reclamation have testified to us that there are ample opportunities to spend this amount of money in an adequate and beneficial way, so as to keep the farmers on the land. I think there is no more important thing for Congress to do than to make it possible for farm families to remain where they are instead of joining the migratory movement, which is creating so much trouble throughout the West.

Mr. KING. Mr. President, this is important merely as a means of anchoring people upon their farms, in homes which they have built in some of the arid districts.

Mr. THOMAS of Utah. Mr. President, I do not wish to take up the time of the Senate, because I feel that every Senator present realizes how serious this question is. But as one of the Senators who has represented the Senate on a committee which for the last 3 or 4 years has been listening to a discussion of various problems, the Senate Civil Liberties Committee, I desire to state that that committee has gone into this subject. The testimony we have heard from the best authorities of the country confirms completely what the Senator from Wyoming has stated.

Furthermore, Mr. President, there are some sections of the country whose economic welfare depends entirely upon water conservation. My State happens to be a State of that type. There is the added consideration that the conservation of water is of tremendous importance to the welfare and conservation of human life.

Mr. President, I trust the Senate will agree to the amendment of the Senator from Wyoming.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming [Mr. O'MAHONEY] to the committee amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, under the heading "Geological Survey", on page 90, line 5, after the name "District of Columbia", to strike out "$150,000" and insert "$175,000", so as to read:

Salaries: For the Director of the Geological Survey and other personal services in the District of Columbia, $175,100;

The amendment was agreed to.

The next amendment was, on page 95, line 6, after the word "photographs", in insert "or for the furnishing of topographic maps made from such photographs", so as to read:

During the fiscal year 1941, upon the request of the Secretary of the Interior, the Secretary of War or the Secretary of the Navy is authorized to furnish aerial photographs required for mapping projects, insofar as the furnishing of such photographs will be economical to the Federal Government and does not conflict with military or naval operations or the other parts of the regular training program of the Army, Navy, and Marine Corps flying services, and the Secretary of the Interior is authorized to reimburse the War or Navy Department for the cost of making the photographs, such cost to be confined to the actual cost of gasoline, oil, film, paper, chemicals, and the labor performed in developing the photographic negatives and the printing of copies of photographs, and the per diem expenses of the personnel authorized by law, together with such incidental expenses as care and

minor repairs to plane and transportation of personnel to and from projects, and the War Department or the Navy Department, on request of the Department of the Interior, is authorized to furnish copies to any State, county, or municipal agency cooperating with the Federal Government in the mapping project for which the photographs were taken. In the event that the Director of the Geological Survey deems it advantageous to the Government, the Geological Survey is authorized to contract with civilian aerial photographic concerns for the furnishing of such photographs or for the furnishing of topographic maps made from such photographs;

The amendment was agreed to.

The next amendment was, on page 95, line 14, after the word "Survey", to strike out "$3,586,910" and insert "$3,612,-010", so as to read:

In all, salaries and expenses, United States Geological Survey, $3,612,010.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Mines—Salaries and general expenses", on page 97, line 5, after the words "District of", to strike out "Columbia, $656,-000" and insert: "Columbia; and including not to exceed $20,000 for the necessary employees and other expenses connected with the establishment and maintenance of a mine-rescue station to serve the New York and New England area, as authorized by the act of March 3, 1915 (30 U. S. C., sec. 8), $676,000:", so as to read:

Operating mine-rescue cars and stations and investigation of mine accidents: For the investigation and improvement of mine-rescue and first-aid methods and appliances and the teaching of mine safety, rescue, and first-aid methods; investigations as to the causes of mine explosions, causes of falls of roof and coal, methods of mining, especially in relation to the safety of miners, the appliances best adapted to prevent accidents, the possible improvement of conditions under which mining operations are carried on, the use of explosives and electricity, the prevention of accidents, statistical studies and reports relating to mine accidents, and other inquiries and technologic investigations pertinent to the mining industry; the exchange in part payment for operation, maintenance, and repair of mine-rescue trucks; the construction of temporary structures and the repair, maintenance, and operation of mine-rescue cars and the Government-owned mine-rescue stations and appurtenances thereto; personal services, traveling expenses and subsistence, equipment, and supplies; travel and subsistence, and other incidental expenses of employees in attendance at meetings and conferences held for the purpose of promoting safety and health in the mining and allied industries; purchase not exceeding $6,000, exchange as part payment for, operation, maintenance, and repair of motor-propelled passenger-carrying vehicles for official use in field work; purchase and exchange in part payment therefor of cooks' uniforms, goggles, gloves, rubber boots, aprons, and such other articles or equipment as may be necessary in connection with the purposes of this paragraph; including not to exceed $67,110 for personal services in the District of Columbia; and including not to exceed $20,000 for the necessary employees and other expenses connected with the establishment and maintenance of a mine-rescue station to serve the New York and New England area, as authorized by the act of March 3, 1915 (30 U. S. C., sec. 8), $676,000.

The amendment was agreed to.

The next amendment was, on page 97, line 24, after the name "District of Columbia", to strike out "$223,900" and insert "$263,900", so as to read:

Testing fuel: To conduct inquiries and scientific and technologic investigations concerning the mining, preparation, treatment, and use of mineral fuels, and for investigation of mineral fuels belonging to or for the use of the United States, with a view to their most efficient utilization; to recommend to various departments such changes in selection and use of fuel as may result in greater economy, and, upon request of the Director of the Bureau of the Budget, to investigate the fuel-burning equipment in use by or proposed for any of the departments, establishments, or institutions of the United States in the District of Columbia, $263,900, of which amount not to exceed $29,400 may be expended for personal services in the District of Columbia.

Mr. FRAZIER. Mr. President, I understand that the amendment at the bottom of page 97 provides for certain amounts mentioned in the report; that is, $30,000 for the continuation of investigation of subbituminous coal and lignite utilization, Golden, Colo., and $10,000 for experimental work in Pittsburgh, Pa.

I notice in the hearings before the Senate subcommittee, that on page 347, Mr. Fieldner, of the Bureau of Mines, makes the statement that one part of the investigation at Golden, Colo., he thinks, will be finished by the 1st of July of this year. Recently I talked with a representative of the Interior Department who was sent out there especially to investigate the tests and to help with them. He has just returned and said that he was doubtful whether this particular investigation would be completed by the 1st of July. What I am interested to know is whether or not it is the understanding of the members of the committee that if this particular experiment is not completed, the $30,000 will be continued for the investigation at Golden, Colo., as well as the amount provided for the plant at Pittsburgh?

Mr. ADAMS. Mr. President, on page 346 of the hearings the Senator will find the inquiry which I made of Mr. Fieldner. Director Henderson was also present. I inquired:

You have been conducting at Golden some experiments in reference to the development of the use of the subbituminous coal. Is that continuation included in the appropriations here?

The reply was:

Mr. FIELDNER. No, sir. There is no money appropriated for continuing that work next year. It will stop on June 30, unless an appropriation is made.

Then continuing:

Senator ADAMS. Have they completed their studies?

Mr. FIELDNER. No, sir; they are still in progress.

Senator ADAMS. Do you feel that they ought to be continued?

Mr. FIELDNER. I feel that a large part of the work should be continued, especially that which relates to the seeking of better methods for utilizing the subbituminous coals and lignites in domestic furnaces and small industrial plants, and also that a study should be made of the storing of these coals so that they will not fire spontaneously, and so that they will not slack and break down in size to a useless powder during transportation and storage. There are a number of problems which research might solve in making these coals more useful to the local people and extending the radius to which they could be shipped. This radius is relatively short at the present time.

Senator ADAMS. How much would it take to continue that part of the work?

Mr. FIELDNER. We would like to get about $30,000. * * *

The Senator from North Dakota is interested in the continuation of this general study of sub-bituminous coal and we in Colorado are also deeply interested in it because of the existence of tremendous bodies of sub-bituminous coals. If such coal can be made more useful, it will increase tremendously the value of those coal deposits. The committee added this $30,000 with the understanding that the investigation now being conducted would be continued for this general purpose.

Mr. FRAZIER. I thank the Senator from Colorado for that statement. I am very much interested in seeing the investigation carried through to completion, because North Dakota has a great deal of lignite coal, as do several other Western States, and if the test which is being conducted in Colorado should prove successful, it would benefit our State.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 97, line 24.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, on page 99, line 21, before the words "of which", to strike out "$552,000" and insert "$567,-000", so as to read:

Mining experiment stations: For the employment of personal services, purchase of laboratory gloves, goggles, rubber boots, and aprons, the purchase not to exceed $3,000, exchange as part payment for, maintenance and operation of motor-propelled passenger-carrying vehicles for official use in field work, and all other expenses in connection with the establishment, maintenance, and operation of mining experiment stations, as provided in the act authorizing additional mining experiment stations, approved March 3, 1915 (30 U. S. C. 8), $567,000, of which appropriation not to exceed $17,100 may be expended for personal services in the District of Columbia;

The amendment was agreed to.

The next amendment was, on page 101, line 1, before the words "of which", to strike out "$331,500" and insert "$336,920", so as to read:

Economics of mineral industries: For inquiries and investigations, and the dissemination of information concerning the economic problems of the mining, quarrying, metallurgical, and other mineral industries, with a view to assuring ample supplies and

efficient distribution of the mineral products of the mines and quarries, including studies and reports relating to uses, reserves, production, distribution, stocks, consumption, prices, and marketing of mineral commodities and primary products thereof; preparation of the reports of the mineral resources of the United States, including special statistical inquiries; and including personal services in the District of Columbia and elsewhere; purchase of furniture and equipment; stationery and supplies; typewriting, adding and computing machines, accessories and repairs; newspapers; traveling expenses; purchase, not exceeding $1,200, exchange as part payment for, operation, maintenance, and repair of motor-propelled passenger-carrying vehicles for official use in field work; and for all other necessary expenses not included in the foregoing, $336,920, of which amount not to exceed $234,000 may be expended for personal services in the District of Columbia;

The amendment was agreed to.

The next amendment was, on page 104, at the end of line 23, to increase the total appropriation for the Bureau of Mines, from $2,815,460 to $2,895,880.

The amendment was agreed to.

The next amendment was, under the heading "National Park Service", on page 109, after line 19, to insert:

Kings Canyon National Park, Calif.: For administration, protection, maintenance, and improvement, including not exceeding $1,050 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles, $11,000.

The amendment was agreed to.

The next amendment was, on page 114, after line 4, to insert:

Dinosaur National Monument, Utah: For reliefing the dinosaur skeletons on the quarry wall, for protection of such skeletons from the elements, for personal services, general expenses, supplies, traveling expenses, and mechanical equipment in connection with such project, including not exceeding $1,400 for the purchase, maintenance, operation, and repair of a heavy-duty truck, $20,000.

The amendment was agreed to.

The next amendment was, on page 114, line 18, after the word "thereto", to strike out "$227,825" and insert "$234,-325", so as to read:

National historical parks and monuments: For administration, protection, maintenance, and improvement, including not exceeding $5,925 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles, and not exceeding $50,000 for the purchase of lands and interests in lands, including expenses incidental thereto, $234,325.

Mr. MEAD. Mr. President, before action is taken on the committee amendment appearing on page 114, line 18, I move to amend the committee amendment by striking out "$234,-325" and inserting in lieu thereof "$251,325."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York to the committee amendment.

Mr. HAYDEN. Mr. President, the question involved in the amendment is an appropriation for the maintenance of the W. K. Vanderbilt estate in Dutchess County, N. Y., an estate worth about $2,000,000, which has been made a gift to the Government. The committee had testimony from officials of the National Park Service to the effect that there was no question about the income being greater than the expenditure; but in order to be sure about that, I should like to ask the Senator if he would accept an amendment to this effect:

Provided, That the total sum expended in any fiscal year for maintenance of the Vanderbilt Historical Monument in Dutchess County, N. Y., shall not exceed the total sum of the admission fees collected at such monument during the previous fiscal year.

Mr. MEAD. I shall be glad to accept the amendment. That language will not in any way jeopardize the purpose of my amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York, as modified, to the committee amendment.

The amendment as modified to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

The PRESIDING OFFICER. The Clerk will state the next amendment of the committee.

The next amendment was, on page 114, after line 18, to insert:

Patrick Henry National Monument: For the acquisition of the estate of Patrick Henry in Charlotte County, Va., known as Red Hill, and including all expenses incidental to such acquisition, to be known as the Patrick Henry National Monument, in accordance with the provisions of the acts of August 15, 1935 (49 Stat. 652), and January 29, 1940 (Public, No. 408, 76th Cong.), $100,000.

The amendment was agreed to.

The next amendment was, on page 115, after line 2, to insert:

Andrew Johnson National Monument: For acquisition of the Andrew Johnson homestead and site located in Greeneville, Tenn., including certain furniture, furnishings, and equipment located therein, and expenses incidental to such acquisition, in accordance with the provisions of the act of August 29, 1935 (49 Stat. 958), $44,500.

The amendment was agreed to.

The next amendment was, on page 119, line 5, after the word "boundary", to strike out "$2,125,000" and insert "$2,000,000", so as to read:

Roads and trails, National Park Service: For the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges, in the national parks, monuments, and other areas administered by the National Park Service, including the Boulder Dam National Recreational Area, and other areas authorized to be established as national parks and monuments, and national park and monument approach roads authorized by the act of January 31, 1931 (16 U. S. C. 8a and 8b), as amended, including the roads from Glacier Park Station through the Blackfeet Indian Reservation to various points in the boundary line of the Glacier National Park and the international boundary, $2,000,000, to be immediately available and to remain available until expended.

The amendment was agreed to.

The next amendment was, on page 121, line 25, after the word "employees", to strike out "$289,900" and insert "$329,-900"; and on page 122, line 1, after the word "Monument", to insert "and $40,000 shall be available for the construction and equipment of a structure, at or near the Water Gate, West Potomac Park, to be used as a first-aid station, park police lodge, maintenance station, and comfort station", so as to read:

Salaries and expenses, National Capital parks: For administration, protection, maintenance, and improvement of the Mount Vernon Memorial Highway, Arlington Memorial Bridge, George Washington Memorial Parkway, monuments and memorials, Federal parks in the District of Columbia, and other Federal lands authorized by the act of May 29, 1930 (46 Stat. 482), including the pay and allowances in accordance with the provisions of the act of May 27, 1924, as amended, of the police force for the Mount Vernon Memorial Highway and the George Washington Memorial Parkway, and the operation, maintenance, repair, exchange, and storage of three automobiles, revolvers, ammunition, purchase, cleaning, and repair of uniforms for police, guards, and elevator conductors, and equipment, per diem employees at rates of pay approved by the Director not exceeding current rates for similar services in the District of Columbia, the hire of draft animals with or without drivers at local rates approved by the Director, stenographic reporting service, traveling expenses and carfare, and leather and rubber articles for the protection of public property and employees, $329,900, of which $15,000 shall be available for repairs in the Washington Monument and $40,000 shall be available for the construction and equipment of a structure, at or near the Water Gate, West Potomac Park, to be used as a first-aid station, park police lodge, maintenance station, and comfort station.

The amendment was agreed to.

The next amendment was, on page 122, line 16, before the words "to remain", to strike out "$293,740" and insert "$375,000"; so as to read:

Development of grounds, Thomas Jefferson Memorial, Washington, D. C.: For all necessary expenses in connection with the development and rearrangement of grounds surrounding the Thomas Jefferson Memorial in West Potomac Park, Washington, D. C., including relocation of sea wall, rearrangement of park roads, landscaping and planting; personal services in the District of Columbia; traveling expenses; per diem employees at rates of pay approved by the Secretary of the Interior; and maintenance and operation of one passenger-carrying vehicle; $375,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Biological Survey—Salaries and Expenses", on page 123, line

24, after the word "including", to strike out "$30,738" and insert "$45,738", and on page 124, line 4, after the word "structures", to strike out "$183,300" and insert "$198,300", so as to read:

Biological investigations: For biological investigations, including the relations, habits, geographic distribution, and migration of animals and plants, and the preparation of maps of the life zones, and including $45,738 for investigations of the relations of wild animal life to forests, under section 5 of the act approved May 22, 1928 (16 U. S. C. 581d), and for investigations of the wildlife resources of the Territory of Alaska, including the erection of necessary buildings and other structures, $198,300.

The amendment was agreed to.

The next amendment was, on page 127, after line 5, to insert:

Restoration of Lower Klamath Migratory Waterfowl Refuge: For the restoration and development of Klamath Lake Reservation (commonly known as the Lower Klamath Migratory Waterfowl Refuge) as a feeding, nesting, and breeding ground for migratory birds, including the construction of water-control works thereon and for necessary expenses incident thereto, $70,000.

The amendment was agreed to.

The next amendment was, on page 127, line 13, after the word "expenses", to increase the appropriation for salaries and expenses under the Bureau of Biological Survey, from $2,381,093 to $2,466,093.

The amendment was agreed to.

The next amendment was, on page 128, line 17, after the word "Survey", to strike out "$4,881,093" and insert "$4,966,093", so as to read:

Total, Bureau of Biological Survey, $4,966,093 and in addition thereto funds made available under the Migratory Bird Conservation Fund of which amounts not to exceed $709,940 may be expended for personal services in the District of Columbia, and not to exceed $76,600 shall be available for the purchase of motor-propelled passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia:

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Fisheries", on page 130, line 25, before the word "temporary", to strike out "$464,690" and insert "$473,090"; in the same line, after the word "exceed", to strike out "$10,000" and insert "$30,000"; and on page 131, line 5, after the word "aquarium", to strike out "$922,940, including not to exceed $75,000 to commence the establishment of stations in Arkansas and Mississippi on sites heretofore donated to the United States for such purpose, for the purchase of a fish cultural station in Oklahoma, and for the further development of the station at Lamar, Pa." and insert "$987,940, including not to exceed $120,000 to commence the establishment of a station in Arkansas, on a site heretofore donated to the United States for such purpose, the establishment of a station in Mississippi on a site heretofore or hereafter donated to the United States for such purpose, for the purchase of a fish-cultural station in Oklahoma, and for the further development of the stations at Lamar, Pa., and on Williams Creek, on the Fort Apache Indian Reservation in Arizona", so as to read:

Propagation of food fishes: For maintenance, repair, alteration, improvement, equipment, acquisition, and operation of fish-cultural stations, general propagation of food fishes and their distribution, including movements, maintenance, and repairs of cars and not to exceed $15,000 for purchase of trucks for fish distribution; maintenance, repair, and operation of motor-propelled passenger-carrying vehicles for official use in the field; purchase of equipment (including rubber boots, oilskins, and first-aid outfits) and apparatus; contingent expenses; pay of permanent employees not to exceed $473,090; temporary labor; not to exceed $30,000 for propagation and distribution of fresh-water mussels and the necessary expenses connected therewith; purchase, collection, and transportation of specimens, and other expenses incidental to the maintenance and operation of aquarium, $987,940, including not to exceed $120,000 to commence the establishment of a station in Arkansas, on a site heretofore donated to the United States for such purpose, the establishment of a station in Mississippi on a site heretofore or hereafter donated to the United States for such purpose, for the purchase of a fish-cultural station in Oklahoma, and for the further development of the stations at Lamar, Pa., and on Williams Creek, on the Fort Apache Indian Reservation in Arizona, including the construction of buildings, ponds, water supply, improvements to grounds, purchase of equipment, and all other necessary expenses.

The amendment was agreed to.

The next amendment was, on page 131, after line 21, to insert:

Diversion dam, Sandy River, Oreg.: For the construction, improvement, maintenance, and operation of a diversion dam and for bank protection and related works on the Sandy River, Oreg., for the conservation of fish in the Columbia River Basin, as authorized by the act of May 11, 1938, $30,000, including personal services not to exceed $3,000.

The amendment was agreed to.

The next amendment was, on page 132, line 10, after the numerals "1941", to insert a comma and "and the unobligated balance of the appropriation remaining under the limitation of $155,000 to establish or commence the establishment of stations authorized by the act approved May 21, 1930 (46 Stat. 371), contained in the Department of Commerce Appropriation Act, 1939, under the head 'Propagation of food fishes', which was continued available during the fiscal year 1940, is continued available during the fiscal year 1941", so as to read:

The unobligated balance of the appropriation remaining under the limitation of $155,000 to establish or commence the establishment of stations authorized by the act approved May 21, 1930 (46 Stat. 371), contained in the Department of Commerce Appropriation Act, 1940, under the head "Propagation of food fishes", is continued available during the fiscal year 1941, and the unobligated balance of the appropriation remaining under the limitation of $155,000 to establish or commence the establishment of stations authorized by the act approved May 21, 1930 (46 Stat. 371), contained in the Department of Commerce Appropriation Act, 1939, under the head "Propagation of food fishes", which was continued available during the fiscal year 1940, is continued available during the fiscal year 1941.

The amendment was agreed to.

The next amendment was, on page 134, line 8, after the word "purposes", to strike out "$368,835" and insert "$371,835", and in line 9, after the word "exceed", to strike out "$278,400" and insert "$280,400", so as to read:

Inquiry respecting food fishes: For inquiry into the cause of the decrease of food fishes in the waters of the United States, and for investigation and experiments in respect to the aquatic animals, plants, and waters, in the interests of fish culture and the fishery industries, maintenance, repair, improvement, equipment, and operation of biological stations, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles for official use in the field, preparation of reports, and not to exceed $500 for rent of suitable quarters in the District of Columbia for laboratory and storage purposes, $371,835, of which sum not to exceed $280,400 may be expended for personal services.

The amendment was agreed to.

The next amendment was, under the heading "Government in the Territories—Puerto Rican hurricane relief", on page 143, line 3, after the word "exceed", to strike out "$15,000" and insert "30,000", so as to read:

To enable the Division of Territories and Island Possessions to continue collection and administration of moneys due the United States on account of loans made under the joint resolutions approved December 21, 1928 (45 Stat. 1067), and January 22, 1930 (46 Stat. 57), and to make compositions and adjustments in any loan heretofore made, as authorized by Public Resolutions Nos. 59 (49 Stat. 926) and 60 (49 Stat. 928), Seventy-fourth Congress, approved August 27, 1935, not to exceed $30,000 of any unobligated balances of appropriations made by authority of those joint resolutions, including repayment of principal and payments of interest on such loans, is hereby made available for administrative expenses during the fiscal year 1941.

The amendment was agreed to.

The next amendment was, under the subhead "Equatorial and South Sea Islands", on page 143, after line 20, to insert:

Division of Territories and Island Possessions: For expenses of the Division of Territories and Island Possessions in the investigation and survey of natural resources of the land and sea areas of the Antarctic regions, including personal services in the District of Columbia and elsewhere without regard to the civil-service laws or the Classification Act of 1923, as amended, or by contract, if deemed necessary, without regard to the provisions of section 3709 of the Revised Statutes, rent, traveling expenses, purchase of necessary books, documents, newspapers and periodicals, stationery, hire of automobiles, purchase of equipment, supplies, and provisions, and all other necessary expenses, $250,000: *Provided*, That fuel, repairs, and emergency supplies to be paid for out of this appropriation may be contracted for in foreign ports.

The amendment was agreed to.

The next amendment was, under the heading "St. Elizabeths Hospital", on page 145, line 8, after the word "grounds",

to strike out "$1,240,285" and insert "$1,275,285", so as to read:

For support, clothing, and treatment in St. Elizabeths Hospital for the Insane of insane persons from the Army, Navy, Marine Corps, and Coast Guard, insane inmates of the National Home for Disabled Volunteer Soldiers, persons charged with or convicted of crimes against the United States who are insane, all persons who have become insane since their entry into the military and naval services of the United States, insane civilians in the quartermaster service of the Army, insane persons transferred from the Canal Zone who have been admitted to the hospital and who are indigent, American citizens legally adjudged insane in the Dominion of Canada whose legal residence in one of the States, Territories, or the District of Columbia it has been impossible to establish, insane beneficiaries of the United States Employees' Compensation Commission, insane beneficiaries of the United States Veterans' Administration, and insane Indian beneficiaries of the Bureau of Indian Affairs, including not exceeding $27,000 for the purchase, exchange, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles for the use of the superintendent, purchasing agent, and general hospital business, and including not to exceed $185,000 for repairs and improvements to buildings and grounds, $1,275,285, including cooperation with organizations or individuals in scientific research into the nature, causes, prevention, and treatment of mental illness, and including maintenance and operation of necessary facilities for feeding employees and others (at not less than cost), and the proceeds therefrom shall reimburse the appropriation for the institution; and not exceeding $1,500 of this sum may be expended in the removal of patients to their friends; not exceeding $1,000 for expenses of attendance at meetings or conventions concerned with the work of psychiatry, medicine, and other scientific subjects of interest to St. Elizabeths Hospital, when specifically authorized by the Secretary of the Interior; not exceeding $1,500 in the purchase of such books, periodicals, and newspapers as may be required for the purposes of the hospital and for the medical library, and not exceeding $1,500 for the actual and necessary expenses incurred in the apprehension and return to the hospital of escaped patients.

Mr. O'MAHONEY. Mr. President, in view of the amendment which was adopted by vote of the Senate, on page 88, beginning in line 16, the limitation in line 18 should be changed. The amount should be changed to $280,000. I ask unanimous consent that that be done.

Mr. HAYDEN. Mr. President, that amount should be in proper proportion.

Mr. O'MAHONEY. I ask that the vote by which the committee amendment, on page 88, lines 16 to 23, inclusive, was agreed to be considered, and that the amount, in line 18, be changed to $280,000.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming? The Chair hears none, and the vote by which the committee amendment was agreed to is reconsidered.

The question now is on the amendment of the Senator from Wyoming to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment reported by the committee.

The next amendment was, under the heading "Freedmen's Hospital", on page 148, line 1, before the word "for", to strike out "$353,840" and insert "$363,620"; in line 15, after the word "expenses", to strike out "$203,305" and insert "$208,305"; in line 16, after the name "Freedmen's Hospital", to strike out "$557,145" and insert "$571,925"; and in line 19, before the words "one-half shall", to strike out "$557,145" and insert "$571,925", so as to read:

For officers and employees and compensation for all other professional and other services that may be required and expressly approved by the Secretary of the Interior, $363,620; for subsistence, fuel and light, not exceeding $1,000 for expenses of attendance upon meetings of a technical nature, pertaining to hospital administration and medical advancement, when authorized by the Secretary of the Interior, clothing, to include white duck suits and white canvas shoes for the use of internes, and cotton or duck uniforms or aprons for cooks, maids, and attendants, and rubber surgical gloves, bedding, forage, medicine, medical and surgical supplies, surgical instruments, electric lights, repairs, replacement of X-ray apparatus, furniture; purchase, maintenance, and operation of passenger-carrying vehicles, including not exceeding $1,500 for the purchase of books, periodicals, and newspapers; and not to exceed $2,000 for the special instruction of pupil nurses, and other absolutely necessary expenses, $208,305; in all, for Freedmen's Hospital, $571,925, including reimbursement to the appropriation for Howard University of actual cost of heat and light furnished, of which amount of $571,925 one-half shall be chargeable to the District of Columbia and paid in like manner as other appropriations of the District of Columbia are paid.

The amendment was agreed to.

The next amendment was, on page 149, line 4, before the word "without", to insert "and as station wagons", and in the same line, after the word "such", to strike out "trucks" and insert "vehicles", so as to read:

SEC. 3. Appropriations herein made shall be available for the purchase, maintenance, operation, and repair of vehicles generally known as quarter-ton or half-ton pick-up trucks and as station wagons without such vehicles being considered as passenger-carrying vehicles and without the cost of purchase, maintenance, operation, and repair being included in the limitation in the various appropriation items for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. HAYDEN. Mr. President, there are a few amendments which, by direction of the committee, I should like to offer. The first amendment is on page 14, line 5, and is a matter stricken out on point of order in the House of Representatives, with reference to the Philippine High Commission.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 14, line 5, after the amount "$159,000.", it is proposed to strike out the period and to insert a comma and the following:

of which amount not exceeding $10,000 shall be available for expenditure, in the discretion of the High Commissioner, for maintenance of his household and such other purposes as he may deem proper: *Provided*, That the salary of the legal adviser and the financial expert shall not exceed the annual rate of $10,000 and $9,000 each, respectively: *Provided further*, That section 3709 of the Revised Statutes (41 U. S. C. 5) shall not apply to any purchase or service rendered under this appropriation when the aggregate amount involved does not exceed the sum of $100.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona on behalf of the committee.

The amendment was agreed to.

Mr. HAYDEN. Mr. President, the next amendment I offer on behalf of the committee is on page 25, line 3, and relates to an authorization for the Indian Office to purchase additional lands.

The PRESIDING OFFICER. The amendment offered by the Senator from Arizona on behalf of the committee will be stated.

The LEGISLATIVE CLERK. On page 25, line 3, after the word *"Provided"*, it is proposed to insert the following:

That in addition to the amount herein appropriated, the Secretary of the Interior may also incur obligations and enter into contracts for the acquisition of the additional land, not exceeding a total of $325,000, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof, and appropriations hereafter made for the acquisition of land pursuant to the authorization contained in the act of June 18, 1934, shall be available for the purpose of discharging the obligation or obligations so created: *Provided further*.

On page 25, line 4, after the word "appropriated", it is proposed to insert "or of this contract authorization."

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

Mr. HAYDEN. I yield.

Mr. FRAZIER. Does the $325,000 include money for the purchase of land in the Turtle Mountain Indian Reservation?

Mr. HAYDEN. Mr. President, the Senator brought to our attention the fact that the Senate had passed such a bill, and the House had passed a bill in a little different form, but that the two bodies were practically agreed on the necessity for providing money for the purchase of additional land for the Turtle Mountain Indians. We thought the best way to bring about that action was to include this sum of money in the bill. The amount of the contractual authorization will make the total sum the same as last year, and very much less than it was the year before and in previous years. The money is designed to help take care of the situation which the Senator has in mind.

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

Mr. HAYDEN. I yield.

Mr. KING. Are there any tribal funds out of which the proposed payment could come?

Mr. FRAZIER. There are no tribal funds.

Mr. KING. This is a gratuity, then, on the part of the Government?

Mr. FRAZIER. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona on behalf of the committee.

The amendment was agreed to.

Mr. HAYDEN. On behalf of the committee, I offer another amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 69, line 8, after "$400,000", it is proposed to insert the following:

and in addition thereto the Secretary of the Interior may incur obligations and enter into a contract or contracts not exceeding the total amount of $895,000, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof, and appropriations hereafter made for continuing construction of the project shall be available for the purpose of discharging the obligation or obligations so created.

Mr. HAYDEN. Mr. President, the purpose of this amendment is to complete the construction of a hospital for tubercular Indian patients at Tacoma, Wash. With this contractual authority the obligation will be satisfied. It is not a recurring item.

Mr. SCHWELLENBACH. Mr. President, I should like to speak very briefly with reference to this amendment. It so happens that in 1922 I became very familiar with the hazards involved in this particular hospital. Immediately after the war this hospital, which was known as Cushman Hospital, was used by the Veterans' Bureau for the purpose of taking care of general surgical and medical cases of veterans in our State. At that time I was very much interested and very active in veterans' affairs; and it happened that as one interested in veterans' affairs, I had a little authority and some opportunity to accomplish results. I succeeded in having the veterans taken out of that hospital on the ground that it was unsafe and was a fire hazard. Since it was not safe for veterans under the administration back in 1922 and 1923, it might be possible in this administration for me to raise my voice in an effort to see that the Indians are removed from the same fire hazard to which the veterans were subjected at that time. No improvements have been made in the hospital since 1923.

Mr. HAYDEN. Mr. President, as a matter of fact there was a Budget estimate of $500,000. On inquiry we found that the amount appropriated by the House was $400,000, with a contractual obligation which went out on a point of order. We made inquiry, and found that if we allowed $895,000 that amount would be sufficient to remodel the hospital, erect a new building, and do everything necessary to finish the job. On advice to that effect we are offering this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona on behalf of the committee.

The amendment was agreed to.

Mr. HAYDEN. On behalf of the committee I send to the desk another amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 82, line 5, after "$200,000", it is proposed to insert the following:

Provided, That expenditures from this appropriation and from any other appropriation for the construction of the Modoc Unit shall be reimbursed from net revenues hereafter received from the lease of grazing and farming lands within the Tule Lake Division, notwithstanding the provisions of subsection I of section 4 of the act of December 5, 1924 (43 Stat. 703; 43 U. S. C. 373a).

Mr. HAYDEN. This is the legislative portion of the Budget estimate submitted, and should be adopted.

The amendment was agreed to.

Mr. HAYDEN. On behalf of the committee I offer another amendment, which I send to the desk and ask to have stated. This amendment is in connection with the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY]. It is a declaration of policy with respect to the opening of newly irrigated lands.

The PRESIDING OFFICER. The amendment offered by the Senator from Arizona, on behalf of the committee, will be stated.

The LEGISLATIVE CLERK. On page 89, after line 6, it is proposed to insert a new paragraph reading as follows:

It is hereby declared to be the policy of the Congress that, in the opening to entry of newly irrigated public lands, preference shall be given to families who have no other means of earning a livelihood, or who have been compelled to abandon, through no fault of their own, other farms in the United States, and with respect to whom it appears after careful study, in the case of each such family, that there is a probability that such family will be able to earn a livelihood on such irrigated lands.

The amendment was agreed to.

Mr. HAYDEN. On behalf of the committee I offer another amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Arizona, on behalf of the committee, will be stated.

The LEGISLATIVE CLERK. On page 104, after line 12, it is proposed to insert a new paragraph reading as follows:

Notwithstanding any other provisions of law, Royd R. Sayers, a commissioned officer on the active list, United States Public Health Service, is authorized to hold the office of Director of the Bureau of Mines in the Department of the Interior without loss of or prejudice to his status as a commissioned officer on the active list of the United States Public Health Service and, if appointed to such civil office, he shall receive in lieu of his pay and allowances as such commissioned officer the salary prescribed by law for such civil office.

Mr. HAYDEN. Mr. President, the purpose of this amendment is to do for Mr. Sayers what has been done in a number of instances with respect to Army officers. For example, in the case of Colonel Fleming, as head of the Wage and Hour Board, without authority of this kind his rating and rank in the Army would be disturbed; so we enacted a similar provision for Colonel Fleming.

Mr. Sayers is a commissioned officer of the Public Health Service. He has been associated with the Bureau of Mines for 16 years, by detail from the Public Health Service. He is now the Acting Commissioner. It is proposed to make it possible for him to be appointed head of the Bureau of Mines without losing his status in the Public Health Service.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona on behalf of the committee.

The amendment was agreed to.

Mr. HAYDEN. On behalf of the committee I offer another amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Arizona on behalf of the committee will be stated.

The LEGISLATIVE CLERK. On page 119, line 9, after "1941", it is proposed to insert a colon and the following:

Provided further, That in addition to the amount herein appropriated the Secretary of the Interior may also approve projects, incur obligations, and enter into contracts for additional work not exceeding a total of $3,000,000 and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof and appropriations hereafter made for the construction, reconstruction, and improvement of roads and trails shall be considered available for the purpose of discharging the obligation so created.

And on page 119, line 10, after the word "appropriation", it is proposed to insert "or contract authorization".

Mr. KING. Mr. President, I should like to have an explanation by the Senator of this amendment.

Mr. HAYDEN. Mr. President, this amendment is similar to the one which I shall presently offer with respect to the Blue Ridge and Natchez Trace Parkways.

Congress has authorized by law the expenditure of $5,000,000 during the next fiscal year for roads within the national

parks, and the expenditure of $8,000,000 during the next fiscal year on the Blue Ridge and Natchez Trace Highway. The amount of money carried in the bill must be supplemented by contractual authority. In the case of the Blue Ridge and Natchez Trace Highway, the House committee proposed to give the contractual authorization. It was so reported to the House, and went out on a point of order. It therefore must be restored in this manner. We propose to appropriate in each instance the amount now authorized by law.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona on behalf of the committee.

The amendment was agreed to.

Mr. HAYDEN. On behalf of the committee, I offer another amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Arizona on behalf of the committee will be stated.

The LEGISLATIVE CLERK. On page 120, line 3, after the word "purpose", it is proposed to insert the following:

Provided further, That the Secretary of the Interior shall make a detailed statement of expenditures from this appropriation to the Senate and House Committees on Appropriations at the beginning of the next regular session of Congress: *Provided further*, That in addition to the amount herein appropriated the Secretary of the Interior may also approve projects, incur obligations, and enter into contracts for additional work not exceeding a total of $6,000,000, of which $2,100,000 shall be for the Natchez Trace Parkway and shall be allotted and expended ratably between the States of Mississippi, Alabama, and Tennessee according to mileage of said Parkway in each respective State, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof and appropriations hereafter made for the construction and maintenance of the Blue Ridge and Natchez Trace Parkways shall be considered available for the purpose of discharging the obligation so created.

The amendment was agreed to.

Mr. HAYDEN. That concludes the amendments offered on behalf of the committee.

Mr. LA FOLLETTE. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Wisconsin will be stated.

The LEGISLATIVE CLERK. On page 72, after line 5, it is proposed to insert the following:

The Secretary of the Interior is hereby authorized to withdraw immediately from the Treasury of the United States $105,000 of any funds on deposit to the credit of the Menominee Indians in Wisconsin, and to expend said sum, or as much thereof as may be necessary, for a per capita payment of $50 to each enrolled member of the Menominee Tribe: *Provided*, That such payment shall be in lieu of the payments authorized by the act of June 15, 1934 (48 Stat. 964), for the fair market stumpage value of timber cut on the Menominee Reservation during the fiscal years 1940 and 1941: *Provided further*, That the amounts expended for making such per capita payment shall be reimbursed to the tribal funds utilized therefor from sums that would otherwise be paid said Indians pursuant to the act of June 15, 1934, supra.

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

Mr. LA FOLLETTE. I yield.

Mr. KING. I assume that this amendment is offered in accordance with the desire of the members of the tribe.

Mr. LA FOLLETTE. Yes, Mr. President. I was about to make a brief statement on the subject. On several occasions in the past, but not with any degree of regularity, per capita payments have been made to the Menominee Indians out of their own tribal funds. Heretofore the moneys have been paid out of funds obtained from the timber resources and the operation of mills on the reservation. This year, because of the low price of timber, the income from the timber resources has not been sufficient to make the per capita payments.

The tribe has what is commonly called a 5-percent fund, which heretofore I have been reluctant ever to encroach upon, and I may say frankly to the Senator from Utah that I am reluctant to see it encroached upon at this time; but, after consultation with the duly authorized delegates of the tribe, their attorneys, and Mr. Zimmerman, in the Indian Office, we worked out this plan to appropriate the money from the 5-percent fund, and then to reimburse the 5-percent fund from future stumpage payments. It is anticipated that in 1941 the 5-percent fund will then be reimbursed and will then remain intact.

I presented this matter to the committee and they gave it very sympathetic consideration. Therefore I feel that the amendment is in order. There can be no question, I may say to the Senator from Utah and other Senators interested, as to the distressful conditions on the reservation at this time. About half the Indians are unemployed; they are not eligible for relief from any local subdivision or from the State; and this is the only way by which provision can be made for them.

Mr. KING. Mr. President, I assume from the Senator's statement that the Government will not ultimately be called upon to pay the amount?

Mr. LA FOLLETTE. The Government will not be called upon to make any payment from the Treasury other than the regularly authorized payments for stumpage which are provided for by law.

Mr. HAYDEN. Mr. President, this matter was brought to the attention of the committee, and I am authorized by the committee to accept the amendment.

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

The amendment was agreed to.

Mr. LA FOLLETTE. Mr. President, I offer another amendment.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 61, line 12, it is proposed to strike out "$72,100" and insert "$78,100", and on page 61, line 19, after the word "law", to insert the following:

Provided, That for the fiscal year 1939 and thereafter not to exceed $6,000 shall be available annually from the funds of the Menominee Indians for the payment of salaries and expenses of the chairman, secretary, and interpreters of the Menominee General Council and members of the Menominee Advisory Council and tribal delegates when engaged on business of the tribe at rates to be determined by the Menominee General Council and approved by the Commissioner of Indian Affairs."

Mr. LA FOLLETTE. Mr. President, the pending bill carries a general provision for "Expenses of tribal councils or committees thereof (tribal funds): For traveling and other expenses of members of tribal councils, business committees, or other tribal organizations when engaged on business of the tribes, including supplies and equipment, not to exceed $5 per diem in lieu of subsistence" for services rendered to various tribes.

The Menominee Tribe have found from their experience in connection with their very substantial business operations on the reservation incident to tribal affairs that they have not been able to obtain under this limitation men of the highest qualifications.

There are precedents for a provision of this nature in the case of other Indian tribes. The adoption of the amendment will not cause any expense to the Treasury itself, but the money will come out of tribal funds. The proposal is endorsed by the tribe and their council.

Mr. HAYDEN. Mr. President, from representations made to the committee by the Office of Indian Affairs, I am authorized to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE].

The amendment was agreed to.

Mr. DANAHER. Mr. President, under date of April 26 I noted my intention to move to suspend paragraph 4 of Rule XVI in order that I might be permitted to offer an amendment which I have submitted to the Senator from Arizona in charge of the bill, which amendment I now send to the desk. I ask that it may be stated in connection with my motion, and I move that paragraph 4 of Rule XVI be suspended.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 122, after line 16, it is proposed to insert the following:

NAVY AND MARINE MEMORIAL

For labor and materials, including the preparation of revised plans and specifications as may be necessary, not to exceed $5,000 for architectural fees and full satisfaction of all obligations in connection with the original contract between the Navy and Marine Memorial Association and the architect, and not to exceed $44,384 for the design, professional services, disbursements, materials, and in full satisfaction of all obligations in connection with the original contract between the Navy and Marine Memorial Association and the sculptor, and the remainder, or so much thereof as may be necessary, to be expended during the fiscal year 1941, for the completion of the Navy and Marine Memorial, authorized by act approved April 26, 1939, $100,000.

The PRESIDING OFFICER. The question is on the motion of the Senator from Connecticut [Mr. DANAHER] to suspend paragraph 4 of rule XVI in order that the amendment may be offered.

Mr. HAYDEN. Mr. President, I may say that I am willing to take this amendment to conference, but I wish to state very frankly to the Senator from Connecticut that I doubt if we will be able to get all the money he seeks to obtain.

Mr. DANAHER. Mr. President, may we first have the motion put? Then I should like to explain the amendment.

The PRESIDING OFFICER. The question is on the motion of the Senator from Connecticut [Mr. DANAHER] to suspend paragraph 4 of rule XVI in order that he may offer the amendment. [Putting the question.] Two-thirds having voted in the affirmative, paragraph 4, rule XVI, is suspended. The question recurs on the amendment offered by the Senator from Connecticut.

Mr. DANAHER. Mr. President, let me explain that in 1923 and 1924 the design of the memorial in question was widely approved, including approval by the National Commission of Fine Arts, and Congress allotted to the proposed memorial the site which it now occupies. It stands on the banks of the Potomac River near the Washington Airport just off the Mount Vernon Memorial Highway.

The inscription on the memorial reads: "To the brave souls and ready valor of those men of the United States who, in the Navy, the merchant marine, and other paths of activity upon the waters of the world, have given life or still offer it in the performance of heroic deeds."

I send to the desk and ask to have included in the RECORD as a part of my remarks an item from the New York Tribune of Sunday, November 6, 1938, descriptive of the situation as it then existed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article referred to is as follows:

[From the New York Herald Tribune of November 6, 1938]

STATUE STANDS AT THE POTOMAC 8 YEARS UNDONE—PARK SERVICE UNABLE TO GET $200,000 TO FINISH NAVAL MONUMENT GIVEN TO UNITED STATES BY A PRIVATE ASSOCIATION

WASHINGTON, November 5.—On the banks of the Potomac River, near the Washington Airport, just off the Mount Vernon Memorial Highway, stands the Naval Marine Monument today, as it has stood for the last 8 years—uncompleted, unveiled, and, to most passersby, unknown.

The monument is a memorial to "the brave souls and ready valor of those men of the United States who, in the Navy, the merchant marine, and other paths of activity upon the waters of the world, have given life or still offer it in the performance of heroic deeds." These words are written on a bronze tablet on the memorial, which is an all-aluminum, brownish ocean wave, just breaking. Over it are seven gracefully soaring sea gulls. It is the only aluminum monument in the Capital, and the sight of the gulls in suspended flight is very realistic; made so, it was said, because aluminum was used.

LACKS BASE AND LANDSCAPING

Inquiry as to the reason for the memorial's remaining unveiled and uncompleted for 8 years brought from the National Parks Service the terse response: "Lack of funds."

The memorial is complete except for the base and landscaping. According to the National Park Service, almost $200,000 more will be required to supply a green New Hampshire granite base resembling the sea and to complete the approach. Officials said that Congress would be asked again to appropriate money at the next session.

Already the monument has cost $334,000. This money was contributed by patriotic citizens from all parts of the country to a private association formed 20 years ago. The purpose of the association was to finance the cost of the memorial and present it to the Government. It has cost the Government $13,000 already. This was the cost of shipping the monument from Ohio.

ONLY UNVEILED MONUMENT

The monument is the only one in the capital that has not been unveiled. Several months ago a statue of Artemus Ward, Revolutionary War general and writer, was erected on Massachusetts Avenue near the American University. Last Thursday it was unveiled by Harry Woodring, Secretary of War. Critics point out that here was a memorial to one man that met with no delay in being unveiled, whereas the Naval Marine monument, in memory of all those who have perished at sea, stands neglected.

Many complaints about the memorial have reached the ears of Park Service officials, who frankly say it has been a severe headache, so much so that they have laid down a rule that hereafter organizations planning to erect memorials in Washington will have to show the Government that they have all the necessary money in hand before construction is permitted or even the site is chosen.

To motorists on the Mount Vernon Highway the monument appears complete; parking is not permitted near it, the nearest parking area being at the airport, several hundred yards away. There is no sidewalk, and, since the speed limit on the highway is 55 miles an hour, walking to the monument is hazardous in itself.

Shrubbery and trees and even some weeds hide the base of the memorial so that a car must be driven almost up to it before it is in full view. This site near the highway bridge was selected by the National Commission of Fine Arts.

A close examination reveals the rough concrete which constitutes the base. Some object because the base does not face the river or the city directly across the channel, but is pointed toward the bank of the river and Georgetown.

The landscaping is another point of attack by critics. Some say deliberate attempts have been made to screen and hide the monument. Nor does the monument itself escape criticism. As long ago as 1924, when the project was in the formative stage, Augustus Lukeman, of New York, then a member of the National Sculpture Society, condemned the design of sea gulls hovering over a wave as "premature, nonrepresentative, and dead wrong." Others, including prominent architects, called it "original and effective."

The monument is 35 feet tall. The pedestal from which the wave rises is 32 feet wide and 36 feet deep. The sculptor was Ernesto Begni Del Piatta, the architects were Corbett, Harrison & MacMurray, 130 West Forty-second Street, New York.

Among the Members of Congress interested in the memorial are Senator DAVID I. WALSH, Democrat, of Massachusetts, who introduced a resolution in the Senate last May asking for funds to complete it, and Representative SOL BLOOM, Democrat, of New York, who almost had it unveiled during the George Washington bicentennial celebration in 1932.

Mr. DANAHER. Mr. President, in a period of more than 10 years weeds have grown up around the incompleted memorial. It is one of the most beautiful things in the National Capital, but is today the only memorial undedicated and unveiled. Up to the present time more than $340,000 of subscriptions have been poured into the construction of this beautiful memorial. The subscriptions have come from hundreds upon hundreds of people, in every walk and rank of life throughout the country, including school children. From my own State there were several hundred contributors. The Governor of my State called to my attention the situation with reference to the memorial. In order that the RECORD may show how highly it is esteemed by people eminent in American life, I send to the desk a memorandum of abstracts of comments from Daniel Chester French, Gutzon Borglum, many of the leading newspapers of the country, and others, and ask that it be included in the RECORD as a part of my remarks at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

THE NAVY AND MARINE MEMORIAL—THREE HUNDRED YEARS OF NATIONAL LIFE HAVE SEEN A WONDROUS PERFORMANCE OF DUTY AND ENDLESS SACRIFICES GO UNACKNOWLEDGED AND UNTHANKED

It is an entirely original idea as far as I know, and a most happy one, smacking of the sea, and bringing home to one the dangers and the sacrifices of the service. It is to me very impressive, and I know that it has impressed many other people equally.—Daniel Chester French, Chairman, National Commission of Fine Arts; Honorary President, National Sculpture Society; Trustee, Metropolitan Museum of Art; etc.

The flight of the gulls is a splendid and direct note, suggesting the immensity of the sea and its tragic unrest. It is a beautiful symbol and will stir the imagination of the youth of America.—John Gregory, President of the National Sculpture Society.

After seeing the Navy and Marine Memorial I feel I must tell what an impression of spiritual gladness it has left with me. It has none of the funereal suggestions characterizing most memorials, none of the allegorical riddles in which partially draped men and women must be interpreted as this or that moral abstraction. Here for once is an inspiration that manifests through matter, emerges out of it with the triumphant freedom of the spirit.—P. Troubetzkoy.

It is one of the few beautiful, unique conceptions in sculpture in all America and it tells the story of the waves. The metal in which it is cast is especially fortunate, and the work itself is most excellent and studied to a point and with a perfection most sculpture work in Washington lacks.—Gutzon Borglum.

Newspapers all over the country have spoken in approbation of the plan thus to memorialize all and every citizen of the United States who has lost his life at sea in any naval or marine activity.—Literary Digest.

It cannot fail to make a powerful appeal to the imagination of the American people.—New York Times.

Its uniqueness will consist in the absence of any human figure, of any type of ship or of any sea implement. It will visualize the breaking wave, the hovering seagulls and the blue immensity. That is all. The conception is bold. * * * It will set forth unforgettably a single unforgettable idea.—New York Herald Tribune.

Not only this country but the entire seafaring world should take an interest in this memorial.—San Antonio Express.

As a symbol of the mystery of the sea its force and beauty may not be disputed.—Boston Herald.

It will stir the pulse of the American people to a fitting sense of gratitude, and stimulate seamen to further deeds of valor and self-sacrifice.—Toledo Times.

It is a great and noble tribute to great and noble Americans, who were nonetheless great or noble though they lived and perished anonymously.—New London Day.

I have seldom seen anything simpler and more impressive.—Amy Lowell.

I wish the movement every success not only in the material building of the monument, but especially in the realization of its romantic and spiritual expression.—Patrick Cardinal Hayes.

Beautiful, important, and most significant memorial.—Bishop Ernest M. Stires.

The importance of our national life on the sea cannot be overestimated and I feel that all Americans who realize this will want to join together in paying this tribute, not only to those men who have lost their lives at sea, but to those who are now serving and those who will serve our great maritime needs in the future.—Curtis D. Wilbur, Secretary of the Navy.

After 300 years of national life we are hardly pioneers in what concerns the development of a sea consciousness and conscience. This memorial is the first expression of America's awakening to a realization of the vitally important part the Navy and merchant marine always have played, and will continue to play, in the history of our national defense and welfare. * * * And it symbolizes the grandeur of the sea. It suggests to those who move "along the cool, sequester'd vale of life," and dwell in the safety and tranquillity of the commonplace, that there is another life, a life beautiful and wonderful and inspiring and inspiriting and dangerous.—Rear Admiral Bradley A. Fiske, United States Navy (retired).

THE NAVY AND MARINE MEMORIAL

(By Vachel Lindsay)

Where is the ruddy adventurer
Who went where ships could go?
Where is the rainbow soul that sailed
Wherever
Salt sprays
Blow?

Where is the fine marine we knew
Who loved
Every harbor
And sea?
Let us sing on the shore of our land.
He comes
Through the night
To you
To me.

The sailor that drowns with the drowning stars
Lives with the stars of the sky.
The broken marine goes down,
Grows dim,
Yet his proud wings flame on high.

Star souls that break in the breaking waves
Are reborn in the bay that clears.
Then look to the sky.
They are there on high
Outsailing the storms
And years,
My dears,
Outsailing the storms
And years.

Mr. DANAHER. Mr. President, this is by no means a matter which can be viewed, as the Senator from Arizona would imply, as one which is subject to being pared down in conference. I believe that it is the sort of thing that properly should have been included in the appropriation bill in the first place. It has had from the National Park Service consideration to an extent that approximately one-half of the necessary sum to complete it has been agreed upon, but there is also included the thought that there was a judgment obtained by Ernesto Begni Del Piatta, the sculptor, of some $88,000 in connection with his fees for services rendered in the preparation of the memorial. That sum has never been paid; the judgment is unrealized; but the sculptor has indicated a willingness to accept one-half that sum in full payment to him.

I send to the desk an article from the Washington Star of December 23, 1939, describing the situation that existed last year when, on April 23, 1939, the Congress authorized the completion of this memorial. But, Mr. President, Congress adjourned in August, and, because of the press of other business, the funds were never provided.

I ask that the article from the Washington Star be included in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article is as follows:

[From the Washington Star of December 23, 1939]

DEATH ENDS SCULPTOR'S FIGHT FOR NAVY MEMORIAL FUNDS

Fifteen years ago a young Italian-born sculptor was commissioned to erect a Navy and Marine Memorial in Washington as a symbol of America's sea power and the sacrifice of life by her sailors of the Navy and merchant marine.

Today, the sculptor, Ernesto Begni del Piatti, lies dead in New York, his long fight for funds to complete the memorial ended.

He died grieving, friends said, because Congress has failed to appropriate the money needed to finish the only national memorial to those who have made the Nation great upon the high seas.

BASE NEVER COMPLETED

The monument stands on Columbia Island in the Potomac River today in an unsatisfying state of partial completion. It is composed of a cresting sea wave, surmounted by seven seagulls in flight, cast in aluminum.

This is intended to rise above a series of low-curved steps of sea-green granite, suggesting a swelling sea. But these steps, forming the base of the memorial, never have been constructed and for 5 years the aluminum casting has stood atop a formless mass of rough concrete, surrounded by wild grass and scrubby bushes.

Mr. del Piatti must have felt this, his dream, was near fulfillment during the last regular session of Congress. A bill authorizing an appropriation of $100,000 to complete the monument was passed by the House on April 17. Three days later, it passed the Senate and 6 days later the President signed it. But Congress adjourned without appropriating the funds.

REDUCED HIS FEE

Some months ago it was disclosed that completion of the memorial was blocked by a Virginia firm which wanted to furnish the green stone to complete the memorial foundation.

Although he didn't approve the Virginia green stone, the sculptor was so anxious to complete the monument that he said he would raise no objection to its use. Subsequently, he also agreed to accept only half of his fee, donating the other half as a contribution to the memorial.

A large part of the money used to build the memorial was contributed by school children, teachers, thousands of sailors, and other Americans in all walks of life.

Mr. DANAHER. Mr. President, the sum necessary to complete the memorial is so small and the equities of the case are so large that the Government by no means wants to have the benefit of this or any other type of service rendered to the advantage of the whole Nation without adequately

and fairly and decently compensating the sculptor who is responsible for developing the idea and the construction of the memorial in its present beautiful form.

I think the case for this particular memorial is so complete and the circumstances so completely justifiable that the full sum of $100,000 should be appropriated. As a matter of fact, the House committee in charge of this particular bill has recommended $189,000, but I believe it will be found that, by economy and careful preparation of plans for the completion of the memorial under the direction of the National Park Service, $100,000 will be ample.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. DANAHER].

The amendment was agreed to.

(On request of Mr. DANAHER, and by unanimous consent, the following was transposed from page 8650, of the daily RECORD of May 6, and ordered to be printed at this point:)

Mr. DANAHER. Mr. President, on Thursday, May 2, I proposed an amendment making provision for the completion of the Navy and Marine Memorial, and I am happy that the Senate approved. The result has met with satisfaction in many circles, and typical is an editorial appearing in the Sunday Star, Washington, on May 5. I ask unanimous consent that the editorial be printed in the RECORD as part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DANAHER. And Mr. President, I further ask unanimous consent that when the permanent RECORD is compiled this editorial and these remarks be inserted at the end of my remarks appearing at page 5423 of the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The editorial ordered to be printed in the RECORD on request of Mr. DANAHER is as follows:

[From the Washington Star of May 5, 1940]

NAVY MEMORIAL

Favorable action by the Senate on a $100,000 appropriation for completion of the Navy and Marine Memorial on Columbia Island comes as welcome news to thousands of Americans who for years have deplored the fact that this unique and beautiful monument, the only national memorial in honor of American heroes of the sea, still stands in a state of unsightly incompletion. It is to be hoped, of course, that the House, by following the Senate lead, will make funds available speedily for the work of building around the rought concrete pedestal of the memorial the proposed base which is so necessary to carry out the concept of the designer.

It is regrettable that the artist, Begni del Piatta, could not have lived to see the completion of his greatest work. His death, in New York last December, probably was hastened by disappointment and anxiety over the memorial. He had worked long and hard during recent years to bring about its completion, even going to the extent of waiving claim to a substantial part of his promised fee so that the money might be applied to the project. The contributions of hundreds of thousands of Americans in all walks of life have gone toward the Navy and Marine Memorial. School children in most of the States contributed pennies, and sailors in the Navy, Coast Guard, and merchant marine gave donations in memory of comrades lost at sea.

The memorial base, now lacking, is to be in the form of curving steps of green stone, so arranged as to suggest a swelling sea wave, rising to the foaming crest and soaring sea gulls of the memorial proper. Completion of this tribute to our gallant sea dead of war and peace has been far too long delayed. Prompt congressional action is greatly to be desired.

Mr. McCARRAN. Mr. President, on page 124 of the bill there appears an item under the caption, "Control of Predatory Animals and Injurious Rodents, * * * $675,000." In line 18, I move to strike out "$675,000" and insert "$1,000,000" in lieu thereof.

Mr. President, by way of explanation, I may say that there is an authorizing act of Congress providing for a program of $1,000,000 a year for this work, for a period of 10 years. The Department of the Interior, through the proper authority, requested $1,000,000 for carrying on this work, which is an all-important work on the open public domain, especially.

It may be remembered by the Senate that some years ago there was enacted what is known as the Taylor Grazing Act, which put all public domain in the control of the Interior Department; and all the stock raisers on the open public domain are quite heavily assessed for the use of that domain. This amount of money is essential to prevent the raids of predatory animals on stock raised on the open public domain.

The Department requested the sum of $1,000,000 for this purpose. The authorization act was passed some years ago; and I respectfully suggest that the sum of $1,000,000 be inserted in lieu of $675,000.

Mr. HAYDEN. Mr. President, I will say to the Senator from Nevada, as I said to the Senator from Connecticut, that I cannot make the point of order against his amendment, because it is authorized by law. I can take the matter to conference. I cannot guarantee the Senator that the conferees will agree to more than the Budget estimate. If I remember correctly, $750,000 was appropriated last year. The amount now carried in the bill is about $75,000 less than the amount of last year. The appropriation was not a million dollars last year.

Mr. McCARRAN. I understand, however, that the chairman of the subcommittee, in view of the law authorizing the appropriation, does not object to the amendment.

Mr. HAYDEN. I cannot object, because I cannot make the point of order; but I did not want the Senator to understand that if the amendment went to conference we might hope to secure the entire amount. We will do the best we can.

Mr. McCARRAN. I do not know who may be on the conference committee. I hope the author of the amendment may be on it.

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from Nevada is agreed to.

Mr. O'MAHONEY. Mr. President, on page 82, line 23, in the item for general investigations under the Bureau of Reclamation, I move that the figures "$300,000" be stricken out, and that "$900,000" be inserted. That is the amount of the appropriation last year.

Mr. HAYDEN. Mr. President, again I cannot make the point of order, because the appropriation is authorized by law. The amendment may go to conference.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The bill is still before the Senate and open to further amendment.

Mr. HAYDEN. I ask unanimous consent that the clerks may be authorized to correct the totals.

The PRESIDING OFFICER. Without objection, it is so ordered.

If there be no further amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

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

The bill was read the third time and passed.

EXEMPTION OF CERTAIN INDIANS FROM PROVISIONS OF ACT OF JUNE 18, 1934—MOTION TO RECONSIDER

Mr. O'MAHONEY. Mr. President, there is on the table a motion for the reconsideration of Senate bill 2103, introduced by the senior Senator from North Dakota [Mr. FRAZIER]. I made the motion on February 22, 1940. The Senator from North Dakota [Mr. FRAZIER], the junior Senator from South Dakota [Mr. GURNEY], the junior Senator from New Mexico [Mr. CHAVEZ], and other Senators have indicated a desire to have the matter brought up. I shall be very glad to know when it will be agreeable to the Senator from Kentucky to have the matter taken up for disposition.

Mr. BARKLEY. Mr. President, I realize that the motion to reconsider the vote by which the bill was passed has been pending for some time, and I can appreciate the desire to dispose of it. It is rather difficult at the moment to fix a time.

Mr. O'MAHONEY. Could it be taken up after the disposition of the bill of the Senator from Delaware [Mr. TOWNSEND]?

Mr. BARKLEY. It is entirely possible, because, of course, the motion is not precisely in the category of a bill, and it should be disposed of. Two or three other bills are scheduled

to follow the bill of the Senator from Delaware in the order in which they have been discussed; but I shall be glad to try to arrange with the Senator from Wyoming to take up the motion to reconsider early next week and dispose of it.

Mr. O'MAHONEY. Very well. I am sure it will not take much time.

CONTROL OF PNEUMONIA

Mr. PEPPER. Mr. President, last year 87,923 deaths occurred in the United States from various forms of pneumonia, and of these 1,231 occurred in the State of Florida.

It is fitting in times like these that we take steps to conserve all of our national resources to the maximum, and to make the Nation secure against its enemies. The enemy to which I should like to draw specific attention today is the disease pneumonia, appropriately referred to by the eminent physician Sir William Osler as "The captain of the men of death." More than a million of our people have been destroyed by the ravages of this disease during the last 10 years for which census figures are available. I am informed that influenza deaths may be considered pneumonia deaths in practically all instances. The total must be increased, therefore, to almost 1,400,000, which is approximately six times the size of our Regular Army today (237,000). In the year 1937 alone, 148,000 of our people died from pneumonia and influenza—almost four times as many as were killed in automobile accidents during that year (39,643).

The nightmare of the great pandemic of influenza in 1918 still lingers in the memories of all of us. During that year alone we suffered the loss of 479,000 persons who died of influenza and pneumonia; and this figure covers the deaths in only 78 percent of the population, then covered by the Census registration area. According to mortality statistics of the Census Bureau, the excess deaths in the toll of life taken by the pandemic of influenza of 1918–19 may be estimated as approximately 548,452.

Unfortunately, we have no assurance that we shall not be again visited by this great killer, especially of our young people. Medical authorities call attention to the fact that great, world-wide epidemics of influenza occur at periodic intervals. The concentration of millions of troops in countries at war and at peace may well again provide the necessary spark to set the world aflame with disease as well as with bombs. If this country should be visited in 1940 by an epidemic of influenza of the same severity as the one in 1918, we should stand to lose 780,000 of our people.

The authorities of the Research Division of the Public Health Service recently appeared before the Senate Appropriations Committee and testified that with the sum of only $130,000, $80,000 of which was supplied by the Federal Government and $50,000 by the State government, in the last 2 years they put into effect and operation in the State of Pennsylvania, a pneumonia-control program, which resulted in a reduction of 20 percent in the mortality rate growing out of 6,000 cases during that period, resulting in the saving of 1,200 lives. They further said that if they had reasonably adequate funds to carry on the control program in the entire country, they could be assured of a saving of at least 50,000 lives a year. They further testified that scientific research on the subject of pneumonia control had now proceeded to the point where they were sure it would be effective in bringing about this saving of human life.

I therefore ask unanimous consent to send to the desk, for introduction and appropriate reference, a bill to impose additional duties upon the United States Public Health Service in connection with investigation and control of pneumonia, influenza, and the common cold.

The PRESIDING OFFICER. Without objection, the bill will be received and appropriately referred.

The bill (S. 3914) to impose additional duties upon the United States Public Health Service in connection with investigation and control of pneumonia, influenza, and the common cold was read twice by its title and referred to the Committee on Education and Labor.

EXECUTIVE SESSION

Mr. BARKLEY. 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 MESSAGES REFERRED

The PRESIDING OFFICER (Mr. LEE in the chair) laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

He also, from the same committee, reported adversely the nomination of Frank K. Barnhart, to be postmaster at Linwood, Pa., in place of J. P. Connolly, deceased.

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of several officers for promotion in the Marine Corps.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

THE JUDICIARY

The legislative clerk read the nomination of Arthur D. Fairbanks to be United States marshal for the district of Colorado.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROBERT J. HOLLY

Mr. McKELLAR. Mr. President, on April 30 the Senate confirmed the nomination of Robert J. Holly to be postmaster at Sanford, Fla. One of the Senators from that State has not endorsed him. I ask unanimous consent that the vote by which the nomination was confirmed be reconsidered, and that the nomination be recommitted to the Committee on Post Offices and Post Roads.

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

RECESS TO MONDAY

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 4 o'clock and 23 minutes p. m.) the Senate took a recess until Monday, May 6, 1940, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 2 (legislative day of April 4), 1940

FEDERAL POWER COMMISSION

Clyde L. Seavey, of California, to be a member of the Federal Power Commission for the term expiring June 22, 1945. (Reappointment.)

FEDERAL TRADE COMMISSION

W. A. Ayres, of Kansas, to be a Federal Trade Commissioner for a term of 7 years from September 26, 1940. (Reappointment.)

INTERSTATE COMMERCE COMMISSION

John Monroe Johnson, of South Carolina, to be an Interstate Commerce Commissioner for a term expiring December 31, 1941, vice Marion M. Caskie.

COAST GUARD OF THE UNITED STATES

Machinist Richard E. Collier to be a chief machinist in the Coast Guard of the United States, to rank as such from May 1, 1940.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO QUARTERMASTER CORPS

Capt. Samuel Waynne Smithers, Infantry, with rank from August 1, 1935.

TO ORDNANCE DEPARTMENT

Capt. Paul William Shumate, Cavalry, with rank from June 13, 1939, effective July 1, 1940.

First Lt. Edward Bodeau, Coast Artillery Corps, with rank from June 13, 1936, effective September 28, 1940.

First Lt. Floyd Allen Hansen, Field Artillery, with rank from August 1, 1935, effective September 24, 1940.

TO CHEMICAL WARFARE SERVICE

Capt. William Henry Shimonek, Infantry, with rank from June 13, 1939.

PROMOTIONS IN THE REGULAR ARMY

TO BE MAJORS

Capt. Henry Winston Holt, Field Artillery, from April 18, 1940.

Capt. John Magruder Bethel, Cavalry, from April 23, 1940.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 2 (legislative day of April 24), 1940

UNITED STATES MARSHAL

Arthur D. Fairbanks to be United States marshal for the district of Colorado.

POSTMASTERS

CALIFORNIA

Alfred A. True, Barstow.
Alma B. Pometta, Benicia.
Frederick Kneale Smith, Crestline.
George L. Clare, Guerneville.
Alfred E. Harwood, La Verne.
Flora E. Dahl, Mokelumne Hill.
Rose C. Tarwater, Murrieta.
Mary A. Roels, Point Reyes Station.
Harold E. Rous, Yucaipa.

COLORADO

Adelbert E. Humeston, Collbran.
Harry K. Balvin, Elizabeth.
James Fenolia, Louisville.
James M. Brown, Mancos.
John Oral Clement Lutener, Rico.

INDIANA

Bessie L. Gage, Ashley.
Nathan P. Lewis, Campbellsburg.
Merlyn R. Elliott, Dale.
Matthew Halbig, Haubstadt.
Eugene W. Felkner, Milford.
Ruth B. Flinn, Roann.

IOWA

George P. Rounds, Clermont.
Noah T. Nixon, Lorimor.
Daniel C. Norris, Prairie City.
Edward B. Wittrig, Wayland.
Bernice Green, Winfield.

NEW HAMPSHIRE

Paul A. Richard, Hudson.
William H. Pascoe, West Ossipee.

NEW MEXICO

Henry A. Harber, State College.

OHIO

Marvin L. Sollmann, Anna.
Orville T. Castor, Arlington.
Francis P. Frebault, Athens.
Walter J. Miller, Beach City.
Charles Wassman, Bellaire.
Robert Waugh, Brilliant.
Lee F. Beveridge, Butler.
Joseph W. Johnston, Coshocton.
Howard O. Ward, Cumberland.
Ora DeVere Blizzard, Frazeysburg.
Walter M. Dill, Fredericktown.
Thomas G. Smith, Glendale.
Mary J. Rosebraugh, Hebron.
George W. Blessing, Jeffersonville.
Blanche L. Geiger, Lakeview.
Earl R. Leach, Lima.
Herman C. Doellinger, Marysville.
Glen F. Carver, Mentor.
Roy C. Walker, Milan.
Ralph M. Connolly, Milford Center.
John W. Berentz, New Matamoras.
Fred C. Banister, New Richmond.
Clarence A. Goller, Ney.
May C. Eldridge, North Olmsted.
Luella Sommers, Ottawa.
Irvin H. Menter, Pemberville.
Milton C. Hickman, Perry.
David K. De Long, Perrysville.
Charles H. Mullen, Pomeroy.
Alfred W. Kalb, Port Clinton.
Lawrence J. Heiner, Rutland.
John Daniel O'Sullivan, Sharonville.
Clarence A. Flenniken, Smithfield.
Goldie N. Stroup, Spencer.
Robert A. Durbin, Stockport.
Glen C. Rine, Utica.
John H. Petitjean, Versailles.
Charles A. Conry, Wakeman.
George Geer, Wauseon.
Fred N. Ney, Weston.
Harry L. Hines, Williamsburg.
Jesse Ralph Short, Winchester.

OKLAHOMA

Vivienne C. Ford, Billings.
James R. Hankla, Geary.
Earl L. Smith, Locust Grove.
Robert H. Walton, Muldrow.
Blaine M. Skidmore, Vici.

OREGON

Blanche E. North, Bonneville.
Floyd B. Willert, Dayton.
Gaphart D. Ebner, Mount Angel.
Ruth N. Johnson, Sheridan.

VIRGINIA

Hattie C. Barrow, Dinwiddie.
Ross V. Martindale, Sweet Briar.

WYOMING

Ann D. Keenan, Pine Bluffs.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 2, 1940

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. RAYBURN.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Father of all mankind, Thou art the peace that dwelleth in the nighttime and the brightness that cometh with the dawn. Beneath life's busy activities help us ever to see the good which Thou art working out among men. In all labor give us courage to stand without compromise, grace to be superior to praise or blame, ready to protest against wrong and injustice. O Thou who dost reveal an ideal of ethical perfection, prompt us to speak with profound sincerity and to aspire to a higher, holier life. As the enlargement of the heart means an increase of light, love, and truth, touch our spirits anew, awakening them to a full appreciation of the things eternal. Merciful Father, turn Thy power of cleansing into the haunts of misery and into this world of strife and hate. Crown us with the inspirations of a robust faith, with the spirit of sacrifice, and with the subjection of self. Hold our people throughout our land in self-restraint, striving in countless ways to succor the sons and daughters of peace. In the name of the Prince of Peace. Amen.

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

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. St. Claire, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 431. Joint resolution to extend to the 1940 New York World's Fair and the 1940 Golden Gate International Exposition the provisions according privileges under certain customs and other laws to the expositions of 1939.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 8913) entitled "An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1941, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. TYDINGS, Mr. BYRNES, Mr. ADAMS, Mr. OVERTON, Mr. TRUMAN, Mr. HALE, and Mr. BRIDGES to be the conferees on the part of the Senate.

EXTENSION OF REMARKS

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a very interesting compilation of facts about the Ways and Means Committee personnel since the First Congress. This compilation was prepared by Mr. Bryce N. Harlow, assistant librarian of the House, and contains historical facts which I know will be of interest to the Members of the House.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BLOOM, Mr. PAGÁN, and Mr. JOHN L. MCMILLAN asked and were given permission to revise and extend their own remarks in the RECORD.

Mr. LEA. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to insert therein a memorial resolution adopted by the Interstate and Foreign Commerce Committee on account of the death of Hon. Carl E. Mapes and a similar resolution on account of the death of Hon. John A. Martin.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. BYRNS of Tennessee. Mr. Speaker, I ask unanimous consent that after the close of the legislative business today and any other special order that may have been entered I may address the House for 20 minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. CHIPERFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

CIVIL AERONAUTICS AUTHORITY

Mr. CHIPERFIELD. Mr. Speaker, the Civil Aeronautics Authority regulates civil aeronautics. It should not be placed in the Department of Commerce. A study of independent agencies made for the President's Brownlow Committee on Reorganization came to this conclusion regarding the Department of Commerce:

> The Department of Commerce exists mainly to render service to American business. It may be doubted whether a regulatory or disciplinary function will be aggressively and impartially handled by such a service department.

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

THE HATCH BILL AMENDMENTS

Mr. TREADWAY. Mr. Speaker, on yesterday afternoon the gentleman from New Mexico [Mr. DEMPSEY] announced that the Committee on the Judiciary had failed to report the so-called Hatch bill and that tomorrow he would place on the Speaker's table a petition to discharge the committee.

It will be found that my record shows that I have never signed a petition for the discharge of a committee. I do not believe in that sort of procedure. This, however, is an exceptional case, and while my name will not be found on such a discharge petition, I am heartily in favor of the matter coming before the House, and if it comes before the House, I will give it my most hearty approval. The Hatch Act, as amended, will greatly improve the standing of Federal and State employees as a means of removing the solicitation of contributions for political purposes. I hope the measure will reach the floor for adoption.

EXTENSION OF REMARKS

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks on the subject of the Verendrye plate and French claims in North America.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VREELAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. VREELAND. Mr. Speaker, in defending his proposed reorganization of the Civil Aeronautics Authority the President states that for 5 months the Administrative Management Division of the Bureau of the Budget made a study of the Authority's operation. He indicates that his proposal is based on this study.

The Congress studied for over 5 years the problem of regulating civil aeronautics and of creating the administrative organization for that purpose. The matter of organization was one of the most carefully studied of all features of the act. And in the President's open letter to the National Aviation Forum of January 24, 1939, the President stated that the Civil Aeronautics Act set up "the effective machinery" for our aeronautical policy.

If in the face of this extensive study by the Congress and commendation by the President the Bureau of the Budget in 5 months has found that reorganization is desirable, Congress should know what its report to the President was. Section 18 of title 31 of the United States Code provides that the Bureau of the Budget, at the President's direction, may study the departments and establishments. This law also provides that the results of such study shall be embodied in a report to the President, "who may transmit to Congress such reports * * * with his recommendations on the matters covered thereby."

The President has transmitted to the Congress no report from the Bureau of the Budget in support of his reorganization plan.

A minor Government bureau after 5 months has determined that the Congress was wrong. The Congress spent 5 years in earnest study. Let the Congress see a copy of this Budget Bureau's report. [Applause.]

FEDERAL DEFICIT

Mr. TABER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. TABER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to insert therein a table showing the approximate increases and decreases in expenditures this year as compared with last.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. TABER. Mr. Speaker, the total deficit for this fiscal year as we begin its eleventh month is $3,203,000,000. The increases in expenditures total $1,120,000,000; the decrease is $806,000,000, approximately.

It is apparent the way these increases are rolling up that we are going to be very close to a $4,000,000,000 deficit by the end of this fiscal year. This is a menace to the entire financial structure of the Government. We are increasing our expenditures for one type of operation after another much faster than we are decreasing them. We are increasing our expenditures for the Army, the Navy, agriculture, and relief faster than we are decreasing the expenditures for W. P. A. Unless we stop increasing appropriations we are going to destroy the credit of America.

[Here the gavel fell.]

CONFERENCE REPORT ON WHEELER-LEE BILL

Mr. WARREN. 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 North Carolina [Mr. WARREN]?

There was no objection.

Mr. WARREN. Mr. Speaker, according to the program sent out last week, on tomorrow the House will consider the conference report on the Wheeler-Lee bill. On behalf of the gentleman from New York [Mr. WADSWORTH], I ask unanimous consent that his proposed motion to recommit this conference report be printed at this point in the RECORD; and on behalf of the gentleman from Iowa [Mr. HARRINGTON], I ask unanimous consent that a letter written to him and to all Members of the House from all of the railway brotherhoods, four of which originally favored this measure, but all of which are now strongly in favor of its recommittal, also be inserted in the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina [Mr. WARREN]?

There was no objection.

Mr. RICH. Mr. Speaker, reserving the right to object, we have received these letters from the brotherhoods that are asking the membership to take care of 250,000 railroad employees; but what are you going to do about the 9,000,000 unemployed that we have in this country? They are the ones you want to take care of, and we will also take care of the 250,000. You should take care of those 9,000,000 people and not go around here and talk about 250,000. You on that side of the aisle have been working at this for 7 years, and you have not been able to accomplish anything. It seems to me that the Members on the majority side of the House ought to get busy now and try to put through some legislation that will take care of the 9,000,000 unemployed.

Mr. WARREN. Do I understand the gentleman is objecting to the request?

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina [Mr. WARREN]?

There was no objection.

The matter referred to follows:

MOTION TO RECOMMIT

Mr. WADSWORTH moves that the bill (S. 2009) to amend the Interstate Commerce Act, as amended, by extending its application to additional types of carriers and transportation and modifying certain provisions thereof, and for other purposes, together with the House amendment thereto, and the conference report thereon, be recommitted to the committee of conference, with the following instructions to the managers on the part of the House:

1. That the managers on the part of the House insist on the inclusion in the report of the committee of conference the provision adopted by the House, known as the Jones amendment, which reads as follows:

"It is hereby declared to be the policy of Congress that shippers of wheat, cotton, and all other farm commodities for export should have substantially the same advantage of reduced rates, as compared to shippers of such commodities not for export, that are in effect in the case of shipment of industrial products for export as compared with shipment of industrial products not for export, and the Interstate Commerce Commission is hereby directed to institute such investigations, to conduct such hearings, and to issue orders making such revisions of rates as may be necessary for the purpose of carrying out such policy."

2. That the managers on the part of the House insist on the inclusion in the report of the committee of conference the provision adopted by the House, known as the Wadsworth amendment, which reads as follows:

"In order that the public at large may enjoy the benefit and economy afforded by each type of transportation, the Commission shall permit each type of carrier or carriers to reduce rates so long as such rates maintain a compensatory return to the carrier or carriers after taking into consideration overhead and all other elements entering into the cost to the carrier or carriers for the service rendered."

3. That the managers on the part of the House insist on the inclusion in the report of the committee of conference the provisions adopted by the House relating to combinations and consolidations of carriers (secs. 8 and 22 of the House amendment) but modified so that the sentence in section 8 which contains the provision known as the Harrington amendment, read as follows:

"(f) As a prerequisite to its approval of any consolidation, merger, purchase, lease, operating contract, or acquisition of control, or any contract, agreement, or combination mentioned in this section, in respect to carriers by railroad subject to the provisions of part 1, and as a prerequisite to its approval of the substitution and use of another means of transportation for rail transportation proposed to be abandoned, the Commission shall require a fair and equitable arrangement to protect the interests of the railroad employees affected. In its order, or certificate, granting approval or authorization of any transaction referred to in this paragraph, the Commission shall include terms and conditions providing that such transaction will not result in employees of said carrier or carriers being in a worse position with respect to their employment.

"Notwithstanding any other provision of this act, an agreement pertaining to the protection of the interests of said employees may hereafter be entered into by any carrier or carriers by railroad and the duly authorized representative or representatives of its or their employees."

[Brotherhood of Locomotive Engineers, Brotherhood of Locomotive Firemen and Enginemen, Order of Railway Conductors, Brotherhood of Railroad Trainmen, Switchmen's Union of North America]

WASHINGTON, D. C., *May 1, 1940.*

Hon. VINCENT HARRINGTON,
House of Representatives.

HONORED SIR: The undersigned chief executives of the Brotherhood of Locomotive Engineers, the Brotherhood of Locomotive Firemen and Enginemen, the Order of Railway Conductors, the Brotherhood of Railroad Trainmen, and the Switchmen's Union of North America, which organizations represent all of the railroad workers actually engaged in operating railroad transportation facilities, are disappointed to learn that the conference committee which considered S. 2009 has stricken out of the bill the consolidation section as amended by the House. This section provided protection to railway employees against unemployment. It prohibited the legalizing of consolidations or mergers which would increase fixed charges on funded debt unless the Commission should find it to be positively in the public interest to do so. This was a most important protection to the public and, indirectly, very helpful to railroad employees. The section contained also other provisions very helpful to the public and railway employees. In brief, there have been taken out of the bill the only provisions which were of direct benefit to the men actually engaged in operating railroad transportation equipment and facilities. Railway workers are, therefore, much concerned.

The five transportation labor organizations very earnestly urge your support of a motion to recommit the conference report, which motion, among other things, will contain a provision instructing the conferees to reinsert the consolidation section of S. 2009, as reported by the House committee, with an amendment to protect railway labor against unemployment, copy of which amendment is hereto attached.

During the last few years the number of railroad employees has been reduced by one-half, and naturally, therefore, railway workers are greatly alarmed by the menace of a still greater increase in unemployment. There is no doubt of the overwhelming sentiment in Congress for adequate labor protection in this bill.

The following is quoted from the statement by the Honorable ROBERT CROSSER, of Ohio, member of the conference committee which considered S. 2009, Appendix of the RECORD, page 2511:

"I do, however, express disappointment at the elimination of section 8 relating to consolidations, and so forth, which I felt was helpful to the general public interest and to the welfare of employees."

Expressing the sincere hope that you will support the motion to recommit the conference report, we are,

Very respectfully yours,

A. JOHNSTON,
Grand Chief Engineer, Brotherhood of Locomotive Engineers.

D. B. ROBERTSON,
President, Brotherhood of Locomotive Firemen and Enginemen.

J. A. PHILLIPS,
President, Order of Railway Conductors of America.

A. F. WHITNEY,
President, Brotherhood of Railroad Trainmen.

T. C. CASHEN,
President, Switchmen's Union of North America.

PROPOSED AMENDMENT TO CONSOLIDATION SECTION OF WHEELER-LEA TRANSPORTATION BILL S. 2009

(f) As a prerequisite to its approval of any consolidation, merger, purchase, lease, operating contract, or acquisition of control, or any contract, agreement, or combination, mentioned in this section, in respect to carriers by railroad subject to the provisions of part 1, and as a prerequisite to its approval of the substitution and use of another means of transportation for rail transportation proposed to be abandoned, the Commission shall require a fair and equitable arrangement to protect the interests of the railroad employees affected. In its order, or certificate, granting approval or authorization of any transaction referred to in this paragraph, the Commission shall include terms and conditions providing that such transaction will not result in employees of said carrier or carriers being in a worse position with respect to their employment.

Notwithstanding any other provision of this act, an agreement pertaining to the protection of the interests of said employees may hereafter be entered into by any carrier or carriers by railroad and the duly authorized representative or representatives of its or their employees.

EXTENSION OF REMARKS

Mr. SUTPHIN. Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point a telegram received from Robert W. Johnson, the head of an organization that employs some 35,000 people.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey [Mr. SUTPHIN]?

There was no objection.

The telegram referred to follows:

NEW BRUNSWICK, N. J., *April 22, 1940.*

The Honorable WILLIAM H. SUTPHIN,
House of Representatives, Washington, D. C.:

Wage-hour amendments aimed toward weakening the law should be defeated. We should now strengthen the wage-hour law. The time has arrived to consider the 6-hour day, the 30-hour week with a minimum wage of 55 cents. There are millions of unemployed in America and more millions who are underpaid. It is only through Federal and State wage and hour laws that we will solve this problem. One or two competitors in any given industry can lower the wage level for entire industry.

ROBERT W. JOHNSON.

Mr. SPRINGER and Mr. BENDER asked and were given permission to revise and extend their own remarks in the RECORD.

THE HATCH BILL

Mr. RICH. 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. RICH]?

There was no objection.

Mr. RICH. Mr. Speaker, yesterday the Judiciary Committee buried a bill by secret vote because the members were afraid to come out in the open. You very seldom hear of secret votes in the House, but it is getting pretty nearly time that we have secret votes in the House. If we had a secret vote, a lot of legislation that has been passed in the last few years would not be passed. On the other hand, if we are going to have things open and above board, then why does not the Judiciary Committee come out in the open and say that they are opposed to the legislation instead of trying to bury it?

Mr. Speaker, it is about time that the people of this country realize that the President has put over a hundred thousand employees on the pay roll of the Government in the last year when he said previously he was going to be for economy. They are going to send these employees all over the country electioneering for the New Deal. It is time we stop all this, and I say to you on the minority side of the House when we get a Republican Congress in here next January we will not do what they are doing on the other side of the House at the present time. I believe in being open and above board. The New Deal do not want the Hatch bill. No; they want politics in all Government jobs. They want to put more people on the Government pay roll so that we will have more people to play politics with. Is it not time to stop such tactics? Will the taxpayers stand for such action? We will see next November when the ballots are cast.

[Here the gavel fell.]

PROPOSED REORGANIZATION OF THE CIVIL AERONAUTICS AUTHORITY

Mr. BRADLEY of Michigan. 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 Michigan [Mr. BRADLEY]?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, under the proposed reorganization of the Civil Aeronautics Authority, all the Authority's powers under the Civilian Pilot Training Act are to be transferred to the Administrator of Civil Aeronautics, and the Administrator's powers are to be transferred to the Department of Commerce. He is made completely subject to the Department of Commerce.

Under the Civilian Pilot Training Act, all the powers of safety regulation under the Civil Aeronautics Act are conferred upon the Authority. But the reorganization transfers them first to the Administrator and then to the Department of Commerce.

Thus the training and safety of thousands of our boys and girls is to be taken completely and utterly from the hands of the competent and able Civil Aeronautics Authority and put into the hands of the Department of Commerce, which so badly bungled safety regulation when it had jurisdiction over civil aeronautics 2 years ago.

This should bring protests from every mother and father in the land. Our boys and girls should be given the best and most careful training and safeguards.

We know all too well how inadequate the Department of Commerce was. We know full well how successful and competent the Authority is. Do not turn our youth over to the mercies of the Department. Let well enough alone. Let our youth remain under the guard and protection of the one agency which has most successfully brought safety and security in the air—the Civil Aeronautics Authority.

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of taxation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include part of a bill to amend section 211 of the Criminal Code, and I also ask unanimous consent to proceed for 1 minute.

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

Mr. SABATH. Mr. Speaker, reserving the right to object, I did not understand the request. The gentleman speaks in such a low voice I could not hear his request.

Mr. THORKELSON. My first request is to extend my own remarks in the RECORD and include a part of a bill to amend section 211 of the Criminal Code. My second request is to proceed for 1 minute.

Mr. SABATH. Mr. Speaker, I reluctantly reserve the right to object on these grounds: On the 30th of last month the gentleman from Montana rose to ask unanimous consent to extend his remarks. I questioned him as to what it was about, and he said it was on the state of the Union, or something similar. The following day by chance I glanced over the CONGRESSIONAL RECORD and beheld there four different extensions of his remarks, covering nearly 10 pages of the CONGRESSIONAL RECORD, and costing the taxpayers some $425. I believe the gentleman has abused and is abusing the privileges of the House. I do not object to his putting in all the trash that is sent to him, most of which is not founded on fact—and certainly those libelous charges are not based on fact—but I do object to his placing in the RECORD under one leave to extend four different extensions, covering nearly 10 pages of the CONGRESSIONAL RECORD, all on one day.

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

Mr. SABATH. I yield.

The SPEAKER pro tempore. The Chair calls for the regular order. Is there objection?

Mr. SABATH. I object, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana to proceed for 1 minute?

There was no objection.

[Mr. THORKELSON addressed the House. His remarks appear in the Appendix of the RECORD.]

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

Mr. SABATH. At this point I have no objection.

The SPEAKER pro tempore. The remarks will not be extended at this point in the RECORD. The Chair objects to that.

Is there objection to the request of the gentleman to revise and extend his remarks?

There was no objection.

Mr. MAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include therein an address delivered by Hon. J. JOSEPH SMITH, a member of the House Committee on Military Affairs, at the New England council meeting last evening in Washington, on the subject of New England's place in national defense.

Mr. RICH. Reserving the right to object, Mr. Speaker, I wish to say in connection with placing this speech or any other in the RECORD that no one can put in the RECORD more than two and a half pages without it being returned to him by the Public Printer, unless an estimate is obtained from the Public Printer. In regard to the extensions of the gentleman from Montana [Mr. THORKELSON], and to give this information to the gentleman from Illinois [Mr. SABATH], may I say that the gentleman from Montana could not exceed that limit. His extensions would not be placed in the RECORD, because the Public Printer will not print matter in excess of the limit unless the Member gets a special notice from the Public Printer, so the gentleman from Montana did not do anything that the rules do not provide for.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix of the RECORD.]

CALL OF THE HOUSE

Mrs. NORTON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. COOPER. 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. 92]

Coffee, Wash.	Green	Nelson	Taylor
Culkin	Jarman	Patrick	Thomas, N. J.
Cummings	Jarrett	Rogers, Okla.	Ward
Darrow	Kirwan	Routzohn	West
Ditter	McLaughlin	Schulte	Whelchel
Duncan	Merritt	Shafer, Mich.	White, Ohio
Gilchrist	Mitchell	Smith, Va.	Wolfenden, Pa.
Goodwin	Myers	Starnes, Ala.	

The SPEAKER pro tempore. Three hundred and ninety-nine Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with.

THE LATE BENJAMIN RYAN TILLMAN

Mr. HARE. Mr. Speaker, I ask unanimous consent to speak for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. HARE. Mr. Speaker, at Columbia, S. C., on yesterday a monument was unveiled to commemorate the life, character, and public services of the Honorable Benjamin Ryan Tillman, the most colorful political figure and the most outstanding statesman that South Carolina has produced since the War between the States.

The Honorable JAMES F. BYRNES, the junior Senator from the State, delivered the principal address. I ask unanimous consent to extend my remarks and to include therein the address of Senator BYRNES.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

DEFINITION OF AMERICAN FISHERY

Mr. BLAND. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 8475) to define "American fishery," which I send to the Clerk's desk.

The Clerk read the bill, as follows:

Be it enacted, etc., That wherever, in the statutes of the United States or in the rulings, regulations, or interpretations of the various administrative bureaus and agencies of the United States there appears or may appear the term "American fishery" it is hereby and shall hereafter be construed to include only—

1. The taking, handling, or processing of fish, fishery products, fishery byproducts, shellfish, crustacea, seaweeds, and all other aquatic forms of animal and vegetable life and the products and byproducts thereof for commercial disposition—

(a) by or on vessels built in the United States and documented under the laws of the United States which are wholly manned by citizens of the United States or by residents of the United States, or by both; and

(b) by or on undocumented vessels of less than 5 net tons built in the United States wholly owned by citizens of the United States within the meaning of the laws respecting the documentation of vessels, or by residents or by both, which are wholly manned by citizens of the United States or by residents of the United States or by both.

2. The handling or processing of such fish, fishery products, fishery byproducts, shellfish, crustacea, seaweeds, and all other aquatic forms of animal and vegetable life and the products and byproducts thereof, so taken, handled, or processed by or in shore plants, shore stations, or factories located within the boundaries of the United States, its Territories, and its possessions, and wholly owned by citizens of the United States or by residents of the United States or by both, all of the officers and employees of such shore plants, shore stations, or factories being citizens of the United States or residents of the United States or both.

3. The transportation by water of such fish, fishery products, fishery byproducts, shellfish, crustacea, seaweeds, and all other aquatic forms of animal and vegetable life and the products and byproducts thereof, so taken, handled, or processed—

(a) on vessels documented under the laws of the United States which are wholly manned by citizens of the United States or by residents of the United States or by both; and

(b) on undocumented vessels of less than 5 net tons wholly owned by citizens of the United States within the meaning of the laws respecting the documentation of vessels, or by residents of the United States, or by both, which are wholly manned by citizens of the United States or by residents of the United States or by both.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That wherever, in the statutes of the United States or in the rulings, regulations, or interpretations of various administrative bureaus and agencies of the United States there appears or may appear the term "products of American fisheries" said term shall not include fresh or frozen fish fillets, fresh or frozen fish steaks, or fresh or frozen slices of fish substantially free of bone (including any of the foregoing divided into sections), produced in a foreign country or its territorial waters, in whole or in part with the use of the labor of persons who are not residents of the United States.

"SEC. 2. This act shall take effect on the day following the date of enactment hereof."

Amend the title.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I appreciate fully the importance of this legislation, and personally I am in favor of it; but I think the gentleman from Virginia should give the House an explanation of the measure.

Mr. BLAND. There has been considerable complaint and discussion recently of a decision of the Treasury Department whereby certain persons—General Sea Foods, I believe it was—entered into an arrangement whereby a shore station was to be located on what is known as the treaty coast of Newfoundland, and that the fish caught by foreigners, processed by foreigners, and shipped into this country should come in free and in competition with our fisheries. The bill, as we have amended it, does not interfere with any fishing operations anywhere else. We have so limited and defined the term "American fishery" that the proposed arrangement shall be held in abeyance or shall not be permitted to go ahead

and the fish to come in free pending an inquiry that is going to be made by a subcommittee of the Committee on Fisheries on the subject of American fishery in an attempt to define "American fishery," which the Treasury Department states is very desirable.

Mr. MARTIN of Massachusetts. Does the bill have the full support of your committee?

Mr. BLAND. It does.

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

Mr. BLAND. I yield.

Mr. McCORMACK. This does not disturb at all any part of the situation that existed prior to the Newfoundland situation arising?

Mr. BLAND. That is the purpose.

Mr. McCORMACK. It is confined solely to the Newfoundland situation?

Mr. BLAND. That is true.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. Will this amendment in any way, directly or indirectly, interfere with the Hull so-called reciprocal trade agreements?

Mr. BLAND. I do not think it has anything to do with that.

Mr. SCHAFER of Wisconsin. And their free-trade policies?

Mr. BLAND. I do not believe it has anything to do with that; at least, it allows no products to come in under this treaty that are not the product of American labor—that is, caught by Americans and processed by Americans.

Mr. SCHAFER of Wisconsin. That is good, sound, Republican, protective-tariff doctrine, and I propose to support the gentleman's amendment.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read: "A bill to limit the interpretation of the term 'products of American fisheries.'"

EXTENSION OF REMARKS

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an address delivered by Ray C. Kirkpatrick, of the Public Works Administration, on April 10, 1940.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a letter from the Governor of Nebraska.

The SPEAKER pro tempore. Is there objection?

There was no objection.

AMENDMENTS TO THE FAIR LABOR STANDARDS ACT OF 1938

Mrs. NORTON. 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. 5435) to amend the Fair Labor Standards Act of 1938.

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. 5435, with Mr. PARSONS in the chair.

The Clerk read the title of the bill.

Mrs. NORTON. Mr. Chairman, I move to strike out the last word. With half the world in the agony of war, and many pressing questions of importance before the Congress, we have taken 5 days to decide whether or not the American worker is worth 30 cents an hour for his labor. We have listened to the sad story of farm cooperatives, men almost weeping over the fact that instead of 5 cents, they are obliged to pay 7 cents for a certain amount of work, I think it was picking beans. We have had a somersault overnight on excluding 200,000 workers from the benefits of the bill, not to speak of putting child labor into the act, and all this in the name of helping the farmers, defining the word "agriculture." I wonder if the members believe that the farmers are going to be so easily fooled. I notice that the real friends of the farmers are not besieging the Labor Committee to have amendments put into this bill. The farmers are not interested in this bill. They are satisfied with the existing provisions of the law, and I have yet to find one single letter from a dirt farmer in this country complaining of anything in connection with the law.

Mr. MAY. Mr. Chairman, will the gentlewoman yield?

Mrs. NORTON. I am sorry, I have only 5 minutes and I cannot yield. The people who are trying to wreck this law are the big farm organizations of this country, not the farmers. Let me say to the people of New England who walked through the tellers yesterday and helped the gentleman from California [Mr. BUCK] take 200,000 more workers from under the provisions of the law, that the next move that is going to be made is to take the textile workers from under the provisions of this law. I wonder how you will feel about that. Then it will continue until the entire law will be wrecked if it is not wrecked before this bill is finished. If the people of this country do not make themselves felt, as I think they will, they are due for a sad awakening.

Now, I say to you, Mr. Chairman, that my only interest in this legislation, from the beginning, has been the American worker, and I have taken no part in any conference and made no deal with anybody about anything, although there have been many deals made on the floor of this House and many votes swapped in the last few days. I am not doing anything of that sort. I am working to protect the workers of this country, to give them 30 cents an hour, a miserable 30 cents an hour for their labor. That is the only interest I have in this law; that is the only interest that the Members of Congress should have in it. I cannot, I do not want to believe that the Members of this Congress are going to say to the people of the United States, "The Government pays me $10,000 a year for my work in the Congress, but I think 30 cents an hour is too much for you." I do not believe that the Members of this Congress mean to go before the country in this campaign with a story of that kind; and may I say this to you, if this bill prevails, if this substitute is adopted with the Buck amendment in it, it is going to wreck the law, and it is not going any further toward its enactment this session. I also say to you, you may load it with amendments as you please today—that is your business—but if you do, I will vote against it and will make a motion to recommit it. I have heard that the motion to recommit is going to be voted down. All right. If that is true, we will meet that issue also when it comes; but the point I make is that I shall have nothing whatsoever to do with a bill that is going to be loaded down with amendments so as to deprive the workers of this country of a miserable 30 cents an hour for their labor. [Applause.]

Mr. BUCK. Mr. Chairman, I move to strike out the last four words.

The CHAIRMAN. Is there an amendment to be offered to section 3?

Mr. BARTON of New York. Mr. Chairman, I rise in opposition to the pro forma amendment. I have the strong conviction that a large majority of the Members of the House want to protect and improve this act, and are sincerely anxious that we should make a start at this session of Congress toward removing those inequalities and hardships which were certainly not contemplated when the act was adopted.

I would like to take just a minute to comment on the amendment offered yesterday by the gentleman from California [Mr. BUCK], and adopted by the committee. I venture to suggest a course we could follow today which would make it possible for us to keep all that is good in that amendment and not hurt the act, and so to come through with a committee amendment that the House could approve, another body accept, and the President sign.

May I read briefly the colloquy that took place yesterday between the gentleman from California [Mr. BUCK] and myself. The gentleman's amendment, as you know, writes into the Fair Labor Standards Act the same definition of agricultural labor which the Congress had already written into the Social Security Act. The colloquy follows:

Mr. BARTON of New York. I agree with the gentleman that it would be very desirable if we could have the same definition of agriculture in all our legislation and not have to redefine it every time we pass another act, but would it be acceptable to the gentleman if his amendment could be applied to the committee amendment at a point where it could provide for exemption from the hours only and not from the wages?

Mr. BUCK. I am advised by the Parliamentarian that the proper place to offer my amendment is where I am offering it.

Mr. BARTON of New York. But would it be acceptable to the gentleman, if it were possible to do it, to have the definition apply only to the matter of hours and not of wages?

Mr. BUCK. Would the committee accept the amendment in that event?

Members may recall that at that point in the proceedings there was a great deal of confusion on the floor and the question asked by the gentleman from California [Mr. BUCK] was not heard by the chairman of the Labor Committee, or at least was not answered.

I gathered the impression from the tone and manner in which the gentleman asked the question that if the committee had been willing at that time to say that it would accept his amendment as liberalizing the hours provision, but not applying at all to wages, it would have been acceptable to him and to many others who support his definition of agriculture, and that we might now be all in agreement.

Mr. Chairman, there are very many of us who, in our anxiety to preserve this act and to have it work, are willing to be not only reasonable, but generous in voting exemptions to the hours provision of the act, but we are not willing to start at this session or any other session to break down either the 30-cent floor under wages or to lower the bars set up against child labor. Either the floor of 30 cents is right and the prohibition against child labor is right, and if so they should be maintained and jealously guarded, or they are wrong, and in that case the whole law ought to be repealed; but we ought not attempt to break down that floor or those bars by successive amendments.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. BARTON of New York. May I make just one more statement and then I will yield.

I rose at this time to give notice that when we reach pages 15 and 16 of the committee amendment, it is proposed by the gentleman from California [Mr. WELCH], ranking minority member on the committee, to offer an amendment which will make it clear that the so-called Buck amendment exempts all agricultural workers as to hours, but as to wages exempts only those workers who are defined in the first three sections of the Buck amendment. When we reach page 16 I shall offer an amendment to reemphasize the purpose of Congress that the prohibition in respect to child labor is not in any way to be weakened by the adoption of this new definition of agriculture.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. BARTON of New York. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I thoroughly agree with what the gentleman says about minimum wages, but what troubles the people in our section is this: That where a man gets twice the minimum wage, under the reduced hours they must pay time and a half for overtime above 42 hours a week. What does the gentleman say about that?

Mr. BARTON of New York. I have tried to make it clear that the effect of the proposed Welch amendment to the so-called Buck amendment would be to exempt all classes of agricultural labor from the hours provision of the act.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BARTON of New York. I yield.

Mr. BATES of Massachusetts. By your suggested amendment you meet the difficulty that the gentleman raises on the floor where somebody pays the prevailing rate of wage. Under this suggestion of yours the wage schedule will not apply, but the hours schedule will apply?

Mr. BARTON of New York. That will be the purpose of the amendment submitted by the gentleman from California [Mr. WELCH].

Mr. CASEY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BARTON of New York. I yield.

Mr. CASEY of Massachusetts. I have an amendment to ask for the exemption for hours only, and I am going to offer that amendment to section 6, on page 16. I see no reason why the Buck amendment, if it sincerely wishes to maintain the wage minimum of 30 cents an hour, cannot accept an amendment as far as it pertains to hours alone.

Mr. BARTON of New York. May I make a suggestion to the gentleman in the interest of conserving time and making real progress today? Would he be willing to confer with the gentleman from California [Mr. WELCH], inasmuch as they are both seeking the same objective, and decide which amendment is better and where it should be submitted?

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

Mr. JONES of Texas. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, when the so-called Buck amendment was under consideration in the committee, I was called out on account of the fact that we had pending before the Committee on Agriculture a very controversial credit question. I, therefore, did not have an opportunity to hear the discussion on the amendment. I say this in explanation of the fact that on yesterday I did not feel qualified to give my viewpoint to my good friend, the chairman of the Committee on Labor. I have a very high regard for the chairman of this committee. She has had a very difficult time. I do not believe any chairman of a committee in this Congress has developed more rapidly than she in the art of handling of legislation on this floor.

This morning I very carefully went over this amendment in the light of the definition of agriculture in the existing Labor Act and also in the light of the definition of agriculture in the dictionary. I may say without discussing the merits generally or the purpose of the amendment that it is well drafted. There is no question about the time that has been put on the drafting of that amendment. It seems to me that it does not broaden the present definition except perhaps in one part of section 4. It makes specific the provisions in reference to agriculture. I feel sorry for the man who administers an act of this kind. He has a very difficult task and should have all the help he can. It seems to me that while if the Buck amendment remains in the bill it might need some slight change, at any rate it would relieve the Administrator of a good deal of the burden of conflicting opinions.

He is going to have a great deal of difficulty construing language and applying it. It is going to take a while to work this thing out; but the committee in the present act exempts agriculture in all its branches, as I understand it. I believe that definition is just about as broad as the Buck amendment. True, it is couched in general language. I believe that if that general definition is left they are going to have a good many lawsuits and disputes and finally wind up with practically the same exemptions that are in the Buck amendment, unless it be that part of section 4.

Webster's International Dictionary in defining agriculture states, after enumerating tillage, husbandry, and various things:

In a broader sense, the science and art of the production of plants and animals useful to man, including to a variable extent the preparation of these products for man's use and their disposal by marketing or otherwise.

Funk & Wagnalls' Practical Standard Dictionary, after dealing with cultivation of the soil, and so forth, states that agriculture is—

At once the science, the art, and the process of supplying human wants by raising the products of the soil and by the associated industries.

It seems to me—and I am just giving my personal opinion because I was put in the embarrassing attitude of being asked to answer a question on an amendment that I had not studied thoroughly—it seems to me that those very general definitions of agriculture and what agriculture includes, and the present exemption in the Fair Labor Standards Act, that a specific definition of what agriculture includes might be helpful to the Administrator. It seems to me that the only place that there is a possibility of the yardstick—and that is about all it is—changing the existing act is in the last part of section 4 having to do with fruits and vegetables. I am not very familiar with the method of the marketing of fruits and vegetables.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. I yield.

Mrs. NORTON. May I say to the gentleman that we have had an expression from the Agriculture Department, and also from the Wage and Hour Division of the Department of Labor, to the effect that the Buck amendment would take 200,000 industrial workers from under the coverage of the act, and that is the ground on which I based my argument.

Mr. JONES of Texas. I dislike to disagree with the gentlewoman from New Jersey. That may be true in the way they would construe the language, but I feel there will be many contentions, disputes, and lawsuits as to how broad the general definition is, and that after they are cleared away the general exemption may finally be found to be broader than the Buck amendment. At any rate the Buck amendment would be very definite and clear and would thus avoid the irritations that come from disputes about what language means in a general definition. If, of course, all interested parties would accept the construction the gentlewoman mentions it might mean the exemption of 200,000 from the coverage of the act, but we cannot be too sure that that would not be the case anyway under the general exemption in view of the very wide definition the authorities give the word "agriculture." Some that I looked up said it covered the marketing and all associated industries.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. I yield.

Mrs. NORTON. In view of all this conflict of opinion, does not the gentleman believe it would be very much better to introduce a bill having nothing to do with the act we are now discussing, a separate bill defining just what agriculture means, and let that bill be carefully studied by the gentleman's committee? I have the greatest respect for the chairman of the Committee on Agriculture. I feel that he knows more about agriculture than probably any other Member in this House. I would like to see that definition discussed and would like to hear debate on it, but I do not think it belongs in this bill. I think it should stand on its own feet.

Mr. JONES of Texas. I return in a mutual way the respect for the chairman of the Committee on Labor. The trouble is that agriculture is already defined in the existing act.

I supported the act, as the chairman knows.

Mrs. NORTON. Yes.

Mr. JONES of Texas. The principal difficulty I found in my country was that people did not know just what construction would be placed on the language, and they were honestly bothered about it. They are still going to be bothered about how much is exempted under the general definition in the original act which the chairman handled. It seems to me that in view of the fact it is in there and is going to be the ground of dispute, it is almost essential at the present time to have a construction either in terms of the act or by the Administrator.

Mrs. NORTON. May I say to the gentleman that so far as I have been able to learn the Administrator has had no difficulty about the meaning of the word "agriculture." The difficulty he has had is to know where farming ends and where processing begins. That is the real difficulty.

Mr. JONES of Texas. I can understand that. It is a question that has bothered me some, but I believe that the yardstick method would relieve the Administrator of a good deal of difficulty and trouble. At the same time those who are affected by the act would also know, and it is right that they should.

[Here the gavel fell.]

Mr. CRAWFORD. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan [Mr. CRAWFORD]?

There was no objection.

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

Mr. JONES of Texas. I yield to the gentleman from New York.

Mr. BARTON of New York. I think the gentleman from Texas understands from the statement that I made that the committee has no objection to the Buck amendment, insofar as it relates to exemptions from hours. The amendment which the gentleman from California will propose provides for exemptions as to both hours and wages in respect to all those workers covered in the first three sections of the Buck amendment; but as to the fourth section of the Buck amendment which reads as follows:

> In handling, planting, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market—

And so forth. The committee objects to allowing those operations to be carried on at less than the 30 cents an hour minimum wage. May I direct the gentleman's attention to one sentence taken from the report of the Ways and Means Committee on the Social Security Act amendments of 1938 because, as the gentleman knows, the language of the Buck amendment is taken from the Social Security Act. That report says:

> The expression, "as an incident to ordinary farming operation," is in general intended to cover that service of a character described in the paragraphs which are ordinarily performed by the employees of a farmer or by employees of a farmers' cooperative organization or group as a prerequisite to the marketing in its unmanufactured state of any agricultural or horticultural commodity.

And so forth. The point which the chairman of the Labor Committee makes, and this is reinforced by statisticians of the Labor Department, is that in cooperative plants of this sort there are employed a total of about 195,000 workers who are doing industrial work just as definitely as though they were manufacturing shoes, shovels, or any other form of industrial product. We do not propose to vote to lower the 30-cent floor in respect to those 195,000 workers any more than we want to cut down any other industrial worker.

Mr. JONES of Texas. Does the gentleman intend to limit his amendment to that particular phase of the Buck amendment, or does he mean to have his amendment cover all of the amendment? The reason I make that statement is this: I do not believe this broadens the general definition in the existing act. This makes it definite and might save a lot of difficulty in reference to construction.

Mr. BARTON of New York. I think we are all in favor of making it definite.

Mr. JONES of Texas. I am not familiar with the activity the gentleman refers to, therefore I would not feel qualified to pass on whether that is covered, but if it is covered in this act I wonder if it is not covered in the general definition of agriculture which is in the existing Labor Act?

Mr. BARTON of New York. I think the amendment of the gentleman from California will be a vast improvement in definiteness, if we may understand what part is covered.

Mr. JONES of Texas. I hope in trying to limit this particular phase the gentleman does not limit the whole definition of agriculture.

Mr. BARTON of New York. No; that is not the idea.

Mr. JONES of Texas. I wish that agriculture had income enough to pay the high wages that are enjoyed by a great many others, but wages must be paid out of receipts and

these things cannot be changed overnight. In view of the fact that the average per capita income in the country is less than half what it is in the city, I hope the gentleman will go along with us in trying to get a better price for agricultural commodities, then maybe we can bring the wage scale up more rapidly.

Mr. ROBERTSON. Will the gentleman yield?

Mr. JONES of Texas. I yield to the gentleman from Virginia.

Mr. ROBERTSON. The gentleman will recall that in the original wage-hour bill the first processing of fresh fruits and vegetables in their raw or natural state was exempted within the area of production.

Mr. JONES of Texas. Yes.

Mr. ROBERTSON. That was defined as 10 miles. That was entirely too limited and gave us a lot of trouble. The committee brought out a bill last May that exempted that processing within normal limits, but the bill was not passed. Now they put in this bill exempting that again if immediately off the farm and the gentleman from Indiana said yesterday that meant they could get together and take it off the farm.

Mr. JONES of Texas. I think we are all familiar with the variations in the construction of this act by the administrator in connection with plants of the same type. The administrator of this act has a lot of difficulty. I think he has made some mistakes like all administrators have, but I am hoping that in the long run we will get the best interpretation of the law that is possible.

[Here the gavel fell.]

Mrs. NORTON. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for 5 additional minutes. The gentleman is, I consider, an authority on agriculture.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mr. ROBERTSON. Does the gentleman want a change made, now or prospective, while this war goes on, whereby the producers of fruits and vegetables will be in a better financial position to pay a wage from now on than they were in the past, when the committee said they ought not to be put under it?

Mr. JONES of Texas. I do not regard this as a war measure. This is a long-range measure, and it should be fashioned to fit normal long-range conditions.

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

Mr. JONES of Texas. I yield to the gentleman from Missouri.

Mr. WOOD. The Buck amendment in subsection (3) exempts the operation or maintenance of ditches, canals, reservoirs, or waterways used exclusively for supplying and storing water for farming purposes. The gentleman knows there are many great systems of irrigation in many parts of the country. Some of these systems are operated by cooperatives, or the farmers may form a cooperative in order to get water from a corporation. The Buck amendment exempts all people working in the operation or maintenance of these ditches, canals, reservoirs, or waterways, and that includes mechanics of all types.

Mr. JONES of Texas. I hope the gentleman will not take up my time with a general discussion. Let me ask the gentleman this question. Is not most of this work done and paid for by the farmers in their district organizations?

Mr. WOOD. It does not necessarily mean that at all.

Mr. JONES of Texas. I think that is true.

Mr. WOOD. They are engaged in the maintenance and operation of these ditches.

Mr. JONES of Texas. I believe the gentleman will find that practically every exemption in the Buck amendment is embodied in the existing labor definition of agriculture, if you follow what the dictionary says is the meaning of that term. The point I was trying to make is that it seems to me that the Buck amendment, by being definite and having a definite yardstick, would be helpful to the Administrator in avoiding some complications and some disputes, and that if we exempt some that should not be exempted that situation can later be corrected. Laws have to be corrected from year to year to fit conditions. I know that if I were administering this act I would rather have a specific yardstick laid down wherever possible than have the burden of interpreting a very general and flexible term that might be the subject of dispute and irritation for a long period of time, and finally wind up with more exemptions, possibly, than would prevail with a yardstick.

Mr. WOOD. If the gentleman will yield a little further, I wish to call his attention to another definition in the Buck amendment:

> The term "farm" includes stock, dairy, poultry, fruit, fur-bearing animals, and truck farms, plantations, ranches, nurseries, ranges—

And a very interesting exemption is greenhouses.

Mr. JONES of Texas. I decline to yield further, Mr. Chairman.

There is a difference between agriculture and farming. This bill exempts agriculture, and that makes an entirely different story. The gentleman knows we have agricultural colleges, and we do not call them farming colleges. Agriculture, according to Webster, means a good deal more than the simple tillage of the soil.

Mr. WOOD. Greenhouses are not agriculture, and the gentleman knows it.

Mr. JONES of Texas. I am not interested in greenhouses.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. MURDOCK of Arizona. I have an increasing respect for the gentleman now occupying the floor. He not only has a judicial mind but a great heart for the farmers of America. I know of no better friend of the American farmer than the chairman of the House Committee on Agriculture.

I agree with the gentleman that it is highly desirable to get more definite and uniform definitions, thus minimizing future litigation under this law. Let us try to make this language clearer and leave less to administrative discretion.

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

Mr. Chairman, I should like to have the attention of the gentlewoman from New Jersey. She has scolded New England because some Members passed through the aisle yesterday in favor of the Buck amendment. I do not blame her for scolding. From her point of view I think we probably deserved it, although I shall vote that way again until the matter is made clearer to me.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield to the gentlewoman from New Jersey.

Mrs. NORTON. I am sorry the gentleman thought it was a scolding. I have a very high regard for the gentleman from Massachusetts. I was merely stating my position. Perhaps I stated it in very strong language, but I wanted the House to know how I feel about this whole performance, because it is a performance that I consider beneath the dignity of the House of Representatives, and has been going on for 5 days.

Mr. GIFFORD. I still think it ought to be called a scolding. I think she had a right to do it. She has done wonderful work for the Wage and Hour Act. Having gone through the aisle, of course I took her remarks as applicable to myself.

I am greatly puzzled, as nearly all of you are. One of the most affecting things I have ever seen with respect to farming was brought to my attention in her State of New Jersey, where they were harvesting tomatoes. A man and his wife were out in their field working hard and in great anxiety to harvest their already overripe tomatoes. Three young men were leaning over the fence watching them. I left my car and asked, "Why don't you help those people harvest those tomatoes?" "Well, they can't pay but a dollar a day. We won't work for a dollar a day."

I said, "Can't they pay more than that?" "No. The cannery can pay only a small price for the tomatoes, because they are so plentiful." I said, "You would not work for a dollar a day? Don't you have to work?" "Well, there is a W. P. A. job coming on here next week and we are to get a job."

That is the exact conversation that occurred. The question that occurs to me is, Shall the consumers of the Nation be deprived of tomatoes because they are so cheap? Can we blame the canners for not taking them if they are forced to pay wages that make it unprofitable? Such a situation is on my conscience just as much as the belief that a 30-cent-hour wage should be enforced. Shall a cannery, no matter how large the cannery, say, "Tomatoes are so cheap now, and we have to pay 30 cents an hour; therefore, we will not take the tomatoes"? The farmer is injured, the person who is willing to work is injured, and the consumer is injured. I do not know what to do about the situation.

Mr. MURDOCK of Arizona. Mr. Chairman——

Mr. GIFFORD. Will the gentleman help me out?

Mr. MURDOCK of Arizona. I sought time, not to interrupt.

Mr. GIFFORD. I am free to say that I seem to be in like position with the gentleman from North Dakota in exposition of his plight on yesterday.

I do not want to jeopardize the textile Wage and Hour Act. Oh, no; and I do not want to jeopardize other industries. We thought we exempted the farmer, and I shall continue to insist on his exemption. I know the farmers' troubles. I want to help him, even though a few may escape the penalties of the act.

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

Mr. GIFFORD. I yield.

Mr. McKEOUGH. In the light of the gentleman's admission that he does not know "where he is at," and inasmuch as that seems to be pretty much the prevailing attitude with many others——

Mr. GIFFORD. Many others? Most others.

Mr. McKEOUGH. I agree with the gentleman. I wonder if the gentleman will join with me in voting to recommit the bill so we may get a better measure.

Mr. GIFFORD. It may be wise to let people await relief, hoping we can learn how to alleviate them gradually. They used to tell me that to cut off a dog's tail a little bit each day makes it easier for him. Put it off year after year and it may make it easier, as they learn to endure the pain.

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

Mr. GIFFORD. I yield.

Mr. CRAWFORD. If we have been shadow-boxing here for 5 days on this bill, is it not good, concrete evidence that there is something wrong out in the country with its administration, because people are suffering, as the gentleman has pointed out, and perhaps it would be just as well for the Congress to remove some of that suffering as it would be for the Congress to recommit the bill.

Mr. GIFFORD. I want to answer that by saying that we are learning every day that governments are not superior to natural economic laws. We are trying to overturn such laws, but with small success, except as to the squandering of other people's money.

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

Mr. GIFFORD. I yield.

Mr. MAY. The whole trouble we are in is due to our own conduct in delegating the powers of the Congress to executives in the bureaus to make laws and to establish rules and regulations, and then put their own construction upon them.

Mr. GIFFORD. You are a good legislator. I generally agree with you. [Laughter and applause.]

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

The Clerk read as follows:

Amendment offered by Mr. RAMSPECK: Beginning on line 4, page 14, after the word "manufacturers", insert the following: "Strike out clauses 1 and 2 of subsection (b) of section 7 of the act and substitute in lieu thereof the following:

"'(1) In pursuance of an agreement guaranteeing continuous employment for 26 consecutive weeks, which agreement shall provide that no employee employed thereunder shall work more than 1,040 hours in said period: *Provided, however,* That such agreement shall operate uniformly as to commencement and end of such 26-week period for all employees employed thereunder: *Provided further,* That such agreement must be on file in the applicable regional office of the Wage and Hour Division and approved by the Administrator before it shall become operative.

"'(2) On an annual basis in pursuance of an agreement guaranteeing continuous employment for 52 consecutive weeks, which agreement provides that no employee employed thereunder shall work more than 2,080 hours in said period: *Provided, however,* That such agreement shall operate uniformly as to commencement and end of such 52-week period for all employees employed thereunder: *Provided further,* That such agreement must be on file in the applicable regional office of the Wage and Hour Division and approved by the Administrator before it shall become operative.'"

Mr. RAMSPECK. Mr. Chairman, if those who have a copy of the present law before you will turn to section 7, you will find that the conferees in drafting the present law undertook to encourage annual employment by permitting a variant from the limitation of hours on a weekly basis where there was annual employment and an agreement by the employees with their employer so that the hours might vary from week to week, but should not exceed a total of 1,000 hours in 6 months, or 2,000 in a year.

On yesterday the committee adopted an amendment raising the hours to 1,040 and 2,080, which was the amendment of the gentleman from Indiana [Mr. LUDLOW]. What I am now seeking to do by this amendment is to provide a change in this language so that these agreements shall be approved by the Administrator instead of having to be made by a union certified by the National Labor Relations Board.

My information is that so far, during the operation of this act, only about five agreements of this kind have been entered into. I find that most of the dissatisfaction with this law arises out of the inflexibility of the hour limitations, which is on a weekly basis. I believe we ought to do everything we can to encourage annual employment and stabilize employment, and to that end that we could well afford flexibility in the weekly hours, provided we make the total limitation such that it does not exceed an average of 40 hours per week. That is what my amendment does. If anybody has any questions to ask, I would be glad to answer them.

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

Mr. RAMSPECK. Yes.

Mr. CRAWFORD. Take the section with the gentleman's amendment which refers to the 26 consecutive weeks. To what operations would that apply?

Mr. RAMSPECK. It would apply to any operation, industrial or commercial, where they had an agreement for continuous employment over a 26-week period. The only limitation is that it must not exceed a total of 1,040 hours during the 26 weeks, and that the agreement must be approved by the Administrator.

Mr. CRAWFORD. In other words, that is not put in specifically for agriculture?

Mr. RAMSPECK. Oh, no; it has nothing to do with agriculture at all.

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

Mr. RAMSPECK. Yes.

Mr. HOUSTON. That would not necessarily mean they would have to have a contract for 26 weeks, would it?

Mr. RAMSPECK. No; it would not necessarily mean a contract, but an agreement as to hours and working conditions made by the employee with the employer, subject to the approval of the Administrator before it becomes effective. There is nothing compulsory about it; it is voluntary on the part of the employer and the employee.

Mr. HOUSTON. That would be on a monthly wage basis?

Mr. RAMSPECK. Yes.

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

Mr. RAMSPECK. Yes.

Mr. LUDLOW. The proposed amendment would not in any way impair the operation of the amendment which I introduced yesterday?

Mr. RAMSPECK. Not at all.

Mr. LUDLOW. Would not its effect be to broaden it, so as to put in all classes of labor, in addition to those approached through the avenue of collective bargaining?

Mr. RAMSPECK. That is correct. It takes in all classes of workers who may want voluntarily to make an agreement with the employer. It is safeguarded by the approval of the Administrator.

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

Mr. RAMSPECK. Yes.

Mr. HARE. The proposed amendment would not interfere in any way with the provisions relating to agriculture?

Mr. RAMSPECK. Not at all.

Mr. PEARSON. Does the amendment in any way affect subsection C of section 7? I believe that is the agricultural section?

Mr. RAMSPECK. It does not. It affects subsection B. It does not affect subsection C.

Mr. CASEY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. Yes.

Mr. CASEY of Massachusetts. Does the gentleman's amendment intend to help industries that give steady employment for 26 weeks in the year?

Mr. RAMSPECK. Yes; that is the idea. It is to enable them to vary the weekly hours, and still require an average of not more than 40 hours a week.

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

Mr. CASEY of Massachusetts. Mr. Chairman, I ask unanimous consent that the time of the gentleman be extended for 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CASEY of Massachusetts. Mr. Chairman, I think the gentleman's amendment is a step in the right direction, but I have in mind an industry that before the wage and hour law was enacted worked its employees 48 hours a week. I am talking now about wholesale establishments that deal with retail grocers, hospitals, hotels, and those different engagements that are outside of the provisions of the act. They operated on a 6-percent margin. The average earnings of their employees, working 48 hours a week for 52 weeks in the year, amounted to $1,875 a year. They are not helped particularly by the gentleman's amendment, even though they go further than the people the gentleman is trying to help go. In other words, I do not see how the hours cannot be increased to 48 hours a week, provided they pay a certain minimum, and I don't care what that is, so long as it amounts to over $100 a month.

Mr. RAMSPECK. I think that ought to be taken care of in a separate amendment. All I am trying to do here is to give some flexibility to a purely voluntary arrangement between the employers and the employees, which is safeguarded by the approval of the Administrator.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. VORYS of Ohio. What I do not understand is this: If you set forth in the law what the requirements are, and the agreement must be on file, then why does the Administrator have to approve? We have had so much trouble here by having the Administrator put strained constructions on different matters. Just listening to the gentleman's amendment, it sounds to me as though, since there is no reason for the Administrator approving it, it should be construed as giving him the power to pass on other features of the agreement that have nothing to do with these exemptions.

Mr. RAMSPECK. The gentleman may be right about that, but my idea in putting it in was that I did not want anybody to feel, since I was taking this out from under the labor unions, that I was just throwing it open where the workers could be exploited. I wanted to leave a check on it in the hands of a responsible Government official. In other words, it would have to be approved under the present law by the National Labor Relations Board. I am providing that it shall be approved by the Administrator of the wage and hour law.

Mr. VORYS of Ohio. What is to be approved about it?

Mr. RAMSPECK. Well, the terms of the agreement and whether or not he wants to permit it to operate.

Mr. VORYS of Ohio. Are there any other terms except that they must have this minimum that you provide; and if there are any other terms, what are they?

Mr. RAMSPECK. I think the Administrator might want to put in a particular agreement, for instance, a minimum number of hours per week, so that an employer could not have an agreement to work them for 60 hours a week for a few weeks and not any at all during the rest of the time.

Mr. VORYS of Ohio. I think the gentleman will find many of us are in sympathy with what he says shall be the agreement, but entirely out of sympathy with the idea of giving the Administrator discretion to write up his idea of what these agreements should be.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. BATES of Massachusetts. The gentleman has been for a long period of time interested in wage and hour legislation.

Mr. RAMSPECK. That is true.

Mr. BATES of Massachusetts. I have also been interested in that respect in regard to putting a floor under wages. When we supported the wage and hour bill in committee and on the floor of this House we had primarily in mind the minimum wage standards throughout the country. We never had in mind anything in relation to those in the higher brackets of earning. Now, if this situation is going to jeopardize the enforcement of that feature of the law which we are more interested in than any other, the maintenance of that floor level for wages, then we ought to be willing to concede some of these suggestions made on the floor of the House during the last 5 days. Otherwise we will receive an insufficient appropriation.

Mr. RAMSPECK. I did not yield for the gentleman to make a speech. I am trying to give information on this amendment. This amendment does not affect wages at all. It deals only with the hours, and it is limited so that it cannot total more than an average of 40 hours per week.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. RAMSPECK].

The question was taken; and on a division (demanded by Mr. CRAWFORD), there were ayes 75 and noes 12.

So the amendment was agreed to.

ORDER OF BUSINESS

Mr. RAYBURN. Mr. Chairman, I ask unanimous consent to proceed out of order for 1 minute.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. RAYBURN. Mr. Chairman, after conferring with the minority leader, with the conferees on the so-called transportation bill, with the gentleman from North Carolina [Mr. WARREN], and the gentleman from New York [Mr. WADSWORTH], it has been decided, not knowing what the deliberations of the day will bring with reference to this bill, after 6 days, that in all probability it will be more convenient for all Members of the House if the conference report on the transportation bill were not called up tomorrow. I think it is satisfactory to all of the gentlemen concerned that it be called up on Thursday next.

I make the announcement now that it will be called up on that date.

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

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

Mr. WARREN. Mr. Chairman, I have gone over the situation very carefully with the majority leader, and I appreciate what he is confronted with, with reference to the program, and the fact that so many, including several of the conferees,

must be away from here on Friday; that the gentleman from New York [Mr. WADSWORTH] must be away from here on Monday and Tuesday. I think the statement of the majority leader is very fair and ought to be satisfactory to everyone who is interested, pro and con, in this legislation.

It is my understanding that, regardless of what we may be engaged upon next Thursday, this conference report will have precedence.

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

Mr. RAYBURN. I yield.

Mr. HARRINGTON. Is there any agreement as to the amount of debate that will be had at the time the transportation bill is considered?

Mr. RAYBURN. With reference to the statement just made by the gentleman from North Carolina [Mr. WARREN], if I am in the chair on next Thursday I will recognize the gentleman from California [Mr. LEA] to call up this conference report the first thing. If I am not in the chair, I will request the Speaker of the House to recognize him at that time. I may say that as far as the conferees on the part of the House are concerned, they are perfectly willing to extend the debate for 1 hour and have 2 hours of debate, one-half the time to be controlled by the gentleman from California [Mr. LEA] and one-half by the gentleman from New York [Mr. WADSWORTH].

Mr. WARREN. That is just as fair as it could possibly be.

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

Mr. RAYBURN. I yield.

Mr. HARE. Can the gentleman give us any idea as to when we may be able to complete the present bill? [Laughter.]

[Here the gavel fell.]

AMENDMENTS TO FAIR LABOR STANDARDS ACT

The CHAIRMAN. The gentleman from Michigan [Mr. LESINSKI], a member of the committee, is recognized to offer an amendment, which the Clerk will report.

The Clerk read as follows:

Page 11, after line 7, add the following:

"Amend section 7 of Public, 718, by adding the following subsection:

"'(e) No employer shall be deemed to have violated subsection (a) by employing any employee for a workweek in excess of that specified in such subsection without paying the compensation for overtime employment prescribed therein if such employee is so employed in the construction, reconstruction, maintenance, or repairs of any public roads, streets, bridges, or tunnels, and if such employee receives compensation for employment in excess of 56 hours in any workweek or 160 hours in any workmonth at a rate not less than one and one-half times the regular rate at which he is employed.'"

Mr. LESINSKI. Mr. Chairman, I have a telegram in my hand from the State highway commissioner of Michigan, Murray D. Van Wagoner. He is also president of the American Road Builders' Association, which has asked me to introduce this amendment.

The highway-construction industry employed directly, in the peak month of the 1938 fiscal year, approximately 176,000 persons. In the month having the most unfavorable working conditions, 55,000 persons were employed.

The highway contractors of the United States are in favor of wage and hour legislation; we seek no exemption; our wages and hours have been regulated since 1932, and we feel that such regulation has been beneficial.

The Fair Labor Standards Act of 1938, as now written, places an undue burden upon us, however, because our industry is affected very greatly by weather conditions. When there is placed upon us a restriction to the effect that we cannot work more than 42 hours in 1 week, we are prohibited from making up any time lost in a previous week because of unfavorable working conditions. Our industry, more than any other, is affected by weather conditions, because even the building industry can work on rainy days, or the day after a rain, but we cannot work even when the ground is wet or frozen.

The American Road Builders' Association, representing, as it does, a cross section of the road-building industry of the Nation, does not believe that it is the intention of the Members of Congress to prohibit employees, who must depend largely on weather conditions, from making up time lost due to unfavorable conditions, when it has been the proven practice of agencies of the United States Government and all its political subdivisions to allow this procedure in their contracts.

Should the wage-hour law be continued in the future to apply in its rigid manner to employees whose working time is dependent on weather conditions, it has been estimated that the average wage of employees of this kind will be dependent on approximately 26 to 28 hours of employment per week, and will make employment in this industry very undesirable. It will further mean that the cost of this type of construction, financed in whole or in part by the Federal Government, will necessarily rise materially.

It is our urgent request that the Members of Congress approve amendatory legislation to the wage-hour law permitting employees working on the construction of streets, roads, bridges, tunnels, and sewers to earn a monthly wage comparable to the wages earned by employees working in an industry under a roof, and not affected by weather conditions. This practice has been endorsed and approved by the United States Public Roads Administration in the past.

The road builders claim they are not allowed to work more than 42 hours a week. If the law can be amended so that if they lost so many hours 1 week they could make up a certain amount of the lost time the next week, not to exceed 56 hours, or make it up in the following month not to exceed 160 hours, it would be very helpful. After that limit time and one-half would be paid.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was rejected.

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

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: Page 11, line 6, after "Sec. 3", insert "(a)", and on page 14, after line 4, insert the following:

"(b) Section 7 of such act is amended by adding at the end thereof the following:

"'(e) No employer shall be deemed to have violated subsection (a) by employing, during any period of 26 consecutive weeks, any employee for a workweek in excess of that specified in such subsection without paying the compensation for overtime prescribed therein if—

"'(1) such employee has been employed by such employer during the whole of the month immediately preceding the beginning of such 26-week period on a guaranteed weekly, monthly, or yearly salary basis; and

"'(2) such employee is employed during the whole of such 26-week period on a guaranteed weekly, monthly, or yearly salary basis; and

"'(3) if such employee receives compensation for employment in excess of 1,040 hours during such 26 weeks at the rate of one and one-half times the regular rate at which he is employed.'"

Mr. RAMSPECK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RAMSPECK. Is this amendment in order, in view of the amendment which I offered and which was adopted by the Committee a few moments ago?

The CHAIRMAN. The Chair will state that this amendment follows the amendment that was adopted.

Mr. RAMSPECK. It amends the same section of the original act, as I understand it, and I reserve a point of order against the amendment.

The CHAIRMAN. The Chair will state that this amendment appears to be in the nature of a new subsection as an amendment to what has been adopted.

Mr. RAMSPECK. As I understand the content of the amendment, it undertakes to amend section 7 (b) of the wage-hour law.

Mr. HOFFMAN. But it adds a new subsection.

Mr. RAMSPECK. And it deals with the same subject matter my amendment dealt with.

The CHAIRMAN. The Chair will state that this amendment adds a new subsection (e). The last subsection in the bill is (d).

The gentleman from Michigan is recognized for 5 minutes.

Mr. HOFFMAN. Mr. Chairman, the purpose of this amendment is along the same line as the amendment which was just adopted, the one offered by the gentleman from Georgia [Mr. RAMSPECK].

My amendment does not affect either the wages or hours of those who receive pay on an hourly basis; it applies only to salaried employees. It is the same amendment proposed and adopted the other day when the Barden substitute was before the House.

The purpose of the amendment is to permit the averaging of hours over a 26-week period by those who are regular employees. If adopted, the amendment will enable the employee who loses time this week to make up that time next week. It will prevent the employer being forced, where his business is seasonal, discarding the salary plan and putting his employees on an hourly basis.

It does not permit the employer to hire a man for a week and then fire him and take advantage of him that way. It applies only to the regular employees. It enables the employer and the employee to enter into an agreement for 26 weeks so that the total number of hours worked over the whole period will not exceed 1,040 hours. If the total number of hours worked over the 26-week period exceeds 1,040 hours, the employee will be paid at the rate of time and a half for such overtime.

I do not know whether the gentleman from Georgia [Mr. RAMSPECK] has any objection to this amendment or that the committee has any objection, because, as was said, it does not affect the hourly rate. It does not permit the overworking of the employee. It maintains the total amount of compensation and is for the benefit of both employee and employer and tends to promote harmony among those to whom it applies.

Mr. RAMSPECK. Will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Georgia.

Mr. RAMSPECK. As I understood the reading of the gentleman's amendment, it undertakes to do the same thing that my amendment does, with the possible exception that the gentleman has something in his amendment about the time beyond 1,040 hours or 2,080 hours.

Mr. HOFFMAN. Yes; I think this amendment is more liberal than the one of the gentleman from Georgia. I require the employer to pay time and a half if employees work more than the 1,040 hours in the 26 weeks' period.

Mr. RAMSPECK. Of course, they would be required under my amendment to pay that also. The gentleman has no safeguard in his amendment, as I understand it, requiring approval by anybody?

Mr. HOFFMAN. No. This applies principally to the so-called white-collar workers, and if the employees and employer enter into an agreement and get along I do not think they ought to have to come to Washington or go anywhere else, even to the State, or to have a State official or a Federal official approve it. If the two agree and they are getting along, that should settle it. After all, the wages have to be paid out of the money which the employer makes, and if the two can get along they ought to be left alone, without interference from some Federal administrator or from some Federal agency. I can see no reason why the Federal Government should continually insert itself into the relationship which exists between an employer and an employee. We have had altogether too much of that, not only in the administration of the N. L. R. B. but in the administration of the Wage and Hour Act itself. Official Washington is taking it upon itself to dictate business policies without assuming any of the responsibility or the losses when its policies go wrong.

Mr. RAMSPECK. What protection would an employee have, if the employees entered into an agreement with an employer for a 6-month period, and, say, during the first 3 months the employer worked him 60 hours a week, then let him go?

Mr. HOFFMAN. The employer cannot do that unless he pays time and a half for overtime. If it is over the 26-week period, they have to pay him. If for a shorter period, he would be paid for the extra hours at the rate fixed by law. The gentleman certainly would not ask that they have an agreement whereby the employee might work 1 week and lay off 25 weeks and still be paid for the full 26 weeks, would he? I cannot see how the amendment does any harm; and to enable an employee to make up for lost time and to enable the employer to give him the extra hours, so that the lost time can be made up over the 26-week period without penalizing the employer by time and a half for the excessive number of hours worked during 1 week, I ask that the amendment be adopted.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. HOFFMAN].

The question was taken; and the Chair being in doubt the Committee divided; and there were—ayes 37, noes 39.

Mr. SCHAFER of Wisconsin. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed Mrs. NORTON and Mr. HOFFMAN to act as tellers.

The Committee again divided, and the tellers reported there were—ayes 67, noes 69.

So the amendment was rejected.

Mr. COFFEE of Nebraska. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. COFFEE of Nebraska: On page 12, line 11, strike out lines 11 and 12, and at page 14, after the period in line 4, and before the Ramspeck amendment, insert:

"In the case of an employer engaged in the grading, loading, slaughtering, or dressing of livestock, or preparing products therefrom at the packing plant, or in handling or transportation in connection with or incidental to such operations, the provisions of subsection (a) shall not apply to any employee, during a period or periods of not more than 14 workweeks in the aggregate in any calendar year selected from time to time as to each employee by the employer, in any establishment where the employer is engaged in any of said operations."

Mr. COFFEE of Nebraska. Mr. Chairman, the amendment I have just offered is of vital interest to every livestock and farm organization in this country and to every farmer and livestock producer in this Nation.

My amendment seeks to accomplish two things. First, it will make specific the exemption which Congress provided in the original law but which has in effect been nullified by the erroneous interpretation by the Wage and Hour Administrator.

Section 7C of the Fair Labor Standards Act provides that the limitation of hours shall not apply—

In the case of an employer engaged in handling, slaughtering, or dressing livestock during a period or periods of not more than 14 weeks in the aggregate in any calendar year to his employees in any place of employment where he is so engaged.

The Wage and Hour Administrator has interpreted this to apply only to the employees on the killing floor in a packing plant. No employer could maintain friendly labor relations with his employees if he were to pay one group of employees in the packing plant time and a half and deny the time and a half to others working in the same establishment. This amendment would place all employees in the packing plant in the same category in reference to working 14 weeks during the year beyond the regular workweek without the payment of overtime penalties. Congress has recognized the necessity for these 14 tolerance weeks because of the highly perishable nature of meat products and because of the wide and irregular fluctuation of livestock receipts in the terminal markets.

The packing industry pays a wage scale ranging from 60 cents to $1.27 an hour. A skilled laborer in the higher brackets on time and a half could make as much money in 3 hours as a farmer is now receiving for a hundred-pound hog.

There is no question but what the farmer and livestock shipper will bear this extra burden through lower prices for their livestock unless these tolerance weeks are provided to take care of the heavy seasonal runs to the terminal markets.

The other purpose this amendment will accomplish is to protect the packing-house workers themselves from the provision in the Norton bill which provides for a 60-hour workweek before the employees can collect the time and a half, and 14 weeks' tolerance is granted in addition to the 60-hour workweek. No one connected with the livestock or meat industry is asking for a 60-hour workweek. All that has been asked is for 14 weeks' tolerance beyond the regular workweek for all the employees in the packing plant. The average workweek now is only 40½ hours per week.

There are a great many short weeks and approximately 14 long weeks in the year to take care of the seasonal runs of livestock. I represent a district that supplies the livestock to these terminal markets, as do a great many of the Members on this floor. There can be no logical objection to this amendment. It is necessary to protect the farmers and livestock shippers, as well as the employees engaged in the packing industry. We do not need to shed any tears about the packer because he can take care of himself. If he cannot pass that extra cost on to the consumer, he of necessity will take it off the producers through lower prices paid for the cattle, lambs, and hogs purchased. Any argument that might be made that this amendment is too broad is entirely erroneous because the exemptions are restricted entirely to those engaged in the operations at the packing plant.

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

Mr. COFFEE of Nebraska. I yield to the gentleman from Iowa.

Mr. HARRINGTON. I happen to represent one of the large packing centers of the country. I want to commend the gentleman for offering the amendment. As I see it, the amendment protects not only the packing-house worker but the livestock shipper.

Mr. COFFEE of Nebraska. The gentleman is correct. [Applause.]

[Here the gavel fell.]

Mr. FERGUSON. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, this is the first time I have talked on this bill. I am not one of those who believe the farmers are crying for immediate revision of the wage and hour bill. I think very few farmers have much contact with the wage-hour bill. I do want you to give this amendment your serious consideration. We all admit that we do not want to take anybody from under the protection of the 30-cent minimum wage that we can keep under its protection. Minimum wages are not involved in this amendment. This amendment simply allows a 14-week tolerance on the 40-hour week.

Let me paint a little picture of the marketing of livestock. The livestock centers have no control whatever over the number of cattle, sheep, or hogs that will arrive on any one day. The number varies from no cattle to 25,000 or 30,000 cattle in one market, with the same facilities to take care of the killing of those cattle. The packers' answer to the rigid enforcement of a 40-hour week, and time and a half for overtime to the employees that get from 60 cents to $1.25 an hour will be a 40-hour week, and to maintain that 40-hour week they will limit their purchases to what they can process with a 40-hour week. What happens to the excess cattle and hogs that come into that market under those circumstances? They are left in the pens until such time as the 40-hour week will allow the packer to purchase them. Who pays the cost of feeding these animals in the yards? If you have ever shipped any cattle or hogs or sheep to market you know that the man who owns that shipment of livestock pays the cost, and he pays that cost at a tremendous price. Hay worth 15 cents a bale in the country is worth 75 cents or a dollar a bale when you pay your stockyards cost. Corn that you feed at home for 30 or 40 or 50 cents a bushel becomes worth a dollar a bushel when you buy it in the stockyards.

Mr. COFFEE of Nebraska. What about shrinkage?

Mr. FERGUSON. You cannot legislate the packers into paying time and a half for overtime, because they can simply purchase the amount of livestock they can process in that 40-hour-week period.

Mr. KLEBERG. Mention shrinkage in the cost.

Mr. FERGUSON. Of course, you cannot possibly hold the weight on any animal with feed in a stockyard. In addition to the cost of the feed, the shrink costs the producer more than the cost of the feed.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

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

Mr. AUGUST H. ANDRESEN. As I understand, with the exception of this 14-workweek period the packer will pay time-and-a-half for overtime?

Mr. FERGUSON. The gentleman is correct. This 14 weeks is for this purpose. All the rest of the year the packers must pay time-and-one-half for overtime. We have times of drought. A man is out of feed. His grass is gone, his water is gone, and he has only one way to liquidate his livestock, and that is to send it into these central terminal markets. He cannot determine his marketing. The weather in many instances determines it.

Then there is this feature, and 14 weeks will take care of it. Feeding operations are seasonal and culminate in peaks. The grass season is over in July and August and September, a 3 month's peak, and maybe 2 or 3 weeks during the fall season and 2 or 3 weeks after the winter season is over, as it is now, you will have this seasonal influx of cattle. If we remove this restriction and allow them 14 weeks of tolerance, that is all—the time and a half for overtime if they exceed 40 hours any other time except 14 weeks a year will go into effect—it will give them 14 weeks to fit into the weeks that the farmers and the cattlemen and the hog raisers and sheep raisers have to market their products. [Applause.]

[Here the gavel fell.]

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

Mr. Chairman, the amendment offered by the gentleman from Nebraska [Mr. COFFEE] has only two objections, as I see it; in other respects, it is more restrictive than the language of the committee bill. In the first place, it exempts not only the employees engaged in the slaughtering or handling of livestock, but also the office employees and all employees of the employer who may be engaged in that business, because it exempts the employer if he is engaged in the grading, loading, slaughtering, or dressing of livestock or preparing its products, and so forth.

Mr. COFFEE of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. COFFEE of Nebraska. The language is "or preparing products therefrom at the packing plant." So the amendment is restricted to those employees at the packing plant.

Mr. RAMSPECK. But that relates to the employer and not the employee. If the employer is engaged in the business, then all of his employees are exempted. The gentleman may not have intended that, but that is the way it reads.

Mr. COFFEE of Nebraska. The gentleman, I am sure, is incorrect on that, because this applies to the operations at the packing plant.

Mr. RAMSPECK. I have consulted with the legislative counsel, who is sitting right by my side, and he agrees with my interpretation of it. You are exempting the employer and all of his employees; and may I point out another thing to the gentleman: He is permitting the employer here to select a separate 14-week period as to each employee, which apparently is almost impossible of administration. I wish the gentleman would revise his amendment so as to take care of that situation.

Mr. COFFEE of Nebraska. This amendment has been drawn up by counsel who is thoroughly familiar with the subject. It has the approval of all the livestock associations and the farm organizations and a great deal of work has gone into it, and I am sure that the gentleman will find it carries out the plain intent that has been indicated here and is restricted to the operations at the packing plants and the employees at the packing plants; and, further, it is necessary to have some flexibility as to the selection of employees. For instance, the employees on the hog-killing floor during a seasonal peak run of hogs might not be needed when the seasonal run for cattle is on. So, as a consequence, there must be 14 weeks as to each group of employees or the employees on each floor.

Mr. RAMSPECK. The gentleman may be right about that. Of course, I know the gentleman knows more about this situation than I do, but there cannot be any mistake about the fact that you are exempting all of the employees or permitting the exemption of them, because the gentleman's amendment states, "In the case of an employer engaged," and so forth.

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

Mr. RAMSPECK. I yield.

Mr. FERGUSON. Can the gentleman suggest an amendment that will exempt all clerical employees from the provisions of the 14-week proposition?

Mr RAMSPECK. It could be written in there; yes.

Mr. COFFEE of Nebraska. The gentleman is correct that it permits all of the employees at that plant to be exempt for 14 workweeks over and above the regular workweek.

Mr. RAMSPECK. Why should we exempt the office employees and the people not connected with the slaughtering, and so forth?

Mr. COFFEE of Nebraska. If the gentleman will permit, I will state that the situation is the same in the entire packing industry. As the cattle come in one door of the packing house, the whole industry is synchronized, and you cannot dam up one particular department and expect the others to function. All of them will probably be subject to overtime during the same period that others are working overtime in the plant. That is, those on the hog-killing floor at one time and those on the lamb-killing floor and those on the cattle-killing floor.

Mr. RAMSPECK. I am not talking about those employees. I am talking about your office force, and your watchmen, and your guards, and all the employees of that sort that have nothing to do with the seasonal operations to which the gentleman is addressing his amendment. Why exempt all of them from hours for a period of 14 weeks when they are not affected by the seasonal flow of hogs and cattle?

Mr. COFFEE of Nebraska. The gentleman is in error, because they are affected because some of this help must be required when they are working overtime in other departments, because the work is entirely synchronized, and no employee is going to be hurt because this applies to 14 weeks only during an entire year with respect to any employee.

Mr. RAMSPECK. I think the trouble the gentleman complains about could be very well taken care of under the amendment we adopted a while ago of permitting these agreements over a period of 26 weeks and 52 weeks.

Mr. COFFEE of Nebraska. I will say to the gentleman that the one thing that makes this necessary is the interpretation that the Wage and Hour Administration has given to the exemption that was provided in the original act. Had the Administrator given the interpretation which Congress gave, I would not be asking for any amendment whatever. All we are asking is just exactly what Congress intended to grant in the original act.

Mr. RAMSPECK. I am in sympathy with the gentleman's idea of getting an exemption for the seasonal swing of these products for all the employees who are needed to meet that seasonal peak, and I would go along with him on that.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I do not see how you can separate the classifications of employees, because you have a seasonal increase of work in the case of the people who write the checks to pay the farmers for their livestock, and all along the line you have an increased demand.

Mr. RAMSPECK. I may say to the gentleman from South Dakota that here we are exempting the employer. Take, for instance, the Swift Packing Co. They have an office in New York not connected with the slaughtering plant, wherever that may be located. This amendment will exempt all of the employees in the New York office during this seasonal period.

Mr. CASE of South Dakota. I do not get that from the wording of the gentleman's amendment.

Mr. COFFEE of Nebraska. Oh, the gentleman is in error, because this applies to the operatives of the packing plants.

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

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last words. Two objections were raised by the acting chairman of the committee, the gentleman from Georgia [Mr. RAMSPECK], in connection with the Coffee amendment. In the first place, he objected to the fact that it would apply to employees other than those actually engaged in the packing operations, in the killing and handling of animals. Obviously, if you have a seasonal run, occasioned by a drought or some other emergency, so that the livestock goes to market, the work has to be handled all along the line. The front office has its increase of work in proportion. The rancher who has come in with his stock should not be required to wait for his check until the office force can catch up after the heavy run is over. The 14 tolerance weeks should be applicable throughout the plant.

Mr. RAMSPECK. Mr. Chairman, will the gentleman yield for a correction?

Mr. CASE of South Dakota. Yes.

Mr. RAMSPECK. The legislative counsel advises me that he is mistaken and overlooked the last clause in the amendment, respecting—

> Any establishment where the employer is engaged in any of said operations.

If that is the understanding, that it does not exempt people away from the packing plants, I have no objection, and I would like to have the gentleman from Nebraska, the author of the amendment, concur in that statement.

Mr. COFFEE of Nebraska. That is correct.

Mr. CASE of South Dakota. I am very glad to have the gentlemen clear up that point. That was the second of the objections raised by the gentleman from Georgia which I had in mind to answer when I asked for the floor. It was for that purpose that I borrowed this copy of the amendment from its author, so as to read the language showing that it is restricted to the establishment where the employer is engaged in any of said operations.

In view of that fact and the statement of the gentleman from Georgia, if there is no further objection, that is all I have to say.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. Yes.

Mr. MURDOCK of Arizona. Now that we have that matter cleared up to the understanding of all, does the gentleman feel that the provisions of this exemption will be of greater benefit to the packing concern or to the livestock people who have products to sell to that packing concern, or will it be of equal benefit to both?

Mr. CASE of South Dakota. It is of primary benefit to the livestock grower. You are not injuring labor nor affecting his employer, the packer, because he can refuse to buy the livestock when he reaches the number of animal units that he can handle within the limitation of hours that he has; and the kick-back of the law without this provision comes to the man who has his livestock in the yards waiting for them to be purchased or processed.

Mr. MURDOCK of Arizona. It is because this will benefit livestock growers, without any real harm to labor, that I support the amendment.

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

Mr. CASE of South Dakota. Yes.

Mr. FERGUSON. The truth of the matter is that the whole process, from the time of putting these carcasses on the cars, taking them there, and having them killed and distributed is usually less than a week, so that the process involves the whole plant in this seasonal marketing of livestock.

Mr. CASE of South Dakota. The gentleman is correct. I yield back the remainder of my time.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

The question is on the amendment offered by the gentleman from Nebraska [Mr. COFFEE].

The amendment was agreed to.

Mrs. NORTON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN (Mr. BOEHNE). The gentlewoman from New Jersey makes the point of order that a quorum is not present. The Chair will count. [After counting.] One hundred and twenty-six Members are present, a quorum.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. AUGUST H. ANDRESEN: On page 11, line 13, strike out paragraph 1 and insert in lieu thereof the following: "(1) Making cheese or butter or other dairy products."

Mr. AUGUST H. ANDRESEN. Mr. Chairman, the purpose of this amendment is to clarify the language on page 11 in paragraph 1 of section 3. The paragraph reads:

Making of dairy products (except ice-cream mix, ice cream, malted milk, and processed cheese), including among other things the cooling, pasteurizing, printing, or packaging thereof.

My amendment proposes the adoption of the language of the present law, which reads, in paragraph 10, section 13, as follows:

Making cheese or butter or other dairy products,

And eliminating the controversial language as to ice cream and other dairy products.

This amendment is approved by all the dairy organizations, cooperatives, and farm organizations. I just want to give you an idea how some of our small creameries operate.

In Minnesota we have several hundred small farm creameries engaged in the processing of dairy products. Eighty-two percent of those small creameries manufacture ice cream. An employee engaged in the manufacture of ice cream may be working on making ice cream for 1 or 2 hours of the day and the rest of the time he may be engaged in the making of butter. He is exempt in the making of butter, under the provisions of the Norton amendment, but he is not exempt when he is engaged in making ice cream. There is no reason in the world why a penalty should be injected into his operation when he is engaged in the full and complete diversified operation of these small creameries.

A large percentage of the small creameries of the country engaged in the manufacture of butter, also manufacture ice cream for local distribution principally.

The exemptions provided under section 13 of the law exempt creameries engaged in the manufacture of cheese, butter, and other dairy products. All I am attempting to do by my amendment is to place the same language in section 3 of the bill with reference to hours. Under the bill these men will have the 14 workweeks' exemption. They will also come under the 60 hours' exemption, which provides for time and a half for overtime above the 60 hours, as provided in the Norton bill. But this clarifies the situation with the operation of small creameries.

There may be some who have objection because of the large operators in some of the metropolitan cities, but with reference to the large manufacturers of ice cream and other dairy products in large areas, they are heavily unionized. They operate under agreements with their union organization, through collective bargaining, and they receive salaries far in excess of what is paid in the small country creameries. So my amendment has nothing to do with the large outfits in the city, and I am dealing principally with the cooperatives and small organizations engaged in the diversified production of dairy products.

[Here the gavel fell.]

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

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

Mr. AUGUST H. ANDRESEN. I yield.

Mr. FISH. What is the gentleman's definition of a small creamery? Where does the gentleman make a distinction between the small creamery and a large ice-cream plant, and what is the number if there is any limitation on the number of employees involved?

Mr. AUGUST H. ANDRESEN. The Administrator has held that if a creamery employs seven or more people it loses its exemption under the present interpretation of area of production. That definition is wrong. I may say to the gentleman that in my district I have perhaps 100 small creameries operating in villages which employ 7 or more people.

Mr. FISH. If it is not seven or less, what is the number at which the distinction should be drawn?

Mr. AUGUST H. ANDRESEN. In the definition of a small creamery?

Mr. FISH. Yes.

Mr. AUGUST H. ANDRESEN. I cannot give the gentleman a definition offhand because my time is so limited, but I will give it to him later.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Miss SUMNER of Illinois. If the amendment offered by the gentleman is adopted, could it be assumed that Congress intended this amendment to include products made out of buttermilk and intended for use as poultry or hog food?

Mr. AUGUST H. ANDRESEN. If it is a dairy product I believe that possibly the product of which the gentlewoman speaks would come within the amendment. But let me say in conclusion that all this amendment does is to clarify the intent of Congress, the intent we had when the original act was passed. This makes it clear and there can be no misunderstanding about it.

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

Mr. AUGUST H. ANDRESEN. I yield.

Mr. HARE. Will not the Buck amendment include the gentleman's proposition?

Mr. AUGUST H. ANDRESEN. I am afraid not. The Buck amendment may be a limitation upon the activities of agriculture. That is the trouble with trying to define things. We are dealing exclusively with the dairy industry. It may be found that some are commercial and some are not commercial. The Buck amendment eliminates the commercial agencies.

[Here the gavel fell.]

Mr. HAWKS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I have an amendment at the desk which, of course, will be withdrawn if the amendment offered by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] is adopted. I think the main purpose of the amendment—and certainly it is the objective of my amendment—is to protect the little fellow first, and, secondly, to protect the American farmer.

There is only one place that the penalty of wages and the penalty of hours can be applied insofar as the small creamery and cheese factories are concerned, and that is the American farmer. In my district and, in fact, all over my State most of the cheese factories operate on a basis of payment for so many hundred pounds of milk received in that particular factory. This, of course, takes into consideration a wage scale that the cheese maker or the butter maker can live on. It is also based upon the going price for milk—that is, the price for that day or that month—and any increase in the additional cost of processing cheese, butter, or any other dairy product necessarily must come out of the hide of the producer of the milk, the farmer.

The Wage and Hour Act, as applied throughout the country and without the exemption in this amendment offered by the gentleman from Minnesota, penalizes small business to the point where it is driven out of existence. It creates further monopoly in this country, driving the business to those who can afford to pay any kind of wage scale, can afford to set up the necessary books and machinery to take care of the elaborate system of bookkeeping that is necessary. If we continue the Wage and Hour Act as we have it

on the books today, every one of these little crossroads creameries and cheese factories will be put out of business, and the entire industry will go to the larger cities and further enlarge monopolistic trend in business.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. HAWKS. I yield.

Mr. SCHAFER of Wisconsin. Will not that be particularly so if we continue to apply the minimum wage and maximum hours to these little creameries, and continue the sell-out agreements which our New Deal brethren call trade agreements, under which they bring in dairy products from foreign countries where people work long hours for small pay? In these foreign countries there is no floor under wages or ceiling over hours, and the people work for far less than the minimum wage and for much longer hours than the maximum hours under the Fair Labor Standards Act.

Mr. HAWKS. The gentleman is certainly right. No one who studies the situation can fail to realize that the reciprocal-trade agreements as they stand on the books today certainly have a very definite tie-up with this whole picture.

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

Mr. HAWKS. I yield.

Mr. GROSS. I merely want to make the observation that this amendment will be of far more worth to the farmers in the sticks than the conservation checks they are not getting.

Mr. HAWKS. There is no question about that. The point I want to make in regard to this particular amendment is that the person who is eventually going to pay for all this is the producer of milk, the fellow on the farm, because he is absolutely the last source from which they can draw.

[Here the gavel fell.]

Mr. VORYS of Ohio. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I believe the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] made it clear, but some of the Members apparently did not understand that this amendment is in the precise words of the present wage and hour law. It will not exempt a single person that is not now exempt and it will not put in anyone who is now exempted. For some reason or other one section of the Norton bill takes away some of the exemptions in the dairy industry under the present law.

Mr. Chairman, may I make one more observation. The dairy industry needs to be exempted as to hours because a cow does not know anything about the wages-and-hours law. When the cow produces milk it is in the interest of the public health that it be taken care of in a hurry, and when the milk comes into the creamery in large quantities, it is imperative that it be taken care of in a hurry. All the people who work there understand that, and this is the reason why certain provisions were included in the law when it was passed and it is the reason why we should once more put into the wage-hour law the exemption that you now have for the making of dairy products in the words of the present law.

Mr. FISH. Will the gentleman yield?

Mr. VORYS of Ohio. I yield to the gentleman from New York.

Mr. FISH. This amendment is also one of the most important amendments because it affects one of the greatest industries in America, the dairy industry, which employs a great many people who make a precarious living and they are entitled to this. It is also in the present law.

Mr. VORYS of Ohio. Yes. The dairy industry is No. 1 in volume so far as the agricultural products of this country are concerned.

Mr. KEEFE. Will the gentleman yield?

Mr. VORYS of Ohio. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Does the gentleman mean to say this exemption is exactly the same as in the present law? I do not think the gentleman intended to say that, because if he will read the exemption contained in section 13, the gentleman will observe that it refers to those plants which are located within the area of production.

Mr. VORYS of Ohio. If the gentleman will read the very last clause in section 10, he will find it is separated from the rest, as follows:

> Or in making cheese or butter or other dairy products—

And those are precisely the words in the present law, separated by an "or" from all the rest. Those are also the words of the Andresen amendment.

Mr. KEEFE. I wanted to be sure about that.

Mr. BUCKLER of Minnesota. Will the gentleman yield?

Mr. VORYS of Ohio. I yield to the gentleman from Minnesota.

Mr. BUCKLER of Minnesota. I want to congratulate the gentleman, and also the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], for offering this amendment. I think it is one of the best amendments that has been offered up to now. I know the creameries up in my State are very much interested. They do not want to pay overtime when a farmer comes in late in the evening with a can of milk and the employees have to stay a half-hour longer to take care of it. I hope the Committee will agree to the amendment.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. ANDRESEN].

The amendment was agreed to.

Mr. LUDLOW. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

> Page 14, line 4, following paragraph 16, insert the following:
> "17. Wholesale handling or selling of fresh fruits and vegetables in their raw or natural state."
> Change the wording immediately following paragraph 16 in the bill as it now stands to read as follows: "and if such employee engaged in any of the operations specified in paragraphs (1) to (16), inclusive, receives compensation for employment in excess of 60 hours in any workweek at a rate of not less than one and one-half times the regular rate at which he is employed, and if such employee engaged in any of the operations specified in paragraph (17) receives compensation for employment in excess of 48 hours in any workweek at a rate not less than one and one-half the regular rate at which he is employed."

Mrs. NORTON. Will the gentleman yield?

Mr. LUDLOW. I yield to the gentlewoman from New Jersey.

Mrs. NORTON. Mr. Chairman we have gone along for 5 days on this bill. It is now 3 o'clock. I would like to know if the House is willing to decide when it is going to finish amending this substitute and vote on the bill? I have had many inquiries from a lot of Members who tell me they want to do various things and they would like to know this. As I said before it is perfectly all right with me to stay here until 12 o'clock tonight if you want to stay, but it would seem a rather ridiculous performance. Can we agree on 5 o'clock? I put that in the form of a motion that debate on this amendment and all other amendments, and all amendments on the desk, be voted on by 5 o'clock.

The CHAIRMAN. The gentlewoman from New Jersey [Mrs. NORTON] moves that all debate on this amendment and all amendments to the substitute close at 5 o'clock.

Mr. BLAND. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BLAND. The point of order is the same as the one I made yesterday.

The CHAIRMAN. The gentleman from Virginia [Mr. BLAND] makes the point of order that the motion is out of order because, as the Chair understands it, of the agreement that was made when the first reading of the substitute was dispensed with. The Chair sustains the point of order.

Mrs. NORTON. Mr. Chairman, I move that all debate on this section close in 5 minutes.

Mr. TABER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. Would that close debate on all amendments to this section? My understanding is that it would not.

The CHAIRMAN. That will close debate on all amendments that are offered to the pending section, which is section 3.

Mr. TABER. Not as the motion was made.

Mrs. NORTON. May I say to the gentleman that was intended.

The CHAIRMAN. Does the gentlewoman from New Jersey move that all debate upon the pending section and all amendments thereto close in 5 minutes?

Mrs. NORTON. I do, Mr. Chairman.

Mr. KEEFE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KEEFE. Did I correctly understand the Chairman to say that the motion includes section 3 and all amendments thereto?

The CHAIRMAN. That is correct.

Mr. KEEFE. The proposal is to limit debate to 5 minutes, now?

The CHAIRMAN. That is the motion.

Mr. SCHAFER of Wisconsin. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SCHAFER of Wisconsin. Did the gentleman from Indiana [Mr. LUDLOW], who has the floor, yield for the purpose of offering a motion? I did not hear him yield.

The CHAIRMAN. The Chair understood the gentleman to yield to the gentlewoman from New Jersey.

The question is on the motion of the gentlewoman from New Jersey.

The motion was rejected.

Mrs. NORTON. Mr. Chairman, I ask unanimous consent that all debate on section 3 and all amendments thereto close in 15 minutes.

Mr. SCHAFER of Wisconsin. I object, and call for the regular order, Mr. Chairman.

The CHAIRMAN. Objection is heard.

The gentleman from Indiana is recognized for 5 minutes.

Mr. LUDLOW. Mr. Chairman, this amendment is a very simple proposition. Those who are engaged in the wholesale handling of fresh fruits and fresh vegetables in their raw or natural state do not object to the wages prescribed in the Fair Labor Standards Act. They are entirely willing to pay the prescribed wages or higher wages than those prescribed, but they would like to have hours that would enable them to operate, in view of the peculiar conditions which obtain in their activity. This amendment would simply have the effect of giving them a 48-hour week, and that would make the Fair Labor Standards Act workable in respect of the handling of fresh fruits or vegetables in their raw or native state. It would strengthen the Wage and Hour Act by making it adaptable to the special conditions existing in the fresh-fruit and vegetable industry.

Marketing of fresh fruits and fresh vegetables in their natural state is of basic importance to the growers of these perishable food commodities. A very large volume—in some large markets more than 50 percent—is sold on consignment. That is to say, the grower retains the title to the goods and sells them through his own commission or broker agent. In these transactions the cost of marketing is immediately and directly paid by the producer.

Wholesale handling and selling of these perishables necessarily coincides with harvesting and the movement of the commodities to market. The commodities have to be handled as they arrive in the market. With motortrucks handling an ever-increasing volume of shipments, these hours of arrival on the market are uncertain. They come in at all hours and the shipments must be taken care of.

Wholesaling of these commodities always has been a rather long-hours activity. The operations do not lend themselves to arbitrary restrictions on hours. Wages paid have been based on the long hours and, generally speaking, they are well above the average.

It is common knowledge that wholesale distributors of these important commodities have been operating on very narrow margins since 1932, when the effects of the general depression caught up with the fruit and vegetable industry.

The amendment here proposed recognizes these facts, and, if approved by the House, would permit a 48-hour straight-time workweek for wholesale handling and selling of fresh fruits and fresh vegetables in their raw and natural state. This 48-hour limitation will require a substantial reduction of hours in many markets. The proposed amendment does not relieve the wholesale distributor from the necessity of paying the minimum wage.

Many of these wholesale markets are unionized and have collective bargaining, and this amendment would not disturb such situations.

It should be kept in mind that while the greatest volume of fruit and vegetables are moved into consumption in their fresh and natural state, the canned and processed commodities are in constant and keen competition with the fresh products. Canning and processing have been given a 60-hour straight-time workweek under the provisions of section 3 of the Norton bill, with no concessions whatever for the wholesale marketing of the fresh products, on which the producer depends for his major cash returns. The amendment here proposed would extend to the wholesale handling of the fresh commodities not a 60-hour workweek, but a 48-hour workweek. That, I submit, is a reasonable concession, and one fully justified by the character of the operations and by the direct effects of marketing costs on the producers' prices.

Mrs. NORTON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and eighteen Members are present, a quorum.

The gentleman from Indiana will proceed.

Mr. LUDLOW. Mr. Chairman, I will say in conclusion that I believe this amendment is entirely reasonable and that it would add to the workability of the Wage and Hour Act. I hope the House will adopt the amendment. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. LUDLOW].

The question was taken; and on a division (demanded by Mr. LUDLOW) there were—ayes 20, noes 43.

Mr. LUDLOW. Mr. Chairman, I object to the vote on the ground that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and nine Members are present, a quorum.

So the amendment was rejected.

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

The Clerk read as follows:

Amendment offered by Mr. KEEFE: On page 12, line 2, after "vegetables", insert a period and strike out the remainder of the line and all of lines 3 and 4.

Mr. KEEFE. Mr. Chairman, both the chairman of the Labor Committee and the gentleman from Georgia [Mr. RAMSPECK] have repeatedly stated on the floor of the House that this committee substitute to the Norton bill proposes to give to the canning industry engaged in the first processing of agricultural products a 60-hour workweek and a 14-week exemption from both the wage and hour provisions of the law. Am I correct in that statement?

Mr. RAMSPECK. That is correct; yes.

Mr. KEEFE. I so understood both Members of the committee to state. I have previously directed the attention of the gentleman from Georgia to the fact that if you read subsection (5) of section 3 you will observe what appears to be an attempt on the part of the committee to carry out that purpose. However, I call the attention of the Committee to the fact that subsection (5) contains the words—

But not when those operations are performed at a terminal establishment.

If you turn to the definition of terminal establishment, you will see that a canning factory is very definitely a terminal establishment because of the method of operation in many instances. Let me point out what I have in mind. The definition of terminal establishment, I may say, is found at the bottom of page 13, beginning with line 20. If you will

read subsection (2) in that definition you will see that it describes a terminal establishment as one which receives the major portion of its goods from other establishments at which such goods have been previously concentrated or prepared, and distributes its goods to wholesalers, retailers, consumers, or manufacturers.

Take a pea-canning factory, for instance, wherever it may be located. They maintain what are known as viner stations, which are located out in the country away from the canning plant. The farmer cuts his peas by a mowing machine, throws them onto a hay rack, and they are hauled to that viner station where they are run through the viner. Then the shelled peas are taken by truck to the canning factory where they are canned. After they are put in the can the factory puts them in the warehouse at the factory and sells them to the wholesalers. There is a situation where you intended to exempt that operation, but under the very clear wording of the law the operation involving the separation of the peas at the viner stations is very clearly a major operation, that is, previously preparing them before they get to the canning factory, and it would make of that canning factory a terminal establishment.

Now, all that my amendment seeks to do is to strike out the words "but not when those operations are performed at a terminal establishment," and thus enable the Congress to do what the committee has already stated it wants to do and has intended to do in the writing of this legislation.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. AUGUST H. ANDRESEN. It is my understanding that the Labor Committee adopted a motion last year in the consideration of this bill to strike out all of the phraseology with reference to terminal establishments, and I would like to ask the gentleman from Georgia if that is not substantially correct.

Mr. RAMSPECK. Yes; the committee did at one time strike out the words "terminal establishment."

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

Mr. KEEFE. I yield.

Mr. LANDIS. Would there be any objection to crossing out the two words on page 12, line 2, "or dried." That would fit the amendment we were going to put in.

Mr. KEEFE. So far as I am concerned, I would have no objection to a further amendment striking out the words "or dried," if the situation would be taken care of as to the canning industry, because it relates wholly to fresh fruits and vegetables.

Mr. LANDIS. That is what we intended.

Mr. KEEFE. I may say that this is a very important amendment to every Member of Congress who has any sort of canning factory in his district which is canning fresh fruits and vegetables, because you may find that your factories under this law, if it is enacted, will be terminal establishments and will not be receiving any exemption.

[Here the gavel fell.]

Mr. ANDERSON of Missouri. Mr. Chairman, I make the point of order there is not a quorum present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and seventeen Members are present, a quorum.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent to amend the amendment which has been submitted, by striking out the words "or dried."

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

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The amendment was agreed to.

Mr. RAMSPECK. Mr. Chairman, I ask unanimous consent that all debate on this section and the two remaining amendments thereto close in 10 minutes.

Mr. GROSS. I object, Mr. Chairman.

Mr. RAMSPECK. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, in view of the action just taken on page 12 by eliminating the language "but not when those operations are performed at a terminal establishment," I ask unanimous consent that the same language in paragraph 6, in paragraph 9, in paragraph 10, and in paragraph 12 be eliminated from the amendment.

Mr. RAMSPECK. I object, Mr. Chairman.

Is the gentleman referring to the subsection under section 3?

Mr. AUGUST H. ANDRESEN. That is right; section 3 and beginning on page 12 and particularly paragraphs 6, 9, 10, and 12.

Mr. McCORMACK. Reserving the right to object, Mr. Chairman, I would like to ask the gentleman what the purpose of the amendment already adopted is or what is the effect of it.

Mr. AUGUST H. ANDRESEN. The effect of it is to carry out the intention, as I understand it, and as stated by the gentleman from Georgia, to carry out the action of the Labor Committee in adopting a similar amendment last year which leaves the bill clear and understandable. The amendment offered by the gentleman from Wisconsin [Mr. KEEFE] was approved by a large majority and there was no objection from the members of the committee.

Mr. BARTON of New York. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. BARTON of New York. This refers only to the hours and not at all to the wages.

Mr. AUGUST H. ANDRESEN. This refers only to the hours and gives the time and a half for overtime above the 60-hour workweek as provided in the Norton bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN]?

Mr. McCORMACK. I am compelled to object, Mr. Chairman.

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

The Clerk read as follows:

Amendment offered by Mr. ENGEL: On page 12, line 24, after the word "peas", insert the word "potatoes."

Mr. ENGEL. Mr. Chairman, may I have the attention of the gentlewoman from New Jersey?

Mrs. NORTON. Mr. Chairman, we accept that amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

Mr. REED of New York. Mr. Chairman, I have an amendment on the desk.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from New York [Mr. REED].

The Clerk read as follows:

Page 12, line 4, after the semicolon, insert "nor when such products consist wholly or in chief volume of perishable or seasonal fruits or vegetables, including dried fruits, or in handling or transportation in connection with or incidental to such operation, the provisions of subsection A, during a period or periods of not more than 16 workweeks in the aggregate, or in any calendar year, shall not apply to his employees in any place of employment where he is engaged."

Mr. REED of New York. Mr. Chairman, I wish to play fair with those who have amendments to offer, and give them some time which I shall try not to use. It is not my purpose to go over the situation I covered here the other day. I remind the Members of the House that I wish to support this bill and would like to perfect it. We have a situation in our section of the country which is quite common throughout the country in the fruit-growing districts. We have a series of fruits that mature at different times. We have our small processing plants. They just cannot process all these varieties of fruit at one time, because they do not mature at one time. They extend from June until late in the fall. Many of the products which they process are composed of fruits, some that come along at a seasonal time, but they are carried on to a time where other fruits come in; then they are mixed and made into salads and other mixed products. We need more than 14 weeks in order to accomplish this. Two extra weeks are not very much to

ask, and with that in the law we will furnish more employment to the people, and if we can have the major part of the volume composed of fresh seasonal fruit, there is no harm done. On the other hand, it will prevent closing down many of these processing plants that cannot operate, and enjoy the exemption unless the amendment is adopted. This does not affect the large plants in Pittsburgh or Chicago. It is to take care of small processing plants.

We cannot afford to bear down on these little processing concerns. They are the markets for the farmers' products. These small processing plants are the only outlet for the fruit growers' perishable products. We are facing serious competition from other countries right now, some very serious new competition which is coming in from Chile, one of the garden spots of the world. Foreign fruits are invading our market. In enacting legislation we must protect the markets of our farmers as well as protect our employees. Nothing prevents these other plants from operating throughout the year, but our small processing plants, if you restrict them to 14 weeks, will have to close down, to their injury; to the injury of the farmers; to the injury of the employees. This amendment was once adopted by the committee, and if it is adopted now it will greatly strengthen this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was agreed to.

The CHAIRMAN. Is there any other amendment to section 3?

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. AUGUST H. ANDRESEN: Page 12, lines 7, 8, 14, 15, 16, 18, 19, and 24, and on page 13, lines 1 and 2, strike out the following language as appearing in paragraphs 6, 9, 10, and 12: "but not when those operations are performed at a terminal establishment", and insert a semicolon in each place instead of a comma.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was agreed to.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I wish to offer a perfecting amendment to section 3, on page 13, line 22.

The Clerk read as follows:

Amendment offered by Mr. AUGUST H. ANDRESEN: Page 13, line 22, strike out "(1)" and the following language: "is located either in the urban area where the products are to be consumed or at transportation centers for the purpose of servicing consumer markets", and strike out "(2)" and insert "(1)."

Page 14, line 3, strike out "(3)" and insert "(2)."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was agreed to.

The CHAIRMAN. Is there any other amendment to section 3? The Chair hears none.

Is there any amendment to be offered to section 4? The Chair hears none.

Is there any amendment to be offered to section 5?

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

The Clerk read as follows:

Amendment offered by Mr. WELCH: Page 15, in line 14, insert the following:

"(b) Section 13 (a) of such act is amended by striking out clause 6 and inserting in lieu thereof the following:

"'(b) Any employee employed in any of the operations described in paragraphs 1 to 3, inclusive, of the definition of agriculture or'; and strike out lines 13 to 24, inclusive, and lines 1 to 4, inclusive, on page 16 and insert in lieu thereof the following:

"'(c) Section 13 (a) of such act is further amended by striking out section 10.'"

Mr. ROBERTSON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. ROBERTSON. On yesterday the House adopted an amendment to the committee amendment, known as the Buck amendment, which related to both hours and wages for agricultural labor. As I caught the amendment offered by the gentleman from California [Mr. WELCH], he is striking out about half of the Buck amendment, which has already been adopted by the House.

Mr. WHITTINGTON. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

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

There was no objection.

The Clerk again reported the amendment offered by Mr. WELCH.

The CHAIRMAN (Mr. PARSONS). The Chair is ready to rule. The so-called Buck amendment is not being amended by the amendment offered by the gentleman from California. The amendment offered by the gentleman from California begins in line 14 and proposes an amendment to the original act itself, and in no way interferes with the Buck amendment that was adopted on yesterday.

The Chair overrules the point of order.

Mr. BLAND. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BLAND. My point of order is that this amendment is to strike out, and that we have a right to perfect the amendment as it is before that amendment is considered.

The CHAIRMAN. The amendment proposes to strike out and insert.

Mr. BLAND. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BLAND. What opportunity is given to perfect the original amendment where there is an amendment to the part stricken out?

The CHAIRMAN. The Chair will state that if this amendment is adopted and the amendment as proposed conflicts with an amendment which the gentleman or any other Member has in mind, of course, they have a remedy by voting down the amendment. Then such perfecting amendment may be proposed as the gentleman sees fit to offer.

The gentleman from California is recognized for 5 minutes.

Mr. WELCH. Mr. Chairman, section 13 A–6 of the present law exempts from both wages and hours persons employed in agriculture. Generally speaking, these employees are the same as those covered by paragraphs 1 to 3, inclusive, of the Buck amendment. Unless some amendment is made to section 13 a——, this section, in conjunction with the Buck amendment, will exempt from both wages and hours not only the farmer and his employees but also persons employed in the multitude of processing operations described in paragraph 4 of the Buck amendment. The purpose of the amendment which I offer is to make persons employed in these processing operations, except the ginning of cotton, which is described in paragraph 3 of the Buck amendment, subject to the wage provisions of the act.

The second part of this amendment strikes from the provisions of the wage and hour law the wage and hour exemptions presently accorded agricultural processing operations carried on within the area of production. In section 3 of the committee amendment, all these operations are given extremely liberal treatment with respect to hours, but there is no reason why they should be exempt from wages.

This amendment maintains the wage provision in the Fair Labor Standards Act. It has been stated repeatedly by nearly every Member who has spoken on this bill that they are in favor of maintaining the meager 30-cents-an-hour, $12-a-week provision in the act. The amendment just offered simply assures the continuance of 30 cents an hour as provided for in the law.

The amendment offered by me also protects the child-labor provisions in the wage and hour law. The amendment also removes from the act what is known as the area of production.

Stripped of all legislative verbiage, the question for this body to determine, in considering amendments to the wage and hour law, is 30 cents an hour, $12 a week, too high for a woman who toils and sweats in a processing plant—is 30 cents an hour too much to pay a laborer who works only a few weeks a year in a fruit-packing shed? Those who voted for the Buck amendment yesterday gave their approval to this policy.

The supporters of the Buck amendment went still further. They struck a vital blow at child labor. In this, the prohibition against child labor does not extend to agricultural operation as those operations are defined in the Fair Labor Standards Act. When you broaden the definition of agriculture to include drying, packing, and other processing operations you thereby exempt from the child-labor provisions of the law children who would be engaged in such work.

My colleagues, you have had fair warning, the responsibility is yours.

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

Mr. WELCH. I yield.

Mr. WHITTINGTON. If I understand the gentleman's amendment, it would strike out subsection 6 of section 13 (a) and insert in lieu thereof sections 1, 2, and 3 of the Buck amendment.

Mr. WELCH. Yes.

Mr. WHITTINGTON. Did I understand the gentleman to say that his amendment eliminated from the Buck amendment the ginning of cotton?

Mr. WELCH. No.

Mr. WHITTINGTON. I happen to be familiar with the ginning of cotton. It is an operation in connection with farming; and with all deference and in all fairness, the gentleman from New York stated that the first three sections of the Buck amendment were included.

[Here the gavel fell.]

Mr. BLAND. Mr. Chairman, I ask for recognition on the amendment.

The CHAIRMAN. The gentleman from Virginia is recognized for 5 minutes.

Mr. BLAND. Mr. Chairman, the only thing to do, if we want to consider the ginning of cotton, the canneries, and the other problems, is to vote down this amendment. I know my friend is always fair, but I fear that in this particular instance he is denying to men on the floor, who have a right to have their amendments heard, an opportunity to be heard.

It has been said that this is a waste of time. I have never seen a bill come before the House that involved more intricacies and more different operations than the pending bill. I consider that the time has been well spent and that the Members have been exercising their ancient rights to discuss a bill, to discuss amendments, and to propose amendments they think should go into the bill itself. This is parliamentary legislation, this is democracy as I have always been taught it. [Applause.]

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

Mr. BLAND. I yield.

Mr. RAMSPECK. I wish to point out to my friend from Virginia that he is mistaken about ginning cotton. Paragraph 3 of the Buck amendments exempts the ginning of cotton. It will not be affected by the Welch amendment.

Mr. BLAND. But in striking out sections 15 to 24, on page 16 down to line 4, I am denied an opportunity to amend or to offer an amendment at this stage dealing with cannery operations. To that I object.

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

Mr. BLAND. I yield.

Mr. WHITTINGTON. In response to the inquiry of the gentleman from Georgia, is it not fair to say that the gentleman from California just admitted a few moments ago that he changed the Buck amendment and excluded the ginning of cotton which is embraced in the present law?

Mr. RAMSPECK. If the gentleman will yield, that comes within the purview of paragraph 3 of the Buck amendment. This amendment does not affect the specific exemption for the ginning of cotton.

Mr. BLAND. Mr. Chairman, I cannot yield further.

I asked the Chairman what was the parliamentary situation and I was advised that in order to have an opportunity to offer my amendment it would be necessary to vote down the Welch amendment. I say that is a denial of a right to a Member on the floor to be heard, or to this House to hear honest amendments that are being offered to this bill to perfect it so that it may be workable; and I speak as one who voted for the conference report when this bill was before the House, believing that we would be given an opportunity sooner or later to correct imperfections. Now, however, that imperfections arise and we know they exist we are denied an opportunity to have them considered.

Mr. Chairman, I ask that the amendment be rejected. [Applause.]

[Here the gavel fell.]

Mr. WHITTINGTON and Mr. AUGUST H. ANDRESEN rose.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. WHITTINGTON] for 5 minutes.

Mr. WHITTINGTON. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. WHITTINGTON: In section 3, after the word "poultry" insert "or in connection with the ginning of cotton."

Mr. SCHAFER of Wisconsin. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. SCHAFER of Wisconsin. This is an amendment in the third degree, and is not in order at the present time.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman withhold his point of order so that I may make my statement?

Mr. SCHAFER of Wisconsin. Mr. Chairman, I reserve my point of order.

Mr. WHITTINGTON. Mr. Chairman, the pending amendment of the gentleman from California [Mr. WELCH] strikes out that portion of the committee bill with respect to the elimination of area of production and undertakes to amend the original law with respect to the definition of "agriculture" which is paragraph (6) of 13 (a) as I recall it, by striking out the words "employed in agriculture," or substantially those words, and inserting in lieu thereof the first three sections of the so-called Buck amendment. The third of those sections I read:

(3) In connection with the production or harvesting of maple sirup or maple sugar or any commodity defined as an agricultural commodity in section 15 (g) of the Agricultural Marketing Act, as amended, or in connection with the raising or harvesting of mushrooms, or in connection with the hatching of poultry, or in connection with the ginning of cotton—

And so forth. Now, he has left out the words "or in connection with the ginning of cotton."

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

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

Mr. BARTON of New York. I think the gentleman misunderstood the answer of the gentleman from California. Those words are not omitted from his amendment.

Mr. WHITTINGTON. I asked him distinctly and he said they were. The purpose of my amendment is to restore the ginning of cotton to his amendment.

Mr. BARTON of New York. I think the gentleman misunderstood your question.

Mr. WHITTINGTON. Then, I will be glad to have the gentleman answer the question. I asked him the question very distinctly, and I want to get it clear. I asked him if the words "ginning of cotton" were omitted from section 3 of the Buck amendment proposed by the gentleman from California [Mr. WELCH].

Mr. WELCH. They are included in the Buck amendment.

Mr. WHITTINGTON. Are they included in the gentleman's amendment?

Mr. WELCH. Yes.

Mr. RAMSPECK. Will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Georgia.

Mr. RAMSPECK. I would like to correct the gentleman's impression. The gentleman from California is not offering the language of the Buck amendment. He has no such

language in his amendment at all. He simply limits the exemption granted to agriculture in 13 (a) 6 to the first three sections of the Buck amendment.

Mr. WHITTINGTON. That is what I understood.

Mr. RAMSPECK. Which now provides for an exemption to the ginning of cotton.

Mr. WHITTINGTON. I understand that such is his intention now, but when I asked him if his amendment embraced the first three sections of the Buck amendment he said it did except it eliminated the words "the ginning of cotton." The gentleman now says that the words "ginning of cotton" are in there. I would like to have the amendment reported.

The CHAIRMAN. Does the gentleman wish the Welch amendment reported?

Mr. WHITTINGTON. Section 3 of the Welch amendment.

The CHAIRMAN. Without objection, the Clerk will again report the Welch amendment.

There was no objection.

The Clerk again read the Welch amendment.

Mr. WHITTINGTON. Mr. Chairman, I think we understand each other now.

Mr. WELCH. Will the gentleman yield?

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

Mr. WELCH. I regret very much that my amendment was misunderstood.

Mr. WHITTINGTON. I am sorry, and now I understand what the gentleman had in mind.

Mr. WELCH. My amendment was evidently misunderstood.

Mr. WHITTINGTON. I think I understand now what the gentleman had in mind. In the committee bill, in line 16, page 15, after it strikes out clause 10, which is the area-of-production clause, and it also inserts "employed in the ginning of cotton," and I agree it is entirely proper to strike that out here in view of the fact the Buck amendment has been brought forward, and if it is retained.

Mr. WELCH. May I say it excludes the ginning of cotton.

Mr. WHITTINGTON. That is entirely satisfactory.

Mr. WADSWORTH. Will the gentleman yield?

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

Mr. WADSWORTH. My question is not a hostile one, but I would like to have the gentleman tell me why the ginning of cotton should be exempt and the packing of a few apples should not be exempt?

Mr. WHITTINGTON. I am more familiar with the ginning of cotton than I am with the packing of apples. I may say that very often in the cotton fields the cotton is ginned and the labor that grows the cotton and harvests the cotton is also used to gin the cotton.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Chairman, in view of the statement of the gentleman from California withdrawing his former answer, I ask unanimous consent to withdraw my amendment.

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

There was no objection.

Mrs. NORTON. Mr. Chairman, I rise in support of the amendment offered by the gentleman from California.

Mr. Chairman, I wish to say that if there has been one amendment offered here today which has merit it is this amendment. If this amendment does not prevail and is not adopted, what I told you this morning is certainly going to happen. We have loaded this bill down with many amendments. One or two of them perhaps have strengthened the bill, but the others have certainly not done so. I sincerely hope that if you want to retrieve some of the mistakes you have made in this House you will vote for the amendment offered by one of the finest and one of the best advocates and supporters of labor in this Congress, the gentleman from California, my very dear friend, DICK WELCH. [Applause.]

Mr. VOORHIS of California rose.

Mr. VOORHIS of California. I simply want to ask a question to see if I can clarify the present situation with regard to this amendment.

If the amendment of the gentleman from California [Mr. WELCH] is adopted, we will still have accomplished the purpose that many Members are interested in—to eliminate the area-of-production problem. Is that correct?

Mrs. NORTON. Yes; that is true.

Mr. VOORHIS of California. We will have granted an exemption from the hours provision to the entire list of establishments and operations related to agriculture which are included in the amendment of the gentleman from California [Mr. BUCK].

Mrs. NORTON. The gentleman is right.

Mr. VOORHIS of California. And we will have included a very carefully drawn definition of agriculture. However, we will not have taken out of the wage-hour law the provision for a 30-cent minimum wage to workers in processing establishments.

Mrs. NORTON. No. The gentleman knows I would not support the amendment if we did that.

Mr. VOORHIS of California. I just want to make it plain that if this amendment is adopted it will leave the 30-cent minimum wage in the act as far as workers in processing establishments are concerned.

Mrs. NORTON. The gentleman is entirely correct.

Mr. WELCH. I may say to the gentleman from California that if my amendment is adopted the child-labor law is saved; otherwise it is lost in the Buck amendment.

Mr. VOORHIS of California. The child-labor provisions and the 30-cent minimum wage.

Mrs. NORTON. That is exactly right.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I subscribe to everything the distinguished gentlewoman from New Jersey has said about my good friend the gentleman from California, DICK WELCH. He is one of the finest men we have here, and I have served with him for a good many years. However, there should be no misunderstanding about his amendment, because the amendment definitely takes away from agriculture the exemptions in section 13 (a) (10). It takes them all away and entirely eliminates subsection (10), which deals with agricultural employees engaged in handling, packing, storing, ginning, compressing, pasteurizing, drying, preparing in their raw or natural state, or canning of agricultural or horticultural commodities for market, or in making cheese or butter or other dairy products. That exemption is lost under provisions 6 and 7 of the law if his amendment is adopted.

If you want to take away from agriculture some exemptions that they have under existing law, then you should vote for the amendment offered by the gentleman from California.

I am not so sure that we did a wise thing when we adopted the Buck amendment, because the Buck amendment seeks to describe all branches of agriculture. I am afraid that we have overlooked some of the definitions that we might have included in the various occupations in agriculture. We should go slowly on this matter because I believe the Members of the House do not want to take away from agriculture any of the rights they have been given under existing law.

It is true that in subsection (10) we have the area-of-production provisions as defined by the Administrator. We want to get rid of that. An amendment will be offered to get rid of it. I believe that due to the confusion in the Wage and Hour Division in carrying out the intention of Congress in making a definition of it we will get rid of it when the amendment is offered this afternoon, and we will retain for agriculture the exemptions given to them in the original law, according to the intent of Congress.

I feel that the amendment offered by the gentleman from California should be voted down in the best interests of legislation in an effort to draft a workable bill that will be

satisfactory in part, at least, to the important branches of our complicated economic structure.

It is our business to legislate here today and to take our time in doing so, rather than to take snap judgment on something that may have far-reaching consequences on our whole economic structure in this country. I therefore hope that this amendment will be voted down until it is given further study, and then it can be brought in as a separate bill from the Committee on Labor for consideration here by the Congress. [Applause.]

[Here the gavel fell.]

Mr. BARDEN of North Carolina. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, members of this Committee, be not deceived about this amendment. It wipes out every exemption in the law for agriculture in the way of an operation except cotton ginning, and I wonder if cotton ginning was not left in there for some votes. Why should cotton ginning be exempt, but not the shed where the man takes one load of cotton to get it ginned and another load of vegetables to get them sorted and packed in a crate? What is the difference? Let us not be absurd about this thing. Then we say we are wiping out the term "area of production."

Let me tell you something. Somebody is going to have to answer to the man who this very afternoon is out plowing with a mule and working. Yes; child labor is going on down there in those fields, little hands are handling the vegetables, little children are picking the strawberries. They, too, would like some relief. Their fathers and mothers love them just as much as the city folks love theirs. You cannot shut your eyes to this condition or turn a deaf ear to their case and be justified. In the name of God is there one man here who will vote to fix the price when the Extension Bureau of the Department of Agriculture and all the agricultural men have reported it would cost $6 to produce a crate of strawberries under the 30-cents-an-hour minimum? Is there anyone here who will go down there or rise on this floor and argue to raise the cost of food? Oh, no; it is mashed down, mashed down, mashed down.

Now, let me tell you something. Be not deceived. The words of some may rattle well in the galleries here, but not only has the individual Member, but the Democratic Party and the Republican Party have got to go and talk to those farmers, and the time is not far off.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. BARDEN of North Carolina. Yes; I will yield.

Mrs. NORTON. The gentleman knows that the cat is out of the bag on the Buck amendment. Is not that true?

Mr. BARDEN of North Carolina. I do not know where the cat came from, but there is one running around here [laughter], and I am not sure it is not a black one.

Now, it is all right and proper to legislate here, but let us not to try to play ping-pong with the agricultural rights of this country. Why, the idea of putting in a sweeping amendment like this. The gentleman said he was born on a farm. Maybe so, but I fear the gentleman has moved uptown. [Laughter.] I know he has a very kindly face [laughter], a very kindly face, and he looks just as wise as if he had been down in a potato field yesterday, but the gentleman does not stop to think that the farmer carries those potatoes to market and he gets what is left after they are graded and packed. Why, the gentleman has heard me talk agriculture and potatoes so much that he calls me "Potato," as a nickname, and that is a very respectable crop down in my section; yet the gentleman pays 20 cents for one baked up here that my folks down there sell for 50 cents a barrel, and little children pick those potatoes. Let us do something for these people.

Be not deceived, this amendment simply rips every single exemption that you have been talking about giving to agriculture, and now you have gone right up to his platform.

Somebody propose some legislation here to fix a price on agricultural products and I will go with you. Let somebody get up here and say to me that he is willing to pay what it costs the farmer to produce agricultural products plus 10 percent and I am just about desperate enough to go with him. [Applause.] My God, we cannot keep mashing them down. There are 32,000,000 of those good agricultural people and I come from the heart of them. I cannot talk the big city language and I have no prejudice. I go there every time I can to see the sights. I love the folks, but why should we talk about one group against the other and attempt to stir up feeling one against the other when, my God, if we are to have any prosperity or any happiness in this country it must come through the cooperation of these two groups and of all the people. We cannot divide up.

I am calling on you as earnestly as I know how to vote down the amendment. It goes right on up to the platform and the only thing it leaves in is the ginning of cotton and the boll weevil is going to take care of that, it looks like to me. [Laughter and applause.]

[Here the gavel fell.]

Mr. BUCK. Mr. Chairman, I rise in opposition to the amendment and ask unanimous consent to revise and extend my remarks in the RECORD.

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

There was no objection.

Mr. BUCK. Mr. Chairman, personally, I have the same high regard for my colleague from San Francisco [Mr. WELCH] that was expressed by the chairman of the Labor Committee, but the purpose of the Welch amendment is to emasculate the Buck amendment which was adopted yesterday. It has no other purpose whatsoever.

In the first place, I do not know how anyone from California could get up here and offer an amendment of this kind and eliminate subdivision 4 of the amendment, which specifically covers the producers of perishable agricultural products, fresh fruits, and vegetables. I realize that on Twin Peaks they do not raise many fruits and vegetables, but, nevertheless, there are great processing operations carried on in connection with the marketing and processing of these commodities in San Francisco. Anybody who wants to vote for this amendment is going to have to go back to his farm community, if his constituents raise any perishable products whatever, and tell them that he deliberately voted to destroy the exemptions that are already in this act for the benefit of the producers of perishable products.

Mrs. NORTON rose.

Mr. BUCK. I do not yield. The elimination of subdivision 10 of section 13 (a) of the Fair Labor Standards Act, as the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] pointed out, does not merely eliminate the question of the area of production, but it eliminates all of the exemptions that are at present in the act, for the benefit of those processing, drying, canning, and so forth, plants which might have been located within the area of production.

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

Mr. BUCK. I do not yield. Bad as the definition of the area of production was, bad as the rulings under it have been, it is not proper, wise, or courageous for Congress to try to sit here this afternoon and take away the existing exemptions.

I want to say something now about the child-labor proposition. On June 5, 1939, the chairman of the Committee on Labor came into the House of Representatives and moved to suspend the rules and pass a bill, not the bill reported here today, but one which had some additional committee amendments attached to it and among those committee amendments was the following, under which the gentlewoman from New Jersey exempted:

> Any employee employed in cleaning, packing, grading, or preparing, but not canning and processing, fresh fruits and vegetables in their raw and natural state, when such operations are performed in the generally recognized production area or section where such commodities are produced normally, or are usually prepared for market.

That was a revision of the definition of agriculture. It added to the exemption of child labor as well. I do not know how many people would be covered by that definition, whether there were 200,000 or 400,000 or 50,000 or 60,000. Nevertheless every one of those people engaged in that occupation

could have been children, and child labor could have been employed at any time under that definition. Why, it is as flat as a soggy pancake for the chairman of this committee or anybody else to come in here and talk about extending the exemption of child labor under my amendment when she brought in a bill of that kind a year ago.

Mr. Chairman, the amendment I offered and which was adopted yesterday was one that was well thought out, well drawn, considered by the legislative counsel, considered by the counsel for the Bureau of Internal Revenue, considered by others who have to administer this act, and I refresh your memory by calling your attention to what the chairman of the Committee on Agriculture, the gentleman from Texas [Mr. JONES], told you this morning and what yesterday I said myself in different words, that here we are about to set up some kind of a standard for which the Administrator of the Wage and Hour Division ought to thank us, by which he can be guided. If he has to go on and make his rulings indiscriminately guided by his own thoughts only, and by the simple phrase "agriculture," which is not definite, in the act at the present time, then not only the Wage and Hour Division but the United States Government will be confronted with lawsuit after lawsuit until this matter finally is threshed out through the courts. Why is it not better for us to settle this matter once and for all by setting up this chart?

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

Mr. BEAM. Mr. Chairman, an unusual development has taken place in the discussion of this amendment. Not only does the Welch amendment try to rectify some of the injustices which have been done by the adoption of the Buck amendment, but it also tends to clarify greatly some of the incongruities existing in the present law, and which will be greatly enhanced if the Buck amendment is permanently written into the law. I particularly address myself to the remarks of the gentleman from California [Mr. BUCK] who just concluded, when he stated that last year the chairman of the Committee on Labor came before the Rules Committee and asked for a rule to bring this legislation before the floor of the House.

The chairman of the Committee on Labor stated that on two different occasions she appeared before the Committee on Rules and asked for a rule to consider this legislation but at each particular time it was denied by the Rules Committee and she was compelled to resort to the only parliamentary procedure which the rules of the House afford, and that was to have a petition signed by 218 Members of the House, to bring this proposed legislation to the floor of the House for discussion. Not only once was this action required but it was also necessary to have a petition signed a second time in order to give the membership of the House an opportunity to vote on the proposed measure.

My friends, what is this powerful influence that has always opposed the wage and hour law, and which even now is attempting to so emasculate and impair its effectiveness as to decree to economic servitude a million and a half of the wage earners of the United States?

We are advised that if the Buck amendment becomes permanent law, an additional 200,000 workers in the preserving and canning plants throughout the Nation will be exempted from the protecting provisions of the law.

I ask you, is 30 cents an hour, or $12.60 a week, too high a wage for an American worker to receive for his or her services?

By your votes you are going to answer this question, in the affirmative or in the negative.

In a short time the great Republican Party is going to assemble at Philadelphia for their national convention, and I want to say here and now that I was greatly impressed the other day when the gentleman from Indiana, in upholding the wage scale, stated in his discourse that the Republican Party has always been a party of the full dinner pail, and has always fought for the rights of labor. In view of your action here today what a dilemma will confront you when the resolution committee of your party presents to our colleague the gentleman from Massachusetts, JOE MARTIN, the permanent chairman of the Republican convention, a resolution upholding the rights of the laboring man to a fair wage and a high standard of living when today, by your action, you say to the laboring masses of America that 30 cents an hour is too high a price to pay—that $12.60 is too large a weekly remuneration to the toilers of our Nation.

Let me tell my good friends of the Democratic Party who, under the protective cloak of agriculture, are trying to crucify labor today, that since 1933, $6,000,000,000 have been appropriated to further the agricultural interests of the Nation. Do you think these appropriations and enabling legislative acts could have been passed by this body without the aid and assistance of we Members fro mthe industrial areas of the country? We supported your A. A. A. program, your cotton legislation, your crop-insurance measures, your crop loans, your flood-control bills, the Tennessee Valley Authority, and other remedial measures, all in the name of agriculture. Do you propose now, by your votes, to repay that assistance by destroying the only protection from exploitation the laboring man has today?

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

Mr. BEAM. No; not now. Every operation of the farm is exempted under existing law. It is excluded. That is the organic and basic law. Members of the House, if the Buck amendment is not modified or changed, then the only honest and fair thing to do is to recommit this bill. Let me say to you gentlemen who represent Ohio, Wisconsin, New York, Pennsylvania, Indiana, and Illinois, do you want to subject your employers who maintain a high standard of wages to the unfair competition of States who will again engage in child labor and pay an unfair and unlivable wage to their employees?

The amendment of the gentleman from California [Mr. WELCH] is to safeguard the protection of the child-labor law and to maintain a fair standard of American living.

I tell you, Members of the House, that unless we maintain the standard of at least 30 cents an hour, your relief bills will become greatly enlarged and increased, and you will again be confronted with greater problems, infinitely more difficult of solution.

I appeal to you in the cause of labor and decency to adopt the Welch amendment. [Applause.]

[Here the gavel fell.]

Mr. RAMSPECK. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I think there is some confusion about what this proposed amendment does. If you will turn to page 15 of the bill, you will find that line 15 undertakes to amend section 13 (a) of the act by first striking out clause 10 and inserting in lieu thereof an exemption.

Mr. BEAM. Will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. BEAM. The gentleman said he misunderstood my meaning. I said to vote for the Welch amendment.

Mr. RAMSPECK. Then there is an exemption for telephone and switchboard operators, and for employees engaged in the cleaning, packing, grading, or preparing fresh fruits and vegetables; for employees employed in handling, tying, drying, stripping, and grading tobacco. Those are exemptions from both wages and hours. The Welch amendment will strike out those exemptions.

The reason the ginning of cotton is not affected is because it is in the Buck amendment and will be taken care of there.

The Buck amendment has four parts. The effect of the Welch amendment is to eliminate from the exemptions from both wages and hours the language contained in subsection 4 of the Buck amendment, so as to apply the wage and hour law to those operations. It is true that many of those operations are given the 60-hour week under other language in this bill. So that the real effect of the Welch amendment, of course, is to put back under the wage section of the law the operations described in section 4 of the Buck amendment.

I think that is a fair statement of the issue.

Mr. BARTON of New York. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. BARTON of New York. May I draw the gentleman's attention to the colloquy that took place yesterday between the gentleman from California [Mr. BUCK] and the gentleman from Kentucky [Mr. MAY]? Mr. MAY said:

I would like to inquire of the gentleman with respect particularly to the fruit industry, as to whether or not the wages that were paid prior to any of the labor legislation on the average was a good deal higher than the wages that will be paid under the wage and hour provision?

To which Mr. BUCK answered:

They not only were then, but they are now.

Now, if the wages are already higher than the wages which the wage and hour law fixes, then certainly we are inflicting no hardship on the fruit and vegetable industry if we ask that they pay wages lower than the wages they are already paying?

Mr. RAMSPECK. That is true.

Mr. BUCK. Will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. BUCK. I call the attention of the Committee, particularly the gentleman from New York, to another part of the remarks I made yesterday when I stated that in the depression years of 1930, 1931, and 1932 the wages of pickers and probably packagers of fresh fruits and vegetables fell as low as 15 cents an hour. These are perishable commodities and you cannot afford to pay workers any more than you can relatively get when the goods go into the consumption centers. At that particular time there was a great outcry over this 15 cents an hour, and a committee from the American Federation of Labor was appointed to look into the situation. They came back and reported to the A. F. of L. that under existing circumstances and the prices at distribution centers it was not possible to pay workers more than 15 cents an hour without throwing everybody out of employment. For that reason it is impossible to fix a definite standard of 30 cents an hour at any one time. This is a long-range amendment.

Mr. Chairman, I ask unanimous consent that the gentleman from Georgia may have 3 additional minutes to cover the point I have asked him.

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

There was no objection.

Mr. RAMSPECK. Does the gentleman from California agree that the issue has been fairly stated by the present speaker, that the issue is whether or not you are going to restore wages or the wage provisions of the act to the operations described in subsection (4) of the gentleman's amendment of yesterday?

Mr. BUCK. I wish the gentleman from Georgia would expatiate a little on the comparison made to the portion of the Welch amendment which deals with the repeal of subsection 10 in its entirety so that those processing plants which are now exempt, if they are within an area of production, are not to be exempt hereafter.

Mr. RAMSPECK. The bill, of course, contains that provision. The Welch amendment does not add anything to the bill, because we have intended all along to repeal clause 10 of section 13 (a) so as to get rid of the area of production; and I believe 90 percent of the Members want to do that.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mrs. NORTON. From the answer the gentleman from California gave to the gentleman from Georgia it is plainly evident that the only thing under consideration is whether we want to take the 30 cents an hour from these workers.

Mr. RAMSPECK. I think that fairly states the issue. It is a question whether or not you want to apply the 30-cents-an-hour provision to the operations described in subsection 4 of the Buck amendment; and if you will look in Monday's RECORD on page 5214 you will find a copy of the Buck amendment and can tell exactly what you are voting on.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. SCHAFER of Wisconsin. If the Welch amendment nullifies a part of the Buck amendment, as we have been told it does, then should it be adopted we would have two conflicting provisions in the bill. How is one to determine which will control? We are told on the one hand that the Buck amendment forces a person to do a thing and on the other that the Welch amendment forbids its being done.

Mr. RAMSPECK. There is no conflict at all, because the Welch amendment is to section 13 (a) 6 which exempts from both wages and hours everything contained in the definition of agriculture. This exemption is limited by the words of the amendment itself to clauses 1, 2, and 3 of the definition of agriculture placed in the bill by the gentleman from California [Mr. BUCK]. There is no conflict. It is simply a limitation of the exemption which would have been granted under the Buck definition of agriculture.

Mr. SCHAFER of Wisconsin. Does the Buck amendment provide that you can do something, and the Welch amendment provide that you shall not do it?

Mr. RAMSPECK. No. The Buck amendment does not exempt anybody, without subsection 6 of section 13 (a) the Buck amendment is simply a definition. It does not exempt anybody from anything without clause 6 of section 13 (a). The gentleman from California [Mr. WELCH] is undertaking to limit the exemption contained in clause 6 of section 13 (a) to the first three paragraphs of the Buck definition.

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

Mr. RAMSPECK. I yield.

Mr. LANDIS. Then the amendment does not affect the packing or handling and the crating and the picking on the farm?

Mr. RAMSPECK. It does not affect anything that is done by a farmer on a farm or in the incidental operations on the farm, the definite operations of farming.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The question was taken; and on a division (demanded by Mrs. NORTON) there were—ayes 45, noes 103.

So the amendment was rejected.

Mr. RAYBURN. Mr. Chairman——

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. RAYBURN. Mr. Chairman, I am wondering if it would not be possible to agree to some limitation of debate on this bill. It seems that we are going uphill and right down again on various amendments. I am wondering if most of us have not had about enough of this discussion and if we could not agree that after a certain time all debate on this matter should be closed.

Mr. Chairman, I ask unanimous consent that all debate on the Norton amendment and all amendments thereto close at 5:30.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that all debate on the Norton amendment and all amendments thereto close at 5:30.

Mr. BLAND. Mr. Chairman, reserving the right to object, we had an apple out of that bag 1 or 2 days ago. The time was fixed, and important amendments were placed before the House. The time was consumed, and when we reached those vital amendments which crucified the bill there was no time left to discuss the amendments. Mr. Chairman, I object.

Mrs. NORTON. Mr. Chairman, I move that the Committee do now rise.

Mr. SCHAFER of Wisconsin. Mr. Chairman, on that motion I ask for a division.

The question was taken; and on a division (demanded by Mr. SCHAFER of Wisconsin and Mrs. NORTON), there were—ayes 52, noes 97.

So the motion was rejected.

Mr. BLAND. Mr. Chairman, I am not trying to delay things. I wonder if we cannot determine the number of

amendments on the Clerk's desk and allow the usual 10 minutes, 5 for and against each amendment, then vote on them? I presume the amendments are all there.

Mrs. NORTON. Mr. Chairman, I try to be fair. Does not the gentleman know that there have been as much as 2 hours consumed on a single amendment? Does the gentleman think that is fair? We have been on this bill for 5 days, a bill that is now, with the amendments adopted, a disgrace to America, and when it is voted on, if it is voted on, and adopted, it will be buried. So why waste all this time? It is loaded down now with amendments to such an extent that certainly the chairman of the Labor Committee would repudiate it, and I intend to repudiate it. With all the amendments that have been loaded on the bill today it will die of its own weight. I intend to repudiate this bill, if adopted as amended. I will vote against it in Committee, and if it is adopted, shall then attempt to have it recommitted in the House.

Mr. BLAND. With all due deference to the gentlewoman from New Jersey [Mrs. NORTON], other Members have equal rights upon this floor. If the unanimous-consent request is made, and is satisfactory to the Members of the House, it is satisfactory with me.

Mr. RAYBURN. Mr. Chairman, I renew the request that I made a moment ago that all debate on the Norton amendment to the bill and all amendments thereto close at 5:30.

The CHAIRMAN. The gentleman from Texas [Mr. RAYBURN] asks unanimous consent that all debate on this amendment and all amendments to the substitute close at 5:30. Is there objection?

Mr. GEYER of California. Mr. Chairman, I object.

Mr. BLAND. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BLAND: On page 15, line 21, after the word "or", strike out all of clause 12 and insert in lieu thereof the following:

"12. Any employee employed in the canning, packing, grading or preparing fresh fruits and fresh vegetables in their raw or natural state, or any employee employed in the canning, processing, freezing, or preserving of any products consisting wholly or in chief volume of perishable or seasonal fruits or vegetables, including dried fruits, or in handling or transportation in connection with or incidental to such operations, to the extent employee is so engaged."

Mr. BLAND. Mr. Chairman, this amendment changes the amendment that has been offered by the committee to this extent: It leaves in section 12 "any employee employed in the canning, packing, grading, or preparing fresh fruits and vegetables in their raw or natural state" but omits "when such operations are performed immediately off the farm."

There is no intelligible interpretation of what that language means. Then it adds "any employee employed in the canning, processing, freezing, or preserving of any product consisting wholly or in chief volume of perishable or seasonal fruits," and so forth. I shall not read the rest of it because it is identical with the amendment that I offered yesterday except as modified to conform with the context.

Mr. Chairman, we talk about paying less than 30 cents an hour. I am talking about the labor on the farm. I am speaking for the farmer and the cannery laborer so that they may live. I would much rather pay less than 30 cents an hour on some of the farms that cannot survive unless they pay less than that sum for cannery operations immediately connected with the farm, such as I have in my district. Deny to the laborer what may be paid and you deny to the farmer the right to grow that product. You have increased your unemployment, both as to the farmer and as to the laborer.

The gentleman from Georgia said he is deeply interested in the farmer and he cites cases in his district. There is a vast difference between a farm near a center like Atlanta and a farm in my district, far removed from the industrial centers, where there is cost of transportation, where there is waste, and all of those things. I desire to subscribe to the philosophy of the gentleman from Georgia, but I say to him, in the words of Portia:

If to do were as easy as to know what were good to do, chapels had been churches and poor men's cottages princes' palaces.

Mr. Chairman, we are dealing with a concrete situation. These farmers cannot exist unless they have these operations there. Move your area of production 10 miles and you know what that does in my district? About half of it in many cases would be in the Atlantic Ocean and the other in rivers that intersect my district. These problems ought to be dealt with in a practical way, and these people allowed to survive. If you make the expense too high, you destroy both the farmer and the laborer. Take your unit of production. You ought to base costs on the unit of production. We have unskilled labor. We have labor that part of the time is working in the canning factory, and even with the small cost that we pay, the unit of production—the can—is costing just as much or more than it does where they have skilled labor. We cannot bring in skilled labor where these canneries are operating—that is, way out in the country. They operate a very short time. They are seasonal. We use in the cannery the people who work on the farms. They work there a few days and they work on the farm a few days, and they are able thereby to make a living that they could not make otherwise. I ask justice to them. [Applause.]

[Here the gavel fell.]

Mr. ELLIS. Mr. Chairman, I rise in support of the amendment.

Mr. RAMSPECK. Mr. Chairman, will the gentleman yield to me to submit a unanimous-consent request?

Mr. ELLIS. I yield.

Mr. RAMSPECK. Mr. Chairman, how many amendments to section 5 are still to be offered?

The CHAIRMAN. There seem to be about seven amendments.

Mr. RAMSPECK. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 30 minutes.

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

There was no objection.

Mr. ELLIS. Mr. Chairman, the country I represent is a mountain-plains territory. In my district are nearly 100 canning factories. Certainly I would never take this floor in behalf of an amendment that would prevent my people who work in those canning factories from getting more money for their labor, but the situation is not that. Today only 60 percent of those canneries are planning to operate during this coming summer. Only 60 percent of them have signed contracts with the farmers. I would not state to you that the 40 percent remaining are not working because of the wage and hour bill, for some of them no doubt are failing for other reasons to operate, but I do know that most of them are failing to operate for that reason. The reason is that when you can tomatoes for only a few weeks, and when you can beans for only a few weeks in the year, and that is about all they can do in that high land, you must operate with unskilled labor.

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

Mr. ELLIS. Briefly, yes.

Mr. FRIES. Does the gentleman from Arkansas realize that the canning industry in his State pays 17 cents an hour today, while our canning industry in the State of Illinois pays 41 cents an hour?

Mr. ELLIS. I would not take issue with my friend on that except to say that I believe he is wrong.

Mr. FRIES. Those are facts established by the Women's Bureau of the Department of Labor.

Mr. ELLIS. The fact remains that the canning factories are not operating, and when they do not operate, my people cannot grow the crops they are accustomed to grow. Then those who have been working in the factories cannot get anything at all, they are cut clear out, and therefore it is a total loss to us.

This amendment would simply provide that if these canneries operating in that section, in order to be still exempt from the Wage and Hour Act, desire to can dry beans part of the time, say for a few weeks in between the bean season

and the tomato season, they can do it, and they can qualify under the wage and hour law and pay the wages and operate under the hours as provided by the act for that short term without being required to come under the act the rest of the time. That is just about all the amendment provides for, and I believe it should be adopted. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. Does the gentleman from Georgia desire recognition on the amendment?

Mr. RAMSPECK. I would just like to be recognized for about 2 minutes to ask the gentleman from Virginia [Mr. BLAND] if the language of this amendment is the language the gentleman from Virginia [Mr. ROBERTSON] showed me a day or so ago?

Mr. BLAND. I do not believe so. I do not believe that I have ever shown this to the gentleman from Virginia [Mr. ROBERTSON]. This is the same amendment I offered yesterday, with only such changes as adapt it to the context.

Mr. RAMSPECK. What does it do other than eliminate this language, "immediately off the farm"?

Mr. BLAND. It eliminates that and also removes the wage and hour provisions as to those cannery operations.

Mr. RAMSPECK. Does the gentleman mean it takes them out from under the wage provisions also?

Mr. BLAND. It does.

Mr. RAMSPECK. Then, Mr. Chairman, of course, I must oppose the amendment, because it is contrary to the policy of the bill the committee has reported. I hope the Committee will vote it down, because it undertakes to eliminate the wage provisions in these operations.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. BLAND].

The question was taken; and on a division (demanded by Mr. RAMSPECK) there were—ayes 52, noes 40.

So the amendment was agreed to.

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

The Clerk read as follows:

Amendment offered by Mr. WHITTINGTON: On page 15, beginning with clause (10), in line 17, strike out the remainder of the subsection down to and including line 4, on page 16, and insert the following:

"(10) to any individual employed and engaged in handling, packing, storing, ginning, compressing, pasteurizing, drying, preparing in their raw or natural state, or canning of agricultural or horticultural commodities for markets, or in making cheese or butter or other dairy products."

Mr. RAMSPECK. Mr. Chairman, I make the point of order that the gentleman is undertaking to strike out of the bill language which the gentleman from Virginia has just written into it.

Mr. WHITTINGTON. I strike out additional language, too. I have not offered any amendment at all to the amendment of the gentleman from Virginia.

Mr. RAMSPECK. The gentleman from Virginia substituted new language for lines 21, 22, 23, and 24, and the first line on page 16.

Mr. WHITTINGTON. I would say with respect to this that a motion to strike out is in order at any time, and perfecting amendments are considered before the amendment to strike out.

Mr. BLAND. My amendment was directed, and I think so specifies, to subparagraph (12).

The CHAIRMAN. The gentleman makes the point of order that the proposed amendment of the gentleman from Mississippi seeks to strike out the amendment that was just adopted.

Mr. WHITTINGTON. Mr. Chairman, I answered that by saying that I propose to strike out the language of the bill, and that point of order is not well taken.

The CHAIRMAN. According to the amendment as written, the Chair thinks it proposes to strike out language that was adopted a few minutes ago.

Mr. WHITTINGTON. Mr. Chairman, in connection with the statement just made, will the Chair permit the reading of the amendment of the gentleman from Virginia [Mr. BLAND] for the information of the House?

The Clerk again read the Bland amendment.

Mr. WHITTINGTON. Mr. Chairman, as I understand the gentleman's amendment, it is an amendment to the pending committee amendment, and one that perfects the committee amendment. My motion is to strike out the entire section and insert a new provision in lieu thereof.

The CHAIRMAN. That is correct, but that will strike out the amendment.

Mr. WHITTINGTON. I am not arguing that, but this is perfecting the original amendment, and therefore I say the point of order is not well taken.

The CHAIRMAN. The gentleman is correct, and the Chair overrules the point of order.

The gentleman from Mississippi is recognized for 4 minutes.

Mr. WHITTINGTON. Mr. Chairman, on yesterday when this bill was brought to the attention of the House and before we went into Committee of the Whole, the chairman of the committee made a statement of her purpose to offer an amendment to the section under consideration. During the colloquy that ensued I asked if it would not be generally satisfactory to leave the existing law as it is and to strike from the provisions of existing law the controversial language, "area of production."

The amendment that I now propose strikes from this bill the language that is intended by the committee amendment to be inserted in lieu of clause 10 of the exemptions in 13 (a) of the original act and to restore the language of the original act which would include the provisions of the gentleman from Virginia and other broader provisions, but at all events it leaves the law just as it is, with the words "area of production" stricken out.

Now let me remind you that the existing law, section 13 (a), clause 10, reads "to any individual employed within the area of production (as defined by the Administrator)."

That is the language stricken out if my amendment is adopted, and it does not amend the existing law with respect to "handling, packing, storing, ginning, compressing, pasteurizing, drying, preparing in their raw or natural state or canning of agricultural or horticultural commodities for market, or in making cheese or butter or other dairy products."

In other words, Mr. Chairman, in the interest of passing the bill as reported by the committee and eliminating controversial matter, it does strike me that there will be more nearly a meeting of all minds if we agree to leave exemptions under the law just as they are and remove from the law the thing that has been causing irritation and dissatisfaction, to wit, the removal of the language "within the area of production."

Let me call attention to the fact that that language has been removed from the bill as thus far adopted under section 3, by adopting the amendment of the committee and my amendment, if agreed to, will eliminate the controversy and will eliminate the necessity of continued amendment and leave the existing law, without either limiting or expanding the exemptions, and eliminate the controversial language and the thing that has caused the trouble, to wit "within the area of production," and I trust my amendment may be adopted.

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

The CHAIRMAN. Time has been fixed according to the number of amendments pending, and no time was reserved for the gentleman from Virginia.

Mr. BLAND. Then, Mr. Chairman, I ask unanimous consent to proceed for 2 minutes.

The CHAIRMAN. Such a unanimous consent cannot be granted where a limitation of time has been made.

The question is on the amendment offered by the gentleman from Mississippi [Mr. WHITTINGTON].

The question was taken; and on a division (demanded by Mr. WHITTINGTON) there were—ayes 19, noes 52.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

The CHAIRMAN. The gentleman from Virginia [Mr. ROBERTSON] offers an amendment which the Clerk will report.

The Clerk read as follows:

On page 15 strike out subsection (12) of Section 5 (b) which reads as follows: "or (12) any employee employed in the cleaning, packing, grading, or preparing fresh fruits and fresh vegetables in their raw or natural state when such operations are performed immediately off the farm", and substitute therefor the following: "or (12) any employee employed in the handling, cleaning, preparing, grading, packing, packaging, or storing of fresh fruits or vegetables in their raw or natural state when such operations are performed prior to their delivery to a terminal market prepared for distribution for consumption."

Mr. RAMSPECK. Mr. Chairman, I make the point of order that the gentleman from Virginia [Mr. BLAND] has already offered an amendment to take that language out of the bill.

Mr. ROBERTSON. I just wanted to have it appear that I offered the amendment anyway. I realize that the amendment is already covered, but not in the same way.

The CHAIRMAN. Does the gentleman from Georgia insist upon the point of order?

Mr. ROBERTSON. Mr. Chairman, I withdraw the amendment.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GROSS] offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GROSS: Page 15, line 15, after the word "or", strike out the period and add the following: "manufacturing of cigars when the work is done by hand and wages are calculated on a piece-work basis."

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GROSS] is recognized for 4 minutes.

Mr. GROSS. Mr. Chairman, it so happens that in my district the cigar business has been for many, many years one of the basic industries. Good or bad times in that district have depended upon the cigar business. It has paid more money in internal revenue taxes than any other one thing that we have. The work has always been on a piece-time basis, and the people work hours to satisfy themselves. They were paid for what they earned. The facts are that when a hundred young people went to learn the cigar business, about 90 percent of them were not fast enough to comply with the law. Ten percent of 80 percent, with a little effort can comply with the law. The balance cannot. Consequently a vast number of cigar makers are not able to make a living. It is true they cannot earn $2.50 a day. No young people are learning this trade. It is going out, due to competition and machine work. These people are getting old. They cannot do anything else and they only ask to be permitted to do the work they have always been doing.

They do not want to be on relief. If it is just a dollar and a half or two dollars a day that they can earn, it is either that or nothing. Hundreds of them have not anything to do. This exemption would grant that these people might continue to work as long as they can, and the thing will automatically go out. I cite an instance of eight men whose average age is 68 years. They had a little factory, and they earned less than a dollar a day, but when the law went into effect they had to quit, and went on relief. Well, those old men want to work on in that little shanty that they were working in, at their chosen profession. They want to be making their own living. It is a case of letting them work, or enforcing the law, and I do not believe that we can justify a law that will prevent a man from working to earn what he can. I earnestly hope that you will vote for this amendment. It means so much to the people who cannot do anything else.

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

The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by Mr. GROSS) there were—ayes 33, noes 51.

So the amendment was rejected.

The CHAIRMAN. The gentleman from Iowa [Mr. GWYNNE] has an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GWYNNE: Page 15, line 14, insert the following new paragraph:

"Section 13 (a) of such act is further amended by striking out clause (8) and inserting in lieu thereof the following:

"'(8) any employee employed in connection with the publication of any newspaper with a circulation of less than 5,000; or.'"

Mr. GWYNNE. Mr. Chairman, this is the same amendment that was adopted by the House last Tuesday. It has the endorsement of the National Editorial Association, which is an organization comprising some 16,000 weekly, semiweekly, and daily newspapers throughout the country.

Under the present law, as you will remember, the exemption extends to weeklies and semiweeklies having a circulation of less than 3,000. The purpose of this amendment is to include dailies which are published under substantially the same conditions as weeklies and semiweeklies, and to extend the exemption from 3,000 to 5,000.

The number of people that will be included under this amendment is small, of course. Most of the papers are now exempt. The purpose of the amendment is not to extend the exemption of the Wage and Hour Act. The purpose of it is to act justly by all people who are publishing newspapers under substantially the same conditions.

I trust this amendment will be adopted.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE. I yield.

Mr. H. CARL ANDERSEN. Is it not a fact that under the present act in connection with these particular newspapers with circulation from 3,000 to 5,000, unemployment is created, rather than employment? To substantiate this statement may I read from a telegram received from the Marshall Daily Messenger supporting your proposed amendment?

MARSHALL, MINN., *April 30, 1940.*

Hon. H. CARL ANDERSEN,
Member of Congress,
House Office Building, Washington, D. C.:

Respectfully and sincerely urge that you support wage-hour amendment exempting all newspapers of 5,000 or less circulation. Forty-two-hour law is real hardship on papers in smaller communities. Creates unemployment instead of more employment due necessity cutting overhead and even jeopardizes existence as daily paper. With approximate hundred dollars monthly social-security payments and the hour law you can appreciate weight of burden in community this size. Thank you for your support.

MARSHALL DAILY MESSENGER.

Mr. GWYNNE. Yes, sir. There is no objection to the wage scale. These people are all receiving more than 30 cents an hour.

Mr. TALLE. Will the gentleman yield?

Mr. GWYNNE. I yield.

Mr. TALLE. I want to reassert my support of the gentleman's amendment. There is no objection to the wage rate. But the hours provision of the law limits the operations of the small dailies and weeklies. Enactment of this amendment will increase employment.

Mr. GWYNNE. That is correct.

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

Mr. GWYNNE. I yield.

Mr. JENSEN. This is a very good amendment, and I hope it will be adopted.

Mr. GWYNNE. I thank the gentleman.

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

Mr. GWYNNE. I yield.

Mr. DONDERO. It is the penalty caused by the hours scale that brings trouble for these little newspapers?

Mr. GWYNNE. That is right.

Mr. DONDERO. And not the 30 cents an hour?

Mr. GWYNNE. That is true. They all receive more than 30 cents an hour.

Mr. DONDERO. But if they have to pay time and a half or double time they cannot meet it?

Mr. GWYNNE. The gentleman is correct.

Mr. DONDERO. And unemployment results from that condition?

Mr. GWYNNE. That is right.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GWYNNE].

The amendment was agreed to.

The CHAIRMAN. The gentleman from Kansas [Mr. CARLSON] is recognized.

Mr. CARLSON. Mr. Chairman, in view of the adoption of the Gwynne amendment, I ask that my amendment be withdrawn.

The CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

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

The Clerk read as follows:

Amendment offered by Mr. BLAND: Page 16, line 4, after the word "tobacco", strike out the period, insert a semicolon, and add the following: "or (14) any employee employed in the cutting of timber for manufacture into lumber, or the manufacture, preparing for market, or marketing, or lumber (including handling or transportation in connection with or incidental to such operations) during any calendar year if his employer at no time during such calendar year employed in connection with or incidental to all such operations in the aggregate more than 15 employees."

Mr. BLAND. Mr. Chairman, I shall take very little time on this amendment.

Here is the situation: We have small lumber mills which employ men who work on the farm and men who work in the canneries—part-time operators. When they cannot work on the farm they work in the mill and saw some of the lumber. Ninety percent of that lumber will be purely intrastate—sold in the county, but if 1 percent of the lumber cut is used to make staves and those staves are made into barrels and those barrels are used in interstate commerce, the regulation is that the entire operation is subject to the law. The result of it is that these small mills are closing down just by reason of that regulation, and yet they are doing from 90 to 99 percent an intrastate business.

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

Mr. BLAND. I yield.

Mr. COX. A very large percentage of these small mills are operated by farmers themselves, in the sawing of trees on their own land?

Mr. BLAND. That is right. The same labor that works on the farm is used in these mills. What it does is increase labor and, believe me, what we need in this country is an increase of employment rather than a stoppage of employment.

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

Mr. BLAND. I yield.

Mr. WHITTINGTON. Is this not substantially the same amendment that was approved by the House in the Barden bill?

Mr. BLAND. Yes; this is the same amendment that was approved in the Barden bill.

I ask for a vote on the amendment, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. BLAND].

The question was taken; and on a division (demanded by Mr. RAMSPECK) there were ayes 45 and noes 53.

So the amendment was rejected.

Mr. ROBERTSON. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Virginia rise?

Mr. ROBERTSON. Mr. Chairman, I ask unanimous consent to amend the Bland amendment that was adopted by adding, after the word "preparing", where it first appears in that amendment, the words "or storing."

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that the Bland amendment be amended by adding, after the word "preparing", where it first appears, the words "or storing."

Mr. ROBERTSON. I suggest this amendment for the reason that 50 percent of the apples produced in this country, over 100,000,000 bushels average, are in storage on the 1st of December and stay in storage until they are gradually poured into the market, and they stay in storage at the expense of the farmer. Forty-two million bushels of potatoes for seed alone are in storage at the expense of the farmer until they come out in the spring and summer for seed.

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

Mr. BUCK. Mr. Chairman, reserving the right to object, this was merely an inadvertent omission, was it not?

Mr. ROBERTSON. I understand so. It was in my amendment, but I could not get to it because of the Bland amendment.

Mr. RAMSPECK. Will the gentleman answer this question, Are those apples stored by the farmer? Do they still belong to the farmer?

Mr. ROBERTSON. For the most part. Sometimes they are stored by those who bought them from the farmer, but for the most part they are stored by the farmer, because he does not sell them except out of storage.

Mr. GEYER of California. I would like to ask the gentleman from Virginia if this takes more people out from under the Fair Labor Standards Act? If it does, I object.

Mr. ROBERTSON. I expect it takes some out.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia? (After a pause.) The Chair hears none and it is so ordered.

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

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Arkansas.

The Clerk read as follows:

Amendment offered by Mr. KITCHENS: On page 16——

Mr. GEYER of California (interrupting the reading). Mr. Chairman, I objected to the unanimous consent request.

The CHAIRMAN. The Chair put the inquiry at least twice and there was no objection raised.

Mr. GEYER of California. I very clearly objected.

The CHAIRMAN. The gentleman did not address the Chair properly if the gentleman did object.

The Clerk will report the amendment offered by the gentleman from Arkansas.

The Clerk read as follows:

Amendment offered by Mr. KITCHENS: On page 16, line 4, strike out the period, insert a semicolon, and add the following:
"14. Or any employee while employed in connection with preventing, controlling, or suppressing forest, brush, or grass fires."

Mr. KITCHENS. Mr. Chairman, this is an amendment to section 13 (a) of the Fair Labor Standards Act.

There is a standard wage for fighting fires, and this wage is above the minimum wage under the Fair Labor Standards Act.

According to an opinion of the Wage and Hour Division, employment in the fighting of forest fires by an employer who is also engaged in commerce or the production of goods for commerce is subject to the limitations of the wage and hour law. It has been indicated recently that the Wage and Hour Division may reconsider and hold that such employment is too remote from commerce to be included in the coverage of the act. But even if the Wage and Hour Division regards such employment as not being under the act, there still remains a serious problem. According to interpretative bulletins and numerous opinions issued by the Division, the law does not permit a split workweek. If an employee is engaged in the production of goods for commerce in any part or hour of a workweek, all of his employment during that workweek is subject to the limitations of the act. So if an employee is called from his production employment to fight a forest fire and his total working hours on both occupations during the week is in excess of 42, he is entitled to overtime compensation according to the formula established by the Wage and Hour Division. Although a standard wage rate has been fixed for forest-fire fighting, which in some cases amounts only to one-half or even less of the regular rate of pay—but is still above the minimum wage requirement—according to this formula adopted by the Administrator, if an employee has already worked a full week at his regular employment and is called upon to work extra time at the end of the week in

forest-fire fighting, he would be entitled to one and one-half times his regular production rate of pay. This frequently may amount to more than a dollar an hour. This premium wage for emergency forest-fire fighting should be eliminated. Experience has demonstrated that high wages for fighting forest fires encourages the deliberate setting of forest fires by some individuals who do not realize that a few days' pay may cost an entire community its source of livelihood.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas.

The amendment was rejected.

Mr. WELCH. Mr. Chairman, I move that the Committee do now rise.

Mrs. NORTON. Mr. Chairman, will the gentleman from California withhold his motion for a moment?

Mr. WELCH. I withhold it, Mr. Chairman.

Mrs. NORTON. Mr. Chairman, I ask unanimous consent to proceed for 1 minute.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mrs. NORTON. Mr. Chairman, for 5 days we have been considering this bill. It seems to me we are reaching a point with amendments, as far as the Committee on Labor is concerned, where it no longer makes any difference what further amendments are adopted.

I have just been called up by the Department of Labor to be told that, under the Bland amendment, over 1,000,000 more people would be exempted from the wage and hour provisions of the act. This, coupled with 200,000 exempted under the Buck amendment, leaves us practically no bill at all. Now, if any self-respecting Member of Congress can vote for such a bill, it is all right with me. I suggest, Mr. Chairman, that if the Members have any further amendments to offer, that we remain here until they have been acted upon. The committee will not oppose any further amendments.

Mr. RAYBURN. Mr. Chairman, I ask unanimous consent to proceed for 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas [Mr. RAYBURN]?

There was no objection.

Mr. RAYBURN. Mr. Chairman, may I inquire how much time is left for debate on this section and all amendments thereto?

The CHAIRMAN. There are 7 minutes left on this section, and the Chair may say that there are seven or eight amendments to the other sections of the bill.

Mr. RAYBURN. Mr. Chairman, I wonder if we cannot reach an agreement. It appears that we will go quite far into the evening if we try to complete this bill tonight. Would it be agreeable to the Members to agree to meet at 11 o'clock tomorrow morning, when we go back into the House, and could we also agree that on the Norton substitute, the Norton bill, and all amendments thereto all debate close at 1 o'clock tomorrow?

Mr. TABER. Will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. TABER. I expect an amendment to be offered to the bill, which I feel is very important, and I wish to oppose it. I do not want to get into a situation where someone in favor of the amendment might have 5 minutes and the opposition be frozen out as a result of what might happen as we get to the consideration of that section. It would seem to me that a motion to close debate made fairly after the amendments are offered and a reasonable time given to discuss them would accomplish better results. I do not think we should proceed more than 10 minutes on an amendment. If we followed that rule, I believe it would be a little fairer, and we would get through just as quick.

Mr. RAYBURN. I find, after 6 days with this bill, that unless there are agreements it just goes on interminably so far as each section of the bill is concerned. This is the end of the sixth day of debate on this bill.

Mr. TABER. Mr. Chairman, suppose we had an agreement that there should be no more than 10 minutes' debate on any amendment offered to the Norton bill?

Mr. RAYBURN. Well, if 100 amendments were offered, that would run into some time. Of course, it is a long time between now and 11 o'clock tomorrow.

Mr. COX. Would the gentleman consider making the request that debate on all amendments close within 1 hour?

Mr. RAYBURN. I will do that; however, I made the request for 2 hours, and it seems to me that probably will not be agreed to.

Mr. MARTIN of Massachusetts. Will the gentleman yield?

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

Mr. MARTIN of Massachusetts. I wonder if the gentleman could not guarantee the gentleman from New York [Mr. TABER] 5 minutes on the amendment to which he is opposed?

Mr. RAYBURN. I do not know what the amendment is that will be offered and which he wishes to oppose.

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

Mr. RAYBURN. I yield to the gentleman from Connecticut.

Mr. MILLER. There are Members, and I happen to be one of them, who have sat here through this 6 days of debate without taking a moment. I have an amendment pending on the desk. Would the gentleman give preference to amendments that are now pending on the desk and which have been lying there 3 days?

Mr. RAYBURN. That would be in the discretion of the chairman of the committee. I could not bind him on that.

Mr. SUMNERS of Texas. Will the gentleman yield?

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

Mr. SUMNERS of Texas. May I make the suggestion for the consideration of the House that with reference to the pending amendments it be agreed that there shall be 10 minutes on each amendment and that the total time shall expire at 1 o'clock tomorrow?

Mr. RAYBURN. That is agreeable to me.

Mr. HEALEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HEALEY. How many amendments are pending on the desk right now?

The CHAIRMAN. There are 14 amendments pending to section 5 and the remaining sections of the bill.

Mr. HEALEY. That is the aggregate of all the amendments to the rest of the bill?

The CHAIRMAN. There are 15 now. One has come in since.

Mr. CASE of South Dakota. Mr. Chairman, 10 minutes to each amendment would only take 2 hours and 30 minutes.

Mr. SCHAFER of Wisconsin. Mr. Chairman, add an additional 10 minutes. I have another amendment to offer.

Mr. CASE of South Dakota. Mr. Chairman, if we proceeded for 15 minutes this evening, it would be possible to conclude in 2 hours and 15 minutes tomorrow.

Mr. WHITTINGTON. Would it be agreeable to the gentleman from Texas and the gentleman from California who moved that the Committee rise to dispose of the pending section? We have agreed to limit debate on that section. There are 7 minutes remaining. You cannot get rid of amendments any quicker than that.

Mr. RAYBURN. That is agreeable with me.

Mrs. NORTON. Mr. Chairman, I had an amendment pending on the desk. I wish to withdraw that amendment in favor of any gentleman who wants to take the time, as I have decided I shall take no further part in the debate on this bill.

The CHAIRMAN. The Chair may say that there are only two more amendments pending to this section and 7 minutes left so far as section 5 is concerned.

Mr. RAYBURN. Mr. Chairman, I withdraw my request for the present.

Mr. WELCH. Mr. Chairman, I renew my motion that the Committee do now rise.

The question was taken; and the Chair being in doubt the Committee divided; and there were—ayes, 81, noes 82.

So the motion was rejected.

Mr. MARTIN of Iowa. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARTIN of Iowa: On page 15, after line 14, insert before the period and quotation mark a new clause, as follows:

"(2) Any individual employed by a corporation or association, the activities of such corporation being located outside of the corporate limits of any incorporated city or town, when not less than two-thirds of the capital investment of said corporation is in real and personal property used by it in its agricultural pursuits, when two-thirds of its employees are voting stockholders in said corporation, when no individual stockholder in such corporation may own or vote more than one share of voting stock owned by him at any stockholders' meeting, and when each holder of voting stock shares equally in the profits of the corporation after satisfaction of prior obligations; or."

Mr. MARTIN of Iowa. Mr. Chairman, this is the same amendment I offered last Tuesday and about which I entered explanatory remarks in the RECORD last Friday at page 5155, and on Tuesday at page 5265. There is no need of burdening the Committee at this time with a repetition of those arguments, except to say that the wage-hour law does not fit the standard of award or compensation of this particular group and those other groups like it which have been forced to comply with the wage-hour law by a ruling of the Wage and Hour Division.

The group in my district comprises about 1,500 farmers and processors who want to be exempted for the processing of their products. They operate their own processing plants and their own tract of land of some 26,000 acres. They take care of their own aged, their own sick, and their own needy. The measure or standard of compensation and hours set out in the wage-hour law just does not fairly fit their situation. I am submitting the amendment again in the hope that you will be fair with this particular group. I understand there are about 8 or 10 similar groups throughout the United States.

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

Mr. MARTIN of Iowa. I yield to the gentleman from Nebraska.

Mr. STEFAN. Several Members would like to have a little further explanation as to just who these people are. Will the gentleman explain a little further?

Mr. MARTIN of Iowa. I shall be pleased to explain in the limited time I have.

These people in my district form a society that was organized more than two centuries ago in Germany. They moved to New York State in 1842 and on to Iowa in 1854. They have been farming and processing their products on their own land. They take care of their own aged, their needy, their sick and disabled, and they are trying to get along on a basis that is hard to measure in terms of the wage and hour law. You will notice from a reading of the amendment that it is strictly limited so that it will not be easy for other groups to so organize for the purpose of circumventing the wage and hour law. I have purposely worded the amendment to avoid that.

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

Mr. MARTIN of Iowa. I yield to the gentleman from Pennsylvania.

Mr. KUNKEL. What was the vote on the amendment when it was previously considered?

Mr. MARTIN of Iowa. The amendment was adopted last Tuesday by a vote of 66 to 5, as I recall.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. MARTIN].

The amendment was agreed to.

Mr. CASE of South Dakota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: On page 15, lines 13 and 14, before the words "at a guaranteed monthly salary of $200 or more;", insert at a guaranteed yearly salary of $1,500, or."

MINIMUM YEARLY WAGE EXEMPTION

Mr. CASE of South Dakota. Mr. Chairman, it is not particularly necessary to take any time to explain this amendment other than to make a simple statement. The original Norton bill, as well as the Norton substitute, provide for the exemption under section 13 (a) of any employee employed—

At a guaranteed monthly salary of $200 or more.

My amendment does not disturb that, does not strike it out, but simply inserts ahead of it the words:

At a guaranteed yearly salary of $1,500 or—

And then the $200 monthly alternative follows.

The matter of increasing security by the establishment of an annual wage is a subject which everyone who has given any study at all to the labor problem understands. This amendment seeks to encourage employers in providing that security for a great many workers who get close to a yearly salary of $1,500 by granting an exemption from the act where that minimum yearly wage is guaranteed on the same basis as is proposed for the $200 monthly guaranteed salary in the Norton bills. Yearly job security is distinctly a step forward in social progress. I offer the amendment that the House may go on record on that particular point. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota [Mr. CASE].

The amendment was agreed to.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. AUGUST H. ANDRESEN: Page 15, lines 17 and 18, strike out "(10) any employee employed in the ginning of cotton" and insert "(10) to any individual employed in handling, packing, storing, ginning, compressing, pasteurizing, drying, preparing in their raw or natural state, or canning of agricultural or horticultural commodities for market, or in making cheese or butter or other dairy products."

Mr. AUGUST H. ANDRESEN. Mr. Chairman, the purpose of this amendment is to leave the language of the existing law as it is, with the "area of production as defined by the Administrator" stricken out of the law. It is the same amendment as was offered by my colleague, the gentleman from Mississippi [Mr. WHITTINGTON], but his amendment unintentionally struck out the amendment of the gentleman from Virginia [Mr. BLAND]. This amendment is absolutely necessary if we are going to clear up the confusion that exists in the Administrator's office over the definition of area of production. My amendment eliminates the area of production and definitely fixes the exemption provided in existing law according to the original intent of the House, and it should be adopted unanimously. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

The amendment was agreed to.

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

The Clerk read as follows:

Amendment offered by Mr. HARRINGTON: On page 15, lines 13 and 14, strike out "or any employee employed at a guaranteed monthly salary of $200 or more; or" and insert in lieu thereof the following: "or any employee employed at a guaranteed monthly salary in excess of that required by section 6 of this act who does not work more than 175 hours per month; or."

Mr. HARRINGTON. Mr. Chairman, I believe it is sufficient to say that this amendment is the same one that was adopted when we were considering the Barden bill the other day. The effect of this amendment is to substitute for an exemption based on a minimum guaranteed monthly salary an exemption based upon maximum monthly hours, which, as I understand, is what the members of the committee I talked with were in favor of. It is applicable only to employees who receive compensation in excess of the maximum hourly rate fixed in the act and who are paid monthly on a guaranteed salary basis. In effect it would permit the averaging of the working hours of such employees over a monthly period instead of only a weekly period as now permitted under the act. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. HARRINGTON].

Mr. CASE of South Dakota. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CASE of South Dakota. Is this amendment worded so that it would destroy the amendment previously adopted?

The CHAIRMAN. The Chair would say that that is a matter of construction, and there might be quite a difference of opinion about it.

Mr. CASE of South Dakota. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CASE of South Dakota. For the purpose of getting a ruling from the Chair, may I ask whether a point of order would lie against the amendment?

The CHAIRMAN. Not at this time. The time has passed for a point of order to be made against the amendment.

The question was taken; and on a division (demanded by Mr. HOBBS) there were—ayes 11, noes 29.

So the amendment was rejected.

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

The Clerk read as follows:

Amendment offered by Mr. MOTT: Page 16, after the word "tobacco", in line 4, insert the following: "(14) or any employee while employed in connection with preventing, controlling, or suppressing forest fires."

Mr. RAMSPECK. Mr. Chairman, I make the point of order against the amendment that a similar amendment has already been passed upon by the Committee.

Mr. MOTT. Mr. Chairman, the amendment that was voted on a few moments ago in the Committee exempted from the operations of this bill those engaged in the prevention or controlling of forest fires or brush fires or grass fires. The amendment that I now offer confines the exemption to those employed in the prevention or the control of forest fires alone. The reason for this amendment is the same, of course, as it was for the other one, and that is that under the present act the owners of timber and the State and the Federal Governments are required to pay so much for forest-fire fighting that we cannot even afford to put out the fires in the States where these forests exist.

The CHAIRMAN. The Chair is ready to rule.

The gentleman's amendment eliminates several of the features that were embodied in the amendment offered by the gentleman from Arkansas, and the Chair therefore overrules the point of order.

The question is on the amendment offered by the gentleman from Oregon.

The amendment was agreed to.

Mr. MAGNUSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MAGNUSON. Has permission been granted for all Members to extend their remarks in the RECORD on this bill?

The CHAIRMAN. No such general permission has been granted.

Mr. MAGNUSON. Mr. Chairman, I am wondering if it would not simplify the matter if I should ask, and I do now ask, unanimous consent that all Members be permitted to extend their remarks in the RECORD on this amendment.

The CHAIRMAN. The Chair will state to the gentleman from Washington that such a request should be made in the House.

Mr. MAGNUSON. Mr. Chairman, I wonder if it would not simplify matters at this point if I should state now that I shall make this request after the Committee rises.

The CHAIRMAN. That is a matter for the gentleman to consider when the Committee goes back into the House.

Are there any other amendments to section 5? [After a pause.] If not, we pass to section 6.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. BRADLEY of Pennsylvania 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. BRADLEY of Pennsylvania. Mr. Chairman, I think it is quite apparent now to the Committee that no one here knows just what this legislation contains at the present moment. When we go back into the House the parliamentary situation will be such that we will be unable to secure a separate vote upon the amendments to the Norton amendment. This means that we will have to vote yea or nay upon a piece of legislation that hardly a single Member of this body knows anything about. I confess that I do not, and I do not think there is anyone here who would be able to vote intelligently upon this bill if it were reported back to the House. There are many provisions of this bill which make it impossible for a great many of us to vote for it. We were anxious to cooperate and to vote for legislation that might offer certain corrective measures with regard to a more efficient administration of the Wage and Hour Act and probably adjust certain matters, but the bill we have now is something that those of us who have any regard for the humanitarian purposes of the original Wage and Hour Act cannot in conscience support, and I think it would be fitting for this bill to be taken again by the committee, reconsidered, and then have the committee offer legislation to the House with a rule that everyone would understand and everyone could accept some responsibility for, with regard to whether they would vote yea or nay. I hope the House will pass this motion at this time. [Applause.]

Mr. LAMBERTSON. Mr. Chairman, I rise in opposition to this amendment. I am one of the few who in the 6 days have said nothing at all until the present time. I do not expect to influence any votes or anything of that kind, but I do want to say a word. This is an unusual spectacle. We are in a bad way about this bill. It is a very serious thing. We came here to amend the wage-hour bill and make the law specific as to what it was intended to be. Labor standards since 1914 have been increased by 100 percent throughout the land, while the farm prices are not quite equal to the average of that 5-year period before the war. The unusual spectacle is that the whole committee is against the legislation.

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

Mr. LAMBERTSON. No; I cannot yield. The gentleman has talked a hundred times, and I have not talked at all before this. The committee was forced to bring this in by the Committee on Rules. The whole committee is against this legislation, and yet it was intended to correct what the Labor Administrator fastened on this country by interpretation. The men from San Francisco or the men from the heart of New York City and other places are running the Labor Committee and are running this bill, and it is a shame that the agricultural interests of the country have not what the law intended them to have and will not have unless we pass some kind of a bill like this.

This is the situation—and this is the first time I have ever seen this setting. The committee has encouraged the loading of the bill for 6 days. The committee has created the confusion. Members have honestly tried to arrive at something and give agriculture what the Administrator misinterpreted. I said when the act was passed the promoters intended to comprehend all labor regardless of State line or kind, while the first section of the act says labor engaged in interstate commerce. As the gentleman from Virginia says, if there is even one slat or lath in interstate commerce, according to the Administrator, that puts the whole lumber industry in—that is the bureaucrat interpretation. The farmers were to be exempted. We were given a very poor break. It is not becoming of organized labor that has doubled its own situation since the parity period of 5 years, when agriculture is not back there again, to say that they are going to extend this "humanitarian" thing, and we will make everybody raise their wages, jack them up. That is the difference between the New Deal and the progressiveness of Theodore Roosevelt. I spoke of that before. He was bent, and so were the old real progressives, in tearing down special privilege solely. The farmers did not ask for Government aid but they were against monopoly.

This thing creates monopoly. This will help snuff out the little fellows in industry in all the rural sections. That is the tendency of this committee, and its actions are to widen hours and wages. It has a tendency to crush out all little business in the interest of big business, that are above the act, in these big cities of San Francisco and New York. If there is any one thing that we could honestly do to help this country, it would be to dehydrate the labor standards of New York City. They are trying to thrust them on the rest of the country. We are not going to get anywhere I fear. But I do plead, let us take this thing, what is left of it, and hope that in the Senate or in conference we can get something, for nothing has come here from the committee except confusion. The Rules Committee had to force it out here, and then it went into the hands of wolves. They say it is loaded up. They loaded it up—they and their friends. Shame on you. That is what I have to say. [Applause.]

The CHAIRMAN. The question is on the motion of the gentleman from Pennsylvania [Mr. BRADLEY].

The question was taken; and on a division (demanded by Mr. BRADLEY of Pennsylvania) there were ayes 53 and noes 113.

So the motion was rejected.

Mr. RAMSPECK. Mr. Chairman, I ask unanimous consent that all debate on section 6 and all amendments thereto do now close.

Mr. DIRKSEN. I object, Mr. Chairman.

Mr. RAMSPECK. Mr. Chairman, I move that all debate on section 6 and all amendments thereto do now close. I understand there are no amendments pending to section 6.

The CHAIRMAN. There are no further pending amendments to section 5. There are several amendments pending to section 6.

Mr. BLAND. Mr. Chairman, I make a point of order against the motion.

Mr. MARTIN of Massachusetts. Mr. Chairman, I understand that we have not acted on a single amendment to this section.

The CHAIRMAN. The gentleman is correct. All debate on section 6 so far has been upon the motion by the gentleman from Pennsylvania [Mr. BRADLEY].

Mr. TABER. Mr. Chairman, a point of order. The motion is not in order until debate has been had on this section.

The CHAIRMAN. The point of order is sustained.

The gentleman from Illinois [Mr. DIRKSEN] is recognized to offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DIRKSEN: On page 16, line 9, strike out the period and insert a comma and the following: "or (4) any employee employed during any calendar year in connection with or incidental to the wholesale distribution of goods by an employer, more than 50 percent of whose dollar sales volume during the preceding calendar year consisted of sales to retailers of agricultural food products."

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield for a motion?

Mr. DIRKSEN. I yield.

Mr. CASE of South Dakota. We have now completed section 5, and before we start on section 6 I move that the Committee do now rise.

The CHAIRMAN. Does the gentleman from Illinois yield for that purpose?

Mr. DIRKSEN. I yield if it does not take me off the floor. May I be apprised of the status of the preferential motion just made?

The CHAIRMAN. The gentleman from Illinois yielded to the gentleman from South Dakota to make a motion.

Mr. DIRKSEN. Contingent on the fact that it does not take me off the floor.

The CHAIRMAN. It does. If the motion carries, it certainly takes the gentleman off the floor. [Laughter.]

Mr. DIRKSEN. Perhaps I should continue with this amendment.

The CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes.

Mr. DIRKSEN. Mr. Chairman, seldom does the House evince such generosity as has been manifested this afternoon. There have been adopted already 17 amendments: One each by Mr. BUCK, of California; by Mr. LUDLOW, of Indiana; by Mr. BARTON of New York; by Mr. KEEFE, of Wisconsin; by Mr. REED of New York; by Mr. ENGEL, of Michigan; by Mr. H. CARL ANDERSEN, of Minnesota; by Mr. RAMSPECK, of Georgia; by Mr. COFFEE of Nebraska; by Mr. BLAND, of Virginia; by Mr. GWYNNE, of Iowa; by Mr. CARLSON, of Kansas; by Mr. MARTIN of Iowa; by Mr. CASE of South Dakota; by Mr. AUGUST H. ANDRESEN, of Minnesota; and by Mr. MOTT, of Oregon.

Let me say here now that I do not pretend or presume to know what the implications of all these amendments are, but in this burst of generosity I see no reason why the House should not add amendment No. 18 to this bill. It was offered in the course of the deliberations on the Barden substitute and carried with virtually no opposition. It is designed to cover the small wholesale grocers. Everyone knows that retailers are now exempted under the provisions of this act, and, perforce, they can get no service except from the small wholesale grocers under the decentralized system of distribution that has grown up in the country.

This amendment is designed only to relieve such wholesale grocers from the provisions of section 7 of the basic act with respect to maximum hours. It in no wise affects the pay schedule.

So I submit that this amendment should be adopted to conform to the action taken on the Barden substitute, and also to make this measure more workable if and when it is ultimately adopted.

I repose it within your good graces. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DIRKSEN].

The amendment was agreed to.

Mrs. NORTON. Mr. Chairman, I ask unanimous consent that all amendments on the Clerk's desk be considered as read and adopted and printed in the RECORD at this point.

Mr. CASE of South Dakota. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard. The gentleman from Arkansas [Mr. KITCHENS] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. KITCHENS: On page 16, line 9, after the word "Act", insert a semicolon and the following: "or for foremen having the right to hire or fire, or recommend hiring and firing, the service, maintenance, and other workers not engaged strictly in the production of goods for commerce."

Mr. KITCHENS. Mr. Chairman, this amendment is designed to provide a limited exemption from the maximum-hours provisions of the act, but not from the minimum-wage provisions. To give production employees opportunity to get a full week's work every week, which almost uniformly they want to have, it is necessary that certain other employees be available a few extra hours each week. Maintenance and service workers must keep the plant in operating condition.

In its present form, as interpreted by the Administrator, the wage and hour law is applied to many employees not engaged in the production of goods for commerce. It is generally neither necessary nor desirable to exempt such employees from the minimum-wage provisions. Most of such workers are already paid substantially more than the minimum wage. But the application of the maximum-hours provision has seriously curtailed the earning power, not only of these workers but of the production employees, who cannot work a full 42-hour week unless repair and maintenance workers and others of that general character are permitted to work a longer week.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas.

The amendment was rejected.

Mrs. NORTON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. RAYBURN] having resumed the chair, Mr. PARSONS, 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. 5435) to amend the Fair Labor Standards Act of 1938, had come to no resolution thereon.

AMENDMENTS TO THE HATCH ACT

Mr. DEMPSEY. 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 New Mexico?

There was no objection.

Mrs. NORTON. Mr. Speaker, the Members seem to be in doubt as to the hour of meeting tomorrow.

The SPEAKER pro tempore. No hour of meeting has been agreed to except as provided by the rules, 12 o'clock.

The gentleman from New Mexico is recognized for 1 minute.

Mr. DEMPSEY. Mr. Speaker, great confusion exists with reference to the vote of the Judiciary Committee on yesterday. The report in the newspapers states there were 14 votes to table the Hatch amendments, and 10 against tabling. Since that time the members of the committee have largely made it known how they voted, as I understand was their privilege. Some 14 have declared to the press, and to me, that they voted not to table. I know the members of the Judiciary Committee. They are men of great ability and integrity. Certainly, I would not question any of them, but I wonder if an honest mistake was probably not made by the tellers, and if it would not be in order to have a recapitulation of the vote? [Applause.]

[Here the gavel fell.]

RIVER AND HARBOR BILL—CONFERENCE REPORT

Mr. MANSFIELD submitted a conference report and statement on the bill (H. R. 6264), an act to authorize the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

HOUR OF MEETING TOMORROW

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER pro tempore. Is there objection?

Mr. FISH. Mr. Speaker, reserving the right to object, we have sat here until 6 o'clock this evening. Had that request been made at 5 o'clock I would not have objected. The Rules Committee has an important meeting tomorrow. Under the circumstances, Mr. Speaker, I must object.

AMENDMENTS TO FAIR LABOR STANDARDS ACT

Mr. TARVER. Mr. Speaker, I ask unanimous consent that the amendments that have not been acted upon, pending at the Clerk's desk, to the bill H. R. 5435, to amend the Fair Labor Standards Act of 1938, be printed in the RECORD for the information of the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The following amendments are pending to the bill H. R. 5435, to amend the Fair Labor Standards Act of 1938:

Amendment proposed by Mr. BARTON of New York to the Committee amendment: Page 16, line 5, after "Sec. 6." insert "(a)", and after line 9, insert the following:

"(b) Section 13 (c) of such act is amended by striking out 'employed in agriculture' and inserting in lieu thereof 'employed in any of the operations described in paragraphs (1) and (2) of the definition of agriculture.'"

Amendment offered by Mr. CASEY of Massachusetts: Page 16, line 9, after the word "Act" change the period to a semicolon and insert: "or (4) any employee who is employed by or in any bona fide wholesale establishment."

Amendment offered by Mr. MILLER: Page 16, line 9, after end of line 9, insert "employees of all banks and trust companies."

Amendment offered by Mr. REES of Kansas: Page 16, line 9, section 6, strike out the period, insert a semicolon, and add the following: "or (4) any employee employed in any incorporated bank or trust company whose capital stock does not exceed $100,000."

Amendment offered by Mr. BARTON of New York: Page 18, after line 23, insert a new section as follows:

"Section 15 of the act is amended by adding a new paragraph immediately after paragraph (b) to read and to be lettered as follows:

"'(c) No employer, agent, contractor, or subcontractor (as such terms are defined by the Administrator, or his authorized representative), directly or indirectly, shall cause any goods to be produced by home workers in Puerto Rico or the Virgin Islands subject to the provisions of section 6, unless he shall hold a certificate issued by the Administrator, or his authorized representative. The Administrator, or his authorized representative, shall have power to make such regulations or orders, including regulations or orders providing for the issuance and revocation of such certificates, and for standards restricting the number of such agents, contractors, or subcontractors, as are necessary or appropriate to safeguard to home workers in Puerto Rico or the Virgin Islands the minimum rates of pay provided by section 6. Such regulations or orders may require the posting of a compliance bond with the Administrator in an amount of not more than $2,500. This subsection shall take effect upon the expiration of 60 days from the date of its enactment.'"

An amendment offered by Mr. ANDERSON of Missouri: Page 20, after line 6, following the period, insert the following new section:

"In order to protect the standards prescribed by this act, 5 days, or 40 hours within any one 5-day week, shall constitute the workweek for all officers and employees of the Federal Government and the District of Columbia (including the officers and employees of every corporation created by authority of an act of Congress which is controlled or owned by the United States Government, whether or not such officers and employees are paid from funds appropriated by Congress), except the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, and employees of the Senate and House of Representatives of the United States.

"Any officer or employee whose workweek is defined in the preceding paragraph shall be permitted to work in excess of 5 days or 40 hours in any one 5-day workweek upon certification in writing to the Bureau of the Budget by the head of the department, independent establishment, or other agency in which such officer or employee serves that the public interest, or an emergency, requires such additional service and that no suitable substitute is available. In any such case, the officer or employee shall, at the election of the head of such department, establishment, or agency either be paid for such additional service at the rate of one and one-half times the hourly rate of pay received by such officer or employee, whether paid on a per annum, per diem, hourly, piece-work, or any other basis, or be allowed compensatory leave of absence without loss of pay, equal to one and one-half times the period during which such additional service was performed: *Provided*, That in all cases in which such additional service is elected to be compensated by payment of funds, such compensation shall be made on or before the second regular date of salary payment following the performance of such additional service: *Provided further*, That in all cases in which such additional service is elected to be compensated by the allowance of compensatory leave of absence without loss of pay, such leave shall be added to the amount of annual leave to which the officer or employee is otherwise entitled and shall be subject to all of the rules and regulations now or hereafter pertaining to the grant of annual leave, except that employees in the Postal Service who have heretofore been entitled to compensatory leave of absence for service performed on Saturdays, Sundays, and holidays, and who so elect, shall continue to receive such compensatory leave of absence, subject to the terms of this section, on 1 day within 5 working days next succeeding the day on which such excess service is performed or compensatory leave granted, when granted for work performed on the preceding Saturday, Sunday, or holiday: *And provided further*, That the provisions of this section shall not apply to overtime services performed by Federal employees at the expense of private interests according to law.

"Nothing in this section shall be construed to increase the number of hours of work in any day or week heretofore required of any officer or employee.

"All acts and parts of acts applicable to the personnel affected by this section which are in conflict with the provisions herein contained are hereby repealed."

Amendment offered by Mr. SUMNERS of Texas: On page 21, line 2, after the word "government", insert the following: "or to commodities manufactured in any State penal or correctional institution for use by any other State or political subdivision thereof; to parts for the repair of farm machinery; or to agricultural commodities."

Amendment offered by Mr. NORRELL: On page 21, line 2, after the period, insert the following: "Nothing herein shall apply to cotton and cottonseed grown or raised by convicts or prisoners."

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks regarding the Townsend plan.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. CURTIS. Mr. Speaker, I have introduced a bill which if made a law would simplify the financing of pump irrigation on farms in the drought area. Due to prolonged drought, farmers over a wide territory are becoming more and more water-conservation minded. Much of the good land in the drought areas will never be within reach of irrigation districts. In many places pump irrigation is both feasible and efficient.

At the present time irrigation wells and pumps are financed by private sources and by the Farm Security Administration. This means by the note and mortgage method. It is cumbersome and expensive to administer. There are some losses. The present method does not extend the payments over a long enough period to enable the farmer to carry the burden together with his other obligations.

But perhaps the greatest criticism of the present method of financing pump irrigation is that such a small percentage of the farmers can qualify. If their land is already mortgaged they cannot give a real-estate mortgage. If they mortgage their personal property the notes fall due too quick, the interest is high, and their hands are tied, and it will probably shut off all avenues for available credit for their general farming operations.

The plan I propose would call for an amendment to the Federal Water Facilities Act, and would also call for an enabling act by the State legislatures in the States where this plan was undertaken. The owner of a farm desiring to secure a pump and well would make his application in the usual manner. If the Water Facilities Board and the proper State authorities approve his farm for such a plan of irrigation, money would be advanced by the Federal Government to pay for the well and pump. The cost would be repaid by the farmer in 20 annual installments without interest. The Bureau of Reclamation has financed irrigation projects over a period of 40 years, but a pump-irrigating system would not last that long, and I believe 20 years is about correct.

The Water Facilities Board would then certify the cost of the well and pump to the county clerk and the county treasurer, or any other taxing authorities in the county wherein the farm was located. The local taxing authorities, and in my State it would be the county clerk and the county treasurer, would then levy a tax or a special approvement assessment against the particular farm involved for the annual payments above referred to. There would be no note or mortgage to ever be foreclosed. The asset of the pump irrigating system would follow the land, and likewise the liability for the payment of the irrigation system would also follow the land. The Federal Government would be secured by the first tax lien for the repayment of the full amount. In no case should the loan for the pump irrigation system exceed the assessed value of the land before the irrigating system was installed. The security of the Federal Government would be guilt-edge, at the same time the farmer would be able to give a first lien regardless of other existing indebtedness.

I believe that this plan would be in accord with sound public policy. At the present time our law sanctions special improvement taxes for such items as sidewalks, paving, sewer systems, drainage, and irrigation. In the case of all of these special improvement taxes come ahead of any real-estate mortgage on the property involved. Many of these special improvements are not wealth producing, but pump irrigation is a means of increasing wealth. It would be up to the Water Facilities Board and the State department of irrigation to prevent the undertaking of unsound and unwise individual projects.

EXTENSION OF REMARKS

Mr. O'BRIEN. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein a speech by the gentleman from New York, the Honorable JAMES W. WADSWORTH, made over the Columbia Broadcasting System last night.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. O'BRIEN]?

There was no objection.

THE CIVIL AERONAUTICS AUTHORITY

Mr. VORYS of Ohio. I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. VORYS]?

There was no objection.

Mr. VORYS of Ohio. Mr. Speaker, the President wants to put the Civil Aeronautics Authority back under the Department of Commerce.

Here is what the Senate Committee on Commerce, after investigation of the old Bureau of Air Commerce, concluded:

> * * * good men were dismissed from the Bureau for political reasons. * * *
>
> * * * personnel and financial control is outside the Bureau and in the hands of administrative assistants to the Secretary of Commerce, thereby embarrassing the Director (of the Bureau).
>
> The Bureau does not prepare its annual estimate efficiently for presentation before congressional committees.
>
> The charge is made * * * that the efficiency of the Bureau of Air Commerce had been seriously impaired by politics. This charge is confirmed. * * *

Are these the objects the President has in mind in his reorganization scheme: To dismiss good men from the C. A. A. for political reasons; to embarrass the C. A. A. by taking from it personnel and financial control; to take budgetary powers from the C. A. A.; to put politics back into the supervision of aviation?

AMENDMENTS TO THE FAIR LABOR STANDARDS ACT OF 1938

Mrs. NORTON. Mr. Speaker, I have been asked by several members of the committee, who are in great confusion about the amendments that have been adopted today, to have those amendments printed in the RECORD so that they may be able to understand what they are doing when they vote on the bill.

The SPEAKER pro tempore. All of the amendments that have been offered will appear in the RECORD tomorrow morning.

Mr. CASE of South Dakota. Would it be possible to have the Norton substitute printed in the RECORD with the amendments that have been adopted in their proper place, so that we may see the nature of the bill as it is now?

Mrs. NORTON. Mr. Speaker, that is exactly what I intended. I hope this may be done, so that the Members will know what they are voting on, and I make that unanimous-consent request.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The committee amendment as amended in the Committee of the Whole House on the state of the Union is as follows:

[Omit matter in brackets and insert matter printed in italics.]

Sec. 1. Section 3 (f) of the Fair Labor Standards Act of 1938 is amended to read as follows:

"'Agriculture' includes farming in all its branches and includes all services performed—

"(1) On a farm, in the employ of any person, in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and fur-bearing animals and wildlife.

"(2) In the employ of the owner or tenant or other operator of a farm, in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by a hurricane, if the major part of such service is performed on a farm.

"(3) In connection with the production or harvesting of maple sirup or maple sugar or any commodity defined as an agricultural commodity in section 15 (g) of the Agricultural Marketing Act, as amended, or in connection with the raising or harvesting of mushrooms, or in connection with the hatching of poultry, or in connection with the ginning of cotton, or in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways used exclusively for supplying and storing water for farming purposes.

"(4) In handling, planting, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, any agricultural or horticultural commodity; but only if such service is performed as an incident to ordinary farming operations or, in the case of fruits and vegetables, as an incident to the preparation of such fruits or vegetables for market. The provisions of this paragraph shall not be deemed to be applicable with respect to service performed in connection with commercial canning or commercial freezing or in connection with any prepared agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption.

"As used in this subsection, the term 'farm' includes stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches, nurseries, ranges, greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards."

That section 5 of the Fair Labor Standards Act of 1938 is amended by adding at the end thereof the following:

"(e) No industry committee appointed under subsection (a) of this section shall have any power to recommend the minimum rate or rates of wages to be paid under section 6 to any employees in Puerto Rico or in the Virgin Islands. Notwithstanding any other provision of this act, the Administrator may appoint a special industry committee to recommend the minimum rate or rates of wages to be paid under section 6 to all employees in Puerto Rico or the Virgin Islands, or in Puerto Rico and the Virgin Islands, engaged in commerce or in the production of goods for commerce, or the Administrator may appoint separate industry committees to recommend the minimum rate or rates of wages to be paid under section 6 to employees therein engaged in commerce or in the production of goods for commerce in particular industries. An industry committee appointed under this subsection shall be composed of residents of such island or islands where the employees with respect to whom such committee was appointed are employed and residents of the United States outside of Puerto Rico and the Virgin Islands. In determining the minimum rate or rates of wages to be paid, and in determining classifications, such industry committees and the Administrator shall be subject to the provisions of section 8 and no such committee shall recommend, nor shall the Administrator approve, a minimum wage rate which will give any industry in Puerto Rico or in the Virgin Islands a competitive advantage over any industry in the United States outside of Puerto Rico and the Virgin Islands."

(b) No wage orders issued by the Administrator prior to the enactment of this Act pursuant to section 8 of the Fair Labor Standards Act of 1938 shall after such enactment be applicable with respect to any employees engaged in commerce or in the production of goods for commerce in Puerto Rico or the Virgin Islands.

SEC. 2. (*a*) Section 6 of the Fair Labor Standards Act of 1938 is amended by adding at the end thereof the following:

"(c) The provisions of paragraphs (1), (2), and (3) of subsection (a) of this section shall be superseded in the case of any employee in Puerto Rico or the Virgin Islands engaged in commerce or in the production of goods for commerce only for so long as and insofar as such employee is covered by a wage order issued by the Administrator pursuant to the recommendations of a special industry committee appointed pursuant to section 5 (e)."

(*b*) *Section 6 (a) of such Act is amended by adding at the end thereof the following:*

"(5) If such employee is a home worker in Puerto Rico or the Virgin Islands, not less than the minimum piece rate prescribed by regulation or order; or, if no such minimum piece rate is in effect, any piece rate adopted by such employer which shall yield, to the proportion or class of employees prescribed by regulation or order, not less than the applicable minimum hourly wage rate. Such minimum piece rates or employer piece rates shall be commensurate with, and shall be paid in lieu of, the minimum hourly wage rate applicable under the provisions of this section. The Administrator, or his authorized representative, shall have power to make such regulations or orders as are necessary or appropriate to carry out any of the provisions of this paragraph, including the power without limiting the generality of the foregoing, to define any operation or occupation which is performed by such home-work employees in Puerto Rico or the Virgin Islands; to establish minimum piece rates for any operation or occupation so defined; to prescribe the method and procedure for ascertaining and promulgating minimum piece rates and to prescribe standards for employer piece rates, the proportion or class of employees who shall receive not less than the minimum hourly wage rate; and to define the term 'home worker'."

Sec. 3. Section 7 (b) of the Fair Labor Standards Act of 1938 is amended in paragraph (2) by striking out the words "two thousand" and substituting the words "two thousand and eighty."

SEC. 3. Section 7 (c) of the Fair Labor Standards Act of 1938 is amended to read as follows:

"(c) No employer shall be deemed to have violated subsection (a) by employing any employee for a workweek in excess of that specified in such subsection without paying the compensation for overtime employment prescribed therein if such employee is so employed in connection with the—

[''(1) making of dairy products (except ice-cream mix, ice cream, malted milk, and processed cheese), including, among other things, the cooling, pasteurizing, printing, or packing thereof;] "*(1) making cheese or butter or other dairy products;*

"(2) compressing or storing of cotton;

"(3) processing of sugar beets, sugar-beet molasses, sugarcane, or maple sap into sugar, molasses, or sirup, but not the refining of sugar;

"(4) extracting (but not fermenting or refining) oils, juices, or sirups from domestic fruits, vegetables, nuts, or seeds;

"(5) preparing, cleaning, grading, packing, drying, refrigerating, freezing, preserving, peeling, shelling, storing, or canning fresh [or dried] fruits and vegetables[, but not when those operations are performed at a terminal establishment;] *nor when such products consist wholly or in chief volume of perishable or seasonal fruits or vegetables, including dried fruits, or in handling or transportation in connection with or incidental to such operations, the provisions of subsection (a), during a period or periods of not more than sixteen workweeks in the aggregate in any calendar year, shall not apply to his employees in any place of employment where he is engaged;*

"(6) preparing, cleaning, grading, packing, roasting, crushing, shelling, or storing nuts, shelled or unshelled[, but not when those operations are performed at a terminal establishment];

"(7) preparing, curing, grading, or bagging raw grease wool, mohair, or rabbit fur;

[''(8) handling, grading, loading, slaughtering, or dressing livestock;]

"(9) handling, storing, grading, slaughtering, refrigerating, picking, dressing, or packing poultry[, but not when those operations are performed at a terminal establishment];

"(10) handling, storing, grading, candling, freezing, drying, or packing of eggs[, but not when those operations are performed at a terminal establishment];

"(11) hatching, handling, or boxing chicks, poults, ducklings, goslings, or wild fowl;

"(12) handling, grading, cleaning, polishing, hand-picking, hulling, delinting, fumigating, drying, packing, or storing of whole seeds, beans, peas, *potatoes*, or grains [but not when those operations are performed at a terminal establishment]:

"(13) handling, drying, baling, grinding, decorticating, or packing hops, fiber crops, or forage crops;

"(14) preparing honey;

"(15) handling, grading, or packing nursery or horticultural stock; or

"(16) the felling of trees, logging, or operations incidental to the felling of trees or logging performed prior to, and including, delivery of the logs to a mill for sawing, making pulp, or other processing;

and if such employee receives compensation for employment in excess of sixty hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed. In the case of an employer engaged in any of the operations specified in paragraphs (1) to (16), inclusive, of this subsection, the provisions of subsection (a), during a period or periods of not more than fourteen workweeks in the aggregate in any calendar year, shall not apply to his employees in any place of employment where he is so engaged. As used in this subsection, the term 'terminal establishment' means an establishment which [(1) is located either in the urban area where the products are to be consumed or at transportation centers for the purpose of servicing consumer markets, (2)] *(1)* receives the major portion of its goods from other establishments at which such goods have been previously concentrated or prepared, and [(3)] *(2)* distributes its goods to wholesalers, retailers, consumers, or manufacturers. *In the case of an employer engaged in the grading, loading, slaughtering, or dressing of livestock, or preparing products therefrom at the packing plant, or in handling or transportation in connection with or incidental to such operations, the provisions of subsection (a) shall not apply to any employee, during a period or periods of not more than fourteen workweeks in the aggregate in any calendar year selected from time to time as to each employee by the employer, in any establishment where the employer is engaged in any of said operations."*

Strike out clauses (1) and (2) of Subsection (b) of Section 7 of the Act and substitute in lieu thereof the following:

"(1) In pursuance of an agreement guaranteeing continuous employment for 26 consecutive weeks, which agreement shall provide that no employee employed thereunder shall work more than 1040 hours in said period: Provided, however, that such agreement shall operate uniformly as to commencement and end of such 26-week period for all employees employed thereunder: Provided further, that such agreement must be on file in the applicable regional office of the Wage and Hour Division and approved by the Administrator before it shall become operative.

"(2) On an annual basis in pursuance of an agreement guaranteeing continuous employment for 52 consecutive weeks which agreement provides that no employee employed thereunder shall work more than 2080 hours in said period: Provided, however, that such agreement shall operate uniformly as to commencement and end of such 52-week period for all employees employed thereunder; Provided further, that such agreement must be on file in the applicable regional office of the Wage and Hour Division and approved by the Administrator before it shall become operative."

SEC. 4. (a) The heading of section 11 of the Fair Labor Standards Act of 1938 is amended by inserting at the end thereof the following: "; rules and regulations".

(b) Section 11 of such act is amended by adding at the end thereof the following:

"(d) The Administrator shall have power to make, issue, amend, and rescind such regulations and orders as are necessary or appropriate to carry out any of the provisions of this act. Without limiting the generality of the foregoing, such regulations and orders may define terms used in this act, make special provision with respect to, including the restriction of, and the piece rates to be paid for, homework subject to this act to the extent necessary to safeguard the minimum standards provided in this act or in any regulation or order issued pursuant thereto, and make special provision for voluntary constant wage plans consistent with the purposes of section 7. The regulations and orders of the Administrator shall be published in the Federal Register and shall be effective upon publication or at such later date as the Administrator shall direct.

"(e) No provision of this act imposing any liability or disability shall apply to any act done or omitted in good faith in conformity with any regulation or order of the Administrator, notwithstanding that such regulation or order may, after such act or omission, be amended or rescinded or be determined by judicial authority to be invalid for any reason."

SEC. 5. (a) Section 13 (a) of the Fair Labor Standards Act of 1938 is amended by striking out all of clause (1) and inserting in lieu thereof the following: "(1) any employee employed in a bona fide executive, administrative, professional, or local retailing capacity, or in the capacity of outside salesman, or any employee employed *at a guaranteed yearly salary of $1,500 or* at a guaranteed monthly salary of $200 or more; or (2) *any individual employed by a corporation or association, the activities of such corporation being located outside the corporate limits of any incorporated city or town, when not less than two-thirds of the capital investment of said corporation is in real and personal property used by it in its agricultural pursuits, when two-thirds of its employees are voting stockholders in said corporation, when no individual stockholder in such corporation may own or vote more than one share of voting stock owned by him at any stockholders' meeting and when each holder of voting stock shares equally in the profits of the corporation after satisfaction of prior obligation; or*".

Section 13 (a) of such act is further amended by striking out clause (8) and inserting in lieu thereof the following:

(8) any employee employed in connection with the publication of any newspaper with a circulation of less than 5,000; or

(b) Section 13 (a) of such Act is further amended by striking out clause (10) and inserting in lieu thereof the following: [("(10) any employee employed in the ginning of cotton] *or (10) to any individual employed in handling, packing, storing, ginning, compressing, pasteurizing, drying, preparing in their raw or natural state, or canning of agricultural or horticultural commodities for market, or, in making cheese or butter or other dairy products;* or (11) any switchboard operator, during any calendar year, employed in a public telephone exchange which at all times during the preceding calendar year had less than five hundred stations; or [(12) any employee employed in the cleaning, packing, grading, or preparing fresh fruits and fresh vegetables in their raw or natural state when such operations are performed immediately off the farm; or] *(12) any employee employed in the cleaning, packing, grading or preparing or storing fresh fruits and fresh vegetables in their raw or natural state; or any employee employed in the canning, processing, freezing, or preserving of any product consisting wholly or in chief volume of perishable or seasonal fruits or vegetables, including dried fruits, or in handling or transportation in connection with or incidental to such operations to the extent any employee is so engaged* (13) any employee employed in handling, tying, drying, stripping, grading, redrying, fermenting, stemming, or packing, when those operations are performed prior to storage, and storing leaf tobacco; *or (14). Any employee while employed in connection with preventing, controlling, or suppressing forest fires.*"

SEC. 6. Section 13 (b) of the Fair Labor Standards Act of 1938 is amended by inserting before the period at the end thereof the following: "; or (3) any employee of an employer subject to the provisions of part I of the Railway Labor Act *; or (4) any employee employed during any calendar year in connection with or incidental to the wholesale distribution of goods by an employer, more than 50 percent of whose dollar sales volume during the preceding calendar year consisted of sales to retailers of agricultural food products.*"

SEC. 7. (a) The heading of section 14 of the Fair Labor Standards Act of 1938 is amended by inserting at the end thereof the following: "; Home work in rural areas."

(b) Section 14 of such act is amended (1) by inserting "(a)" after "SEC. 14."; (2) by striking out "learners, of apprentices, and of messengers employed exclusively in delivering letters and messages," and inserting in lieu thereof "learners and of apprentices,"; and (3) by adding at the end thereof a new sentence as follows: "The Administrator may by regulation or order provide for the employment of telegraph messengers engaged primarily in the delivery of letters and messages at such wages (but not less than 25 cents per hour) lower than the minimum wage applicable under section 6 as will prevent curtailment of opportunities for such employment with a public telegraph carrier."

(c) Section 14 of such Act is further amended by adding at the end thereof the following:

"(b) The Administrator shall promulgate regulations permitting the employment, in rural areas, of employees in the home at such wages lower than the minimum wage applicable under section 6, and containing such provisions governing the piece rate to be paid, the time of day during which such work shall be performed, and such other provisions, as the Administrator may prescribe. No such regulation shall be promulgated with respect to any employees (1) if in the opinion of the Administrator the application of section 6 to such employees does not have the effect of curtailing the opportunities of such employees for employment; (2) if the promulgation of such regulation would in the opinion of the Administrator have the effect of curtailing employment in the factories or industrial establishments, if any, in which similar work is performed; or (3) if the promulgation of such regulation would in the opinion of the Administrator give the employer or employers of such employees a substantial competitive advantage."

SEC. 8. Section 15 (a) (1) of the Fair Labor Standards Act of 1938 is amended by striking out the first semicolon therein and inserting in lieu thereof a comma and the following: "or issued to carry out any provision of section 6 or section 7, except that no provision of this Act shall impose any liability upon any person for violating any of the provisions of this section if such person, in a proceeding brought to impose such liability, establishes by a preponderance of the evidence that at the time he acquired a property interest in the goods transported, offered for transportation, shipped, delivered, or sold, or sold with knowledge that shipment or delivery or sale thereof in commerce was intended, he had no knowledge or reason to believe that such goods were produced in violation of any of the provisions of section 6 or section 7, or in violation of any regulation or order of the Administrator issued under section 14, or issued to carry out any provision of section 6 or section 7; and".

SEC. 9. Section 15 (a) (2) of the Fair Labor Standards Act of 1938 is hereby amended to read as follows:

"(2) to violate any of the provisions of section 6 or section 7, or any of the provisions of any regulation or order of the Administrator issued under section 14, or any of the provisions contained, pursuant to section 8 (f), in any order of the Administrator issued under section 8, or any of the provisions of any regulation or order of the Administrator issued to carry out any provision of section 6 or section 7;".

SEC. 10. The first sentence of section 16 (b) of the Fair Labor Standards Act of 1938 is amended to read as follows: "Any employer who violates any provision of section 6 or section 7, or any provision prescribing minimum wages or minimum piece rates contained in any regulation or order of the Administrator issued under section 14, or any provision prescribing minimum piece rates contained in any regulation or order of the Administrator issued under section 11 (d), shall be liable to the employee or employees affected in the amount of their unpaid minimum compensation, or their unpaid minimum overtime compensation, as the case may be, and in an additional equal amount as liquidated damages."

SEC. 11. Section 17 (including the heading thereof) of the Fair Labor Standards Act of 1938 is hereby amended to read as follows:

"INJUNCTION PROCEEDINGS

"SEC. 17. The district courts of the United States, including the District Court of the United States for the District of Columbia, and the United States courts of the Territories and possessions, shall have jurisdiction, for cause shown, and subject to the provisions of section 17 (relating to notice to opposite party) of the act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes,' approved October 15, 1914, as amended (U. S. C., 1934 edition, title 28, sec. 381), to restrain violations of section 15. Any such action may be brought in the district wherein the defendant is found or is an inhabitant or transacts business, and process in such cases may be served in any other district of which the defendant is an inhabitant or wherever the defendant may be found. No costs shall be assessed against the Administrator in any proceeding under this act."

SEC. 12. The Fair Labor Standards Act of 1938 is amended by adding at the end thereof the following:

"PROHIBITION AGAINST INTERSTATE TRANSPORTATION OF CONVICT-MADE GOODS

"SEC. 20. In order to protect the minimum wage and maximum hours standards prescribed in sections 6 and 7, it shall be unlawful for any person knowingly to transport or cause to be transported, in any manner or by any means whatsoever, or aid or assist in obtaining transportation for or in transporting any goods, wares, and merchandise manufactured, produced, or mined wholly or in part by convicts or prisoners (except convicts or prisoners on parole or probation), or in any penal or reformatory institution, from one State, Territory, Puerto Rico, Virgin Islands, or District of the United States, or place noncontiguous but subject to the jurisdiction thereof, or from any foreign country, into any State, Territory, Puerto Rico, Virgin Islands, or District of the United States, or place noncontiguous but subject to the jurisdiction thereof. Nothing herein shall apply to commodities manufactured in Federal penal and correctional institutions for use by the Federal Government. Any person who violates the provisions of this section shall be subject to the penalties provided by section 16 (a). The provisions of this section shall not be deemed to repeal or supersede any other act relating to the transportation or sale of goods made by convicts or prisoners."

EXTENSION OF REMARKS

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to have printed in the RECORD a letter that I received this afternoon from the Secretary of Labor.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey [Mrs. NORTON]?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD concerning the motion-picture industry.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. COSTELLO]?

There was no objection.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include

therein an answer from the Nonsectarian League to the various defamatory statements that have been inserted in the CONGRESSIONAL RECORD by the gentleman from Montana [Mr. THORKELSON]. I have asked the Public Printer for an estimate and I am informed it will cost about $225 above the allowable amount.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. SABATH]?

Mr. SCHAFER of Wisconsin. Mr. Speaker, what league is this?

Mr. SABATH. The Nonsectarian Anti-Nazi League to Champion Human Rights, Inc.

Mr. SCHAFER of Wisconsin. I am opposed to spending $200 of the taxpayers' money for the dissemination of the propaganda of this league, and I object.

Mr. SCHIFFLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article by Governor Vanderbilt, of Rhode Island.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia [Mr. SCHIFFLER]?

There was no objection.

Mr. GAMBLE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article from the Daily Times of Mamaroneck, N. Y.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. GAMBLE]?

There was no objection.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain letters which I have received.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. SABATH]?

There was no objection.

Mr. GRANT of Alabama. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a radio address by Millard W. Rice, national legislative representative of the Veterans of Foreign Wars.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama [Mr. GRANT]?

There was no objection.

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the Birmingham News.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama [Mr. SPARKMAN]?

There was no objection.

Mr. SPARKMAN. Mr. Speaker, I further ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered by a Member of this House over radio station KADA.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. MYERS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by including therein an editorial appearing in the Philadelphia Evening Bulletin of May 1 regarding the broken promises and pledges of Pennsylvania's Governor, and in another extension to include an editorial appearing in the Evening Bulletin of Tuesday, April 23.

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

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in connection with the so-called Gwynne amendment adopted today and include therein a letter received from the Marshall News-Messenger.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. McCORMACK. 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 Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, may I say to my friend the gentleman from Wisconsin [Mr. SCHAFER] that although I do not know the nature of the material the gentleman from Illinois [Mr. SABATH] desires to place in the RECORD, I can assure the gentleman from Wisconsin that I have personal knowledge of the league. It is a very substantial organization and is not one that is engaged in propaganda. The gentleman and I may not agree with everything that is inserted in the RECORD, but I can assure him that this organization, which I have addressed on several occasions, is not an organization for propaganda purposes.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. Does the gentleman believe that this material should be placed in the RECORD in order to balance and keep the RECORD straight?

Mr. McCORMACK. I am not going to pass on that. I am particularly addressing myself to removing from the gentleman's mind—and I know that the gentleman is fair—any thought that this league is organized for propaganda purposes. It is a fine organization of Americans, and I can assure the gentleman that it is not engaged in propaganda.

Mr. SCHAFER of Wisconsin. Do I understand from the gentleman from Illinois that it is necessary to place this matter in the RECORD to answer something that has appeared in the RECORD in order to balance and keep the RECORD straight?

Mr. SABATH. The aim is to answer some of the many defamatory statements that have been placed in the RECORD by the gentleman from Montana [Mr. THORKELSON].

Mr. SCHAFER of Wisconsin. In view of that fact, and in view of the statement of the gentleman from Illinois and the statement of the gentleman from Massachusetts, I withdraw my objection, Mr. Speaker.

Mr. SABATH. I renew my request, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, I did not at first contemplate asking unanimous consent that the statement of the Non-Sectarian Anti-Nazi League to Champion Human Rights, Inc., be printed. As will be noted, the statement of the league is dated April 22, 1940, and I received it a few days later and withheld asking unanimous consent for its insertion in the RECORD, feeling that the insertions of the gentleman from Montana [Mr. THORKELSON] should be ignored and not dignified by an answer. However, when my attention was called to his extensions in the RECORD on April 30, to which I alluded earlier today, I came to the conclusion that it was only fair that his continuous unwarranted and unjustified attacks on patriotic American citizens should not longer go unchallenged.

Personally, I am sorry for the gentleman from Montana for permitting himself to be made a tool on the part of designing men, some of whom have been on trial charged with subversive activities but who, by all that is right, should have been charged with outright treason. It goes against the grain to see well-meaning American citizens used by designing men who make a fat living preying on the credulity of old men and women, and who, notwithstanding that they have been indicted and convicted, still pursue their vicious propaganda. I repeat that I have particularly in mind such individuals as this man Pelley, leader of the Silver Shirts, and similar un-American propagandists, who for years, in conjunction with such men as Steele, Fritz Kuhn, and others of their ilk, and some directly or indirectly connected with the so-called Christian Front leadership now on trial in New York, have been trying to inflame the American people not only against the Jews, but also against the Catholics and the colored people of this country. I know that if any

of these latter groups had been guilty of as much as 50 percent of their own activity and propaganda these very men would be demanding that they be tried for treason to the Nation.

Mr. Speaker, I hope that, in the interest of justice and fair play, that all those who have read the Pelley, Mayne, and similar stuff will feel they owe it to themselves to read the statement of the Non-Sectarian Anti-Nazi League to Champion Human Rights, Inc., believing that if they do they will not contribute to or longer be deceived by these designing propagandists.

This organization which has been so viciously attacked in extension of remarks in the RECORD by the gentleman from Montana is composed of many of the most upright and outstanding Americans, as a list of its membership discloses beyond successful contradiction.

Mr. Speaker, the document that I desire to submit for the records of the House reads as follows:

NON-SECTARIAN ANTI-NAZI LEAGUE
TO CHAMPION HUMAN RIGHTS, INC.,
New York, April 22, 1940.

THE NON-SECTARIAN ANTI-NAZI LEAGUE TO CHAMPION HUMAN RIGHTS ANSWERS CONGRESSMAN J. THORKELSON OF MONTANA

This is in reply to the attack on the Non-Secretarian Anti-Nazi League to Champion Human Rights, which Mr. THORKELSON inserted in the Appendix of the CONGRESSIONAL RECORD, page 2013.

On March 4, 1940, Mr. THORKELSON addressed a meeting of the Christian Mobilizers at Ebling's Casino, One hundred and fifty-sixth Street and St. Ann's Avenue, Bronx, N. Y. At that meeting he expressed enthusiasm for and praised the Christian Mobilizers and their activities. He also promised to return and address their meetings again.

On March 26, 1940, at a meeting of the Christian Mobilizers, held at the Kiev Tavern, 316 East Fifty-fourth Street, New York City, "threats against the Non-Secretarian Anti-Nazi League to Champion Human Rights, and all those connected with it, were flying thick and fast. There was a bitter hatred against the league and physical violence was being threatened against the league and its investigators. M swore that he will not rest until he sees them under the sod."

On April 10, 1940, Mr. THORKELSON inserted his attack on the league in the CONGRESSIONAL RECORD, demanding that Congress do something about it. It may be a mere chronological coincidence that following the threats of the mobilizers, Mr. THORKELSON launched his attack on the league. We have no proof that "Joe McNazi," who arranged Mr. THORKELSON's coming to New York, induced him to make this attack, nor that "that sterling 200-percent American patriot" Pelley wrote the speech. We are willing to assume that it is a product of Mr. THORKELSON's own brain and that the arguments and misstatements are the products of his own ignorance of the facts. We will, therefore, attempt to correct the misstatements point by point.

The introductory remarks, which take up 2¾ columns of the CONGRESSIONAL RECORD, we will pass over lightly.

The statements that "the Government of a democracy is oligarchical, nonrepresentative, and ruled by force," and that "there are three democracies in Europe, namely Russia, Germany, and Italy, each under the leadership of a dictator," are literary and political gems that cannot be found in any political textbook. They must be his very own.

The real attack on the Non-Sectarian Anti-Nazi League to Champion Human Rights begins with a quotation from an editorial of the Washington Post (April 8, 1940). He quotes:

"Undercover political organizations have no place in a democracy * * * when any faction resorts to secret devices and intrigue it takes an unfair advantage of the system under which it is permitted to operate."

Then he states:

I agree with this statement, for no individual or group has any right to operate its own intelligence service, bureau of propaganda investigation, nor to engage in any other similar activities which are the duty of the State or the Federal Government. With this in mind, I shall ask the author of the editorial in the Post to express his opinion on the two letters which I shall quote in part:

"NON-SECTARIAN ANTI-NAZI LEAGUE TO
CHAMPION HUMAN RIGHTS, INC.,
"New York City, September 1939.

"Now that war is being waged against Hitler, the fight against Nazi-ism must go on with even greater energy and determination.

"Recently Nazi-inspired incitements to racial hatred in our country have become so serious that our league is now leading the fight against the so-called Christian Front and others. We must be constantly on guard against the great danger that may soon confront the American people by a unified front of all those who directly oppose democratic government and rule their own people through barbaric dictatorships.

"In order to be fully efficient, our bureau of propaganda investigation has been increased fivefold to expose Nazi lies and ties. Hundreds of thousands of our leaflets, What is the Coughlin-inspired Christian Front? are distributed weekly at Coughlin-inspired and other street mass meetings. Our legal committee is constantly in action against their organized thuggery and violence. That our work is successful is best proved from the lips of the enemy, as, for example, when Fritz Kuhn testified before the Dies committee that 'the Non-Sectarian Anti-Nazi League is persecuting me.'

"Prof. JAMES H. SHELTON,
"Chairman, Board of Directors.
"SIMON M. GOLDSMITH,
"Treasurer."

"Why all this venom against the Christian Front and against Father Coughlin? Surely Father Coughlin is a Christian and his only offense is to denounce those who are Communists or engaged in communistic activities."

It is straining our credulity to the breaking point to believe that he asks these questions seriously, but we will answer them.

Yes, Congressman, Father Coughlin is a Christian and thousands of patriotic Americans of his own faith oppose him even more vehemently than the league, and certainly not on account of his denunciation of Communists.

Since you are completely innocent of any knowledge concerning this matter, may we submit a list of names, all of them Catholics, members of the Catholic Committee for Human Rights, publisher of the Voice, none of them members of the league, all of them enemies of communism, and of Communists, and all of them bitter opponents of Father Coughlin.

COMMITTEE OF CATHOLICS FOR HUMAN RIGHTS

Most Rev. Robert E. Lucey, bishop of Amarillo, Tex.
George F. Addes, international secretary-treasurer, United Automobile Workers of America (C. I. O.).
Sister M. Aquin, O. P., Grand Rapids, Mich.
Mrs. Edward C. Bailey, New York.
Margaret Culkin Banning, author.
George Bartholomew, University of California.
Ade de Bethune, artist, Newport, R. I.
Rev. John P. Boland, chairman, New York State Labor Relations Board.
John Brophy, national director, C. I. O.
Rev. Vincent Brown, Long Beach, N. Y.
Malcolm Bryan, Atlanta, Ga.
Philip Burnham, editor, the Commonweal.
Rev. Bernard E. Burns, Chicago, Ill.
Dr. James J. Burns, Nazareth College, Kalamazoo, Mich.
John J. Burns, New York.
Barry Byrne, architect, New York.
Dr. Eugene H. Byrne, Columbia University.
Col. P. H. Callahan, Louisville, Ky.
William Callahan, managing editor, the Catholic Worker.
William M. Canning, instructor in history, College of the City of New York.
Eben James Carey, M. D., dean of the Medical School, Marquette University.
Graham Carey, artist, Newport, R. I.
Rev. Martin Carrabine, S. J., moderator, Chicago Inter-Student Catholic Action.
Gerard L. Carroll, attorney, New York.
John Carson, Department of the Interior, Washington, D. C.
Sister Cecilia, O. S. B., Chicago, Ill.
Jean Charlot, artist, New York.
Albert H. Coddington, editor, Liturgy and Sociology.
Dorothy T. Coddington, editor, Liturgy and Sociology.
John B. Collins, editor, the Pittsburgh Catholic.
Myles Connolly, author, Hollywood.
John W. Considine, Jr., producer, Hollywood.
Sister Consuela, O. Carm., New Orleans, La.
George Corey, author, San Francisco, Calif.
John C. Cort, associate editor, the Labor Leader.
Bing Crosby, Hollywood, Calif.
Dorothy Day, editor, the Catholic Worker.
Bryan Degnan, author, Pittsford, Vt.
Edmund Thomas Delaney, attorney, New York.
Baroness Catherine de Hueck, New York.
August Derleth, author, Sauk City, Wis.
Richard Deverall, editor, the Christian Front.
Dr. Charles J. Donahue, Fordham University.
Daniel W. Donahue, attorney, Boston.
George Donahue, editor, the Labor Leader.
Rev. Vincent C. Donovan, O. P., Catholic Thought Association, New York.
Hector Dowd, New York.
Gerald P. Doyle, editor, the Michaelman, Winooski Park, Vt.
Louis T. Achille, Howard University, Washington, D. C.
Katherine Burton, author, Bronxville, N. Y.
Irene Harand, former editor of Austrian journal Justice.
Mr. George Bingham, New York, N. Y.
Dr. John Burke, Buffalo, N. Y.
Mr. James M. Byrne, New York, N. Y.
Rev. Father Edward Conway, Regis College, Denver, Colo.
Mr. M. A. Cronin, South Boston, Mass.
Mrs. Edgar J. Driscoll, West Roxbury, Mass.
Stephen McK. Dubrul, Detroit, Mich.
Bernard Duck, Toledo, Ohio.
David C. Dunne, editor, the St. Louis Catholic.

Dr. Arthur G. Falls, president, Cook County Physicians' Association, Chicago, Ill.
Emilia B. Feibes, M. D., New York.
Rev. Gregory Feige, New Jersey.
Joseph F. Finnegan, attorney, New York.
Rev. George Ford, New York.
John Ford, producer, Hollywood, Calif.
Rev. Dr. Paul Hanley Furfey, Catholic University, Washington, D. C.
Donald A. Gallagher, associate editor, the St. Louis Catholic.
William Gauchat, Cleveland, Ohio.
Very Rev. L. E. Gosselin, S. S. E., president, St. Michael's College, Vermont.
William Hard, journalist, Washington, D. C.
Rev. John M. Hayes, Chicago, Ill.
Rev. Carl P. Hensler, Catholic Radical Alliance, Pittsburgh, Pa.
William H. Hines, instructor in English, Fordham University.
John Hinkel, journalist, New York.
Rev. Dr. Anselm Keefe, dean, St. Norbert College, Wisconsin.
Edward K. Kennedy, attorney, New York.
Reginald Kennedy, executive secretary, National Conference of Christians and Jews.
Julie Kernan, editor, New York.
Donald Langlois, Burlington, Vt.
Norman Langlois, Burlington, Vt.
Emmet Lavery, playwright, New York.
Hon. John M. Lewis, municipal court, New York.
William Lissner, journalist, New York.
Grace Lonergan, Boston, Mass.
John Longo, Jersey City, N. J.
Rev. Daniel Lord, S. J., editor, The Queen's Work.
T. Hubert MacCauley, Newark, N. J.
Miss Jean McLaren, artist, New York.
Frank McLaughlin, Philadelphia, Pa.
Sister Mary Madeleva, St. Mary's College, Indiana.
Rev. Joseph Malloy, C. S. P., New York.
Dr. William E. Manz, Grover Cleveland High School, New York.
Edward Marciniak, president, Chicago Inter-Student Catholic Action.
Harold G. King, Straubenmuller Textile High School, New York, N. Y.
Rev. T. Lawrason Riggs, New Haven, Conn.
Joseph O'Meara, Jr., Cincinnati, Ohio.
Donald Powell, Washington, D. C.
Hon. Anthony J. DiSilvestro, Philadelphia, Pa.
Dr. Francis E. Pronczak, M. D., health commissioner, Buffalo, N. Y.
Miss Mary L. Guyton, Boston, Mass.
Rev. Francis J. Halpin, Chicago, Ill.
Mr. Andrew J. Kelly, Chattanooga, Tenn.
Miss Angeline H. Lograsso, Ph. D., Bryn Mawr, Pa.
Hon. Harry S. McDevitt, Philadelphia, Pa.
Rev. R. A. McGowan, N. C. W. C., Washington, D. C.
Dr. Walter John Marx, Catholic University of America, editor, Social Problems.
Theodore Maynard, author, Maryland.
Julia T. Metcalf, St. Thomas More Library, Los Angeles, Calif.
Rev. Raymond Miller, C. SS. R., Immaculate Conception Seminary, Oconomowoc, Wis.
Rev. Dr. Charles C. Miltner, C. S. C., Notre Dame University, Indiana.
Edward J. Moloney, New York.
Rev. Joseph N. Moody, Cathedral College, New York.
And many others.
John D. Moore, attorney, New York.
Rev. M. Moran, Marymount College, Kans.
Noel Moulton, New York.
Edward O'H. Mullowney, attorney, Boston, Mass.
Philip Murray, steel workers organizing committee, Pittsburgh, Pa.
Mrs. A. S. Musante, San Francisco, Calif.
Francis J. O'Malley, University of Notre Dame, Indiana.
Sara B. O'Neill, Calvert Library, Chicago.
Rev. Henry J. Palmer, New York.
Rev. Wilfred Parsons, S. J., dean, Georgetown University.
Mrs. Charles B. Perkins, Boston, Mass.
Dr. Robert Pollock, Fordham University.
Martin Quigley, publisher, New York.
Rev. Thomas F. Reilly, C. S. S. R., New York.
Rev. H. A. Reinhold, chaplain, Apostolate of the Sea, Seattle, Wash.
Rev. Thomas J. Roshetko, Brunswick, Ga.
Right Rev. John A. Ryan, Catholic University, Washington, D. C.
Sylvester Ryan, chief assistant district attorney, Bronx, N. Y.
Angelo Sala, M. D., New York City Cancer Institute.
Paul Schweitzer, De Witt Clinton High School, New York.
Elias J. Seaman, Butte, Mont.
Edward T. Shedlock, president, Amalgamated Utility Workers.
Edward Skillin, Jr., editor, The Commonweal.
Daniel Sullivan, instructor in philosophy, Fordham University.
Harry Sylvester, author, New York.
Brother Theodore, Cathedral High School, Los Angeles, Calif.
Rev. J. J. Tompkins, Nova Scotia, Canada.
Gene Tunney, New York.
James N. Vaughan, attorney, professor of political science, Fordham.
Hon. Robert F. Wagner, Jr., New York.
Dr. Daniel Walsh, professor of philosophy, Manhattanville, College of the Sacred Heart, New York.
Paul Weber, journalist, Detroit, Mich.
Dr. William G. Welk, College of St. Thomas, Minnesota.
Helen C. White, University of Wisconsin.
Rev. J. E. McIntyre, C. M., St. Vincent's Sanatarium, Wellston Station, St. Louis, Mo.
Mr. John W. McShane, New Orleans, La.
Miss Mary F. O'Dwyer, Dorchester, Mass.
Miss Katherine Peek, Rosemont College, Rosemont, Pa.
Msgr. Robert J. Sherry, Cincinnati, Ohio.
Sister Mary Innocents, St. Mary Academy, Narvod, Ill.
Rev. James H. McConnell, Fredericksburg, Va.
James E. Murray, United States Senator from Montana.
Rev. Dr. Maurice Sheehy, Catholic University, Washington, D. C.
John H. Brady, C. L. U. (chartered life underwriter), New York City.
Dr. Emmanuel Chapman, Fordham University, New York.
Mary O'Shea, Philadelphia, Pa.
James B. Carey, C. I. O., New York City.
Rev. Vincent J. Flynn, College of St. Thomas, St. Paul, Minn.
Sister M. Gerlanda, Alvernia High School, Chicago, Ill.

Are you really ignorant of the statements which high church dignitaries have issued against Father Coughlin? And don't you know that the Coughlin creature, the so-called Christian Front, has been denounced by leading Christians of all denominations, all of them opponents of communism? Haven't you heard of the Government case now in the process of trial in the courts of New York against the national leader of the Christian Front and some of his coleaders?

Really, Mr. Congressman, even you must have heard something about it and know the correct answer to your own question of why we oppose the so-called Christian Front and its creator.

He then quotes from a second league letter our purposes:

"To champion human rights.

"To foster the principles of justice and liberty.

"To foster the principles of American democracy for the United States.

"To combat religious and racial discrimination and oppression."

And adds:

"Whose rights are to be championed? I do not believe human rights are in jeopardy in the United States.

"Justice and liberty are guaranteed in the Constitution, to all people who subscribe to that document.

"Whose religion and what race is subject to discrimination and oppression? Why does not the League state to whom it refers?"

"Who but the Communists seek to foster the principles of democracy in the Republic of the United States?"

If these statements represent the sum total of his knowledge of what is happening in the United States, we will gladly enlighten him on some of the facts of life.

Ever since Hitler came to power in Germany the United States, as well as most other countries, has been flooded with Nazi agents and Nazi spies. The avowed purpose of these Nazi agents is to organize Nazi cells of spies and saboteurs in all important industries, especially in our navy yards, munition factories, and aviation fields. They are attempting to induce the Germans in the United States, by terror or threat of violence to their relatives in Germany, to join the Nazi-organized groups in the United States and serve the interests of Nazi Germany as against the interests of America; to win over by bribes or continued financial support native crackpots or traitors who would, for love or money, or both, betray their country; to influence public opinion in the United States in favor of Nazi Germany and against its opponents; and to spread the Nazi doctrines of antidemocracy and anti-Semitism in the United States.

These are facts and not theories, Mr. THORKELSON. You will find them in the reports of the spy trials in which our Government officially indicted the leaders of Nazi Germany as doing all that we mentioned above. You will find them in the confessions of former Nazi spies and agents in the United States. You will find them in the exposures of the escaped Nazi agents, the Spanknoebles, the Greibls, and their cohorts whom the Nazi Government snatched from under the noses of our Government agents; and what such a combination of Nazi spies and native traitors can accomplish was demonstrated in the cases of Austria, Czechoslovakia, Poland, and now in Norway.

Do you know all these facts, Mr. Congressman? Or are you so busy addressing the "native" Fascist groups that you have no time to catch up with your reading?

Perhaps you are not aware of the fact that our "native" Fascist groups, masquerading under patriotic or Christian names, are Nazi-inspired or Nazi-contrived. Permit us to bring to your attention excerpts from reports of their meetings:

Ebling's Casino, Bronx, N. Y., January 1939: McW.: "In 1940, by God, we are going to have a Christian running for President, or General Moseley and Father Coughlin will have something to say about it."

American Patriots meeting, Iroquois Hotel, New York, May 12, 1939: Spoken by McW.: "We must hate. We must get the people aroused. We must get the youth aroused."

Mobilizer meeting, October 30, 1939: Speaker B. blames all the evils of mankind on the Jews. McW. pointed out that at a meeting with General Moseley the latter suggested that the Jews be placed in detention camps. In connection with the K. K. K., he said, "It

might be a good idea for us Mobilizers to take bedsheets and parade, carrying a shotgun under the sheets."

Mobilizer meeting, October 16, 1939: McW.: Among other things, he stated that Jew Harold Ickes, acting on behalf of the "murderous traitor" Roosevelt, had deprived them of free speech in Washington. He compared President Roosevelt as in the same class with Judas, Benedict Arnold, etc. A man called Happer or Harter cited the method whereby coyotes were exterminated in the West lands, comparing coyotes with the Jews, stating that poisoned beef was left out at night and picked up by the coyotes, but that, of course, some dogs found the poison—innocent victims, as it were—and the inference was that if similar methods were used on the Jews there might be some innocent Christians that snapped the bait.

Mobilizer meeting, Ebling's Casino, October 23, 1939: McW. paid high tribute to Hitler, lauding him as the "emancipator of mankind," and saying that "we need Hitler over here to clean things up."

Mobilizer meeting, October 23, 1939: Speaker C.'s speech was in behalf of a nationalist group to defend this country against the Jews. He also attacked the Catholic clergy for their selling out to the Jews, likewise the Protestant clergy. According to B., Hitler is a wonderful man and a savior of mankind. Likewise feels like McWilliams who said that we need Hitler over here now and in the future to clean things up.

Joint mobilizer-bund meeting, Ebling's Casino, November 18, 1939: Platforms decorated with American and mobilizer flags. Program began with singing of Horst Wessel song. Movies were shown. Emperor Hirohito, of Japan, applauded; the Chinese hissed. Donald S., a guest speaker, said that three great men had brought liberty to their peoples: Washington, Lincoln, and Hitler. Only Congressman he admired was THORKELSON. Concluded by prophesying a Europe under German hegemony.

Mobilizer meeting, November 20, 1939: H. C. asserted that Hitler was the "greatest man in history."

Bund meeting, November 27, 1939: Speakers included Henry C. McW., of the Christian Mobilizers, and Joe himself. Joe asserted that he was ready to punch anyone in the nose who said there was such a thing as one good Jew. McW. called President Roosevelt a traitor, and then added: "What do we do to traitors?" Offered several suggestions, he added himself: "I could kill him, shoot him; hanging is too good for him."

Bund meeting, Ebling's Casino, November 30, 1939: Mobilizer guards acting as ushers. Kunze paid high praise to "our associates, the Mobilizers."

Mobilizer meeting, New Ridgewood Hall, March 28, 1940: McW. announced that he was forming "extermination squads" to exterminate the Jews when the "day" arrives.

Christian Front meeting, Prospect Hall, March 29, 1940: Speaker C. stated that the grass died around the houses in Flatbush because of the Jews living there; that Jews maintain incubators and build up their population to carry on their work; that apartment houses become vermin-ridden when Jews move in; that he is thankful Untermyer died; and that he believes that the British steamships in our harbor should be loaded down with Jews forcibly, driven out of the harbor, and Hitler informed of date of departure, so he can sink them with his submarines.

Christian Mobilizer meeting, New Ridgewood Hall, Brooklyn, N. Y., April 4, 1940: Speaker McW. picked on someone who wanted to ask a question by saying, "You're lucky that I'm in a good mood tonight. Otherwise my crew would have knocked hell out of you and kicked you into the gutter where you belong." He then described his "crew," calling them tough I. R. A. and bund men.

Mobilizer meeting, New Ridgewood Hall, April 4, 1940: McW. announced that he was forming squads composed of the toughest elements he could find to hold meetings in Jewish districts and cause fights. Also announced that America in a few years could expect a Hitler here to be successful.

Christian Front meeting, Prospect Hall, April 5, 1940: Speaker C. lauded Hitler. Announced that the movie, Abe Lincoln in Illinois, was full of Jewish influence.

Mobilizer meeting, Eblings Casino, April 10, 1940: McW.'s lieutenant stated that "we (the Mobilizers) would not fight for the United States."

(We have the full names of all the speakers mentioned here by initials only.)

And they do not stop at words. Last summer there were a number of riots and stabbings in the streets of New York, and for the coming summer a plan was announced at a meeting held at Kiev Tavern on March 26, 1940, where Joe "McNazi" stated that it was decided that:

"Continued and greatly increased anti-Jewish agitation is to be carried on in an effort to start some sort of fight that may be developed into a conflict of major proportions. The Jews must be the ones to start this fight. The above-mentioned groups, the K. K. K., Silver Shirts, and the German-American Bund can be relied upon to join this fight on the side of the Mobilizers. If the actual fight does not start before May 1, at which time street meetings are to be again held, then roving groups are to be 'planted' at each meeting. These groups are to do the 'starting' by kicking and shoving down any Jew present. If the Jew protest, his arrest is to be ordered for disturbing the peace. 'It won't be long then before something happens.' " (This last by McWilliams.)

Well, Mr. Congressman, do you still ask: "Whose rights are to be championed? Whose religion and what race is subject to discrimination and oppression?"

Our founding fathers, in establishing this Republic, have placed two cornerstones in its foundation:

First, the Declaration of Independence, "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain inalienable rights; that among these are life, liberty, and the pursuit of happiness."

Second, the Bill of Rights.

It is these rights we champion. Universal human rights, which are also American rights. Are you, Mr. THORKELSON, in favor of them? Do you believe in the sentiments expressed in the Declaration of Independence? Haven't you sworn to uphold and defend the American Constitution, including our Bill of Rights?

He then proceeds by giving a list of our directors, and adds: "This list of names, which was longer last year, contains the names of many of our professors and educators who spend their time educating people in communism instead of in the fundamental principles of this Government."

This statement is entirely false.

It so happens that the Non-Sectarian Anti-Nazi League to Champion Human Rights is anti-Communist. In previous years and as late as March 31, 1940, at a conference of 300 delegates, representing 150 organizations affiliated with the Non-Sectarian Anti-Nazi League, the following resolutions were unanimously adopted:

Resolution 1

Whereas the Union of Soviet Socialist Republics since the advent of Hitlerism as a menace continued to trade with Nazi Germany to the amount of many millions of dollars annually; and

Whereas since September 1939 the Soviet Union officially joined the Nazi Government in plundering independent neighboring states, placed itself and all its resources openly on the side of Nazi Germany, and is giving its full moral, economic, and indirect military aid to Hitler's war of conquest and Hitler's crusade against the remaining democracies of the world, including the United States; and

Whereas all members of the Communist parties in all countries, including the United States, have openly endorsed this fusion of interests between the United Soviet Socialist Republics and the Nazis, have abandoned their opposition to nazi-ism and Hitlerism, and are attacking and vilifying the democracies, just as the Nazis do: Be it

Resolved, That this conference of organizations affiliated with the Nonsectarian Anti-Nazi League to Champion Human Rights condemns the Communists as blood brothers of the Nazis, sees no difference between the two except in the color of their shirts, and pledges itself to continue its fight for democracy and human rights against all enemies, irrespective of the difference in color or name.

Resolution 2

Whereas for the past few years groups of superpatriots masquerading under such high-sounding names as Christian Front, Christian Mobilizers, American Patriots, and others are spreading violent Nazi propaganda, including the hatred of our democratic form of government and the spread of Hitler's racial theories; and

Whereas those subversive groups claim that they are fighting to protect the United States against communism, but definite proof conclusively shows that these groups are aided and abetted, and in some instances partially or wholly financed, by the Nazi propaganda department in Germany and by its agents in the United States; and

Whereas the Nazis and the Communists, both in Europe and in the United States, are working conjointly against all forms of democracy and for autocratic totalitarianism: Be it

Resolved, That we, as delegates to this conference of the organizations council of the Non-Sectarian Anti-Nazi League, condemn these subversive groups, praise this league for the splendid work heretofore accomplished, and recommend that the Non-Sectarian Anti-Nazi League continue to investigate and expose these subversive groups as enemies, malefactors, and attempted destroyers of these United States.

In view of this clear-cut anti-Communist stand accepted and proclaimed by the organizations comprising the Non-Sectarian Anti-Nazi League to Champion Human Rights, will you, Mr. THORKELSON, still assert that "the league is a Communist organization and that the league is fighting the patriotic American citizens who are opposed to the Communists and therefore to the Non-Sectarian Anti-Nazi League"?

Incidentally, isn't it rather late in the day to continue using anticommunism as a cloak for nazi-ism and fascism?

Hitler rode to power in Germany on the claim that he saved Germany from the dangers of communism. He claimed the indulgence and the active support of other governments and countries (and received it to a large extent) on the theory that nazi-ism is the antithesis to and the bulwark against communism. Following his example, every Nazi and Fascist group, every soap-box orator, of every one of the 57 varieties of colored shirts tried to save the world from communism. Every crime, every mean and dirty trick, every cruel and criminal act of the Nazis and their followers was excused on the theory that it helped combat communism.

Now Hitler and his Nazis have united with Stalin and his Communists to form a common blood brotherhood in a joint effort to conquer and subdue the world. The Communists whom Hitler called the bloody scum of the world, the pest, and the greatest danger to civilization, whose very presence is contaminating, the same Communists are now embraced by the Nazis as their best friends and full partners in the crusade against the democracies and the rest of the world.

Nazis and Communists have stopped their sham feud among themselves; they have become one and indivisible.

Some time ago there was issued an open letter from a Communist to Father Coughlin concerning their "commu-nazi" combination. That letter reads:

"DEAR COMRADE FATHER: Now that our leaders, Hitler and Stalin, have 'kissed and made up,' I see no reason why we in the United States should maintain our separate organizations to fight American democracy, you in the name of fascism and we in the name of communism. Why not form a united front, following the example of our illustrious leaders, Hitler and Stalin?

"I know that there still are some minor points of difference between your ideas of fascism and ours of communism. The question of our attitude toward the Jews, the question of private property, the question of class dictatorship, and of religious persecution separate our movements, but they are only minor points of policy. In reality we are fully in accord even as to these few points.

"You know, Father, that only the uninformed link Judaism with bolshevism. You and I, as practical, educated men, know the true facts. In Czarist Russia the Jews were not permitted to be workers, artisans, professionals, or farmers. They were crowded into a few small towns and were forced to be small traders or middlemen.

"When we Bolsheviks came into power we divided the population into several classes in accordance with their importance to the state (talk about a classless society). The workers and peasants came first, the soldiers next, Government officials next, professionals next, etc. And do you know what we did with the majority of the Jews, Father? We declared they were declassed, their property confiscated, and they were allowed to die of starvation or to subsist on the pittance which they received from the Jews outside of Russia. For a time we even refused to recognize their young children as full-fledged Soviet citizens.

"It is really a grim joke to speak of Jewish bolshevism or to assume that the Bolsheviks treated the majority of their Jews less cruelly than the Nazis did. We Bolsheviks have as little love for the racial brothers of Jesus Christ as you have. We have even repudiated Him, His apostles, and His creed, for they were all of Jewish origin. You, on the other hand, profess reverence for and belief in the Saviour, who was a Jew, the Jewish Carpenter of Nazareth, yet you persecute unto death His brothers and sisters, which does seem very queer, if you'll permit me to say so. It was well enough to keep up that pretense as long as the Fascists and Bolsheviks were fighting each other, but now, since Hitler and Stalin signed a peace treaty, we may as well tell our followers the truth, even if it means disillusioning them regarding our policy toward the Jews.

"The same holds true as to the question of private property. Although we in Russia have abolished private property and the Fascists in Germany and in Italy have not, in all three countries everything belongs to the state. The private capitalist in Germany has as much voice in determining his production, sales price, worker's staff, or what to do with his profits, if any, as the foreman in a Soviet factory. The Soviet State owns everything in Russia and the Hitler government owns everything, for it owns everybody in Germany. The same condition exists in Italy.

"As to class dictatorship, I hope that you as an intelligent person (and I trust that you are intelligent in spite of your articles I read and your speeches I heard) will not raise this question.

"What rights have the workers in Russia? They are chained to their jobs—just as the workers in Germany are to theirs; they have just as little voice in determining their wages and their working conditions. In Russia it is a capital offense for a worker to strike. To be sure, the Russian workers enjoy vacations, which they never did under the Czar, but so do the German workers through their 'strength through joy' organizations.

"There is only one political party in Russia—the Communist Party—and it rules supreme in the name of the working class; and there is only one political party in Germany—the Nazi Party—and it rules supreme in the name of the German people. Even the names of the ruling parties are alike, for the official name of Hitler's Nazi Party is 'Nazional Sozialistische Arbeiter Partei.'

"Then as to the question of religion: The Bolsheviks have expropriated (taken away) the enormous properties and fabulous riches of the Russian church. So has Hitler, only he did it and still does it gradually, while the Russians have done it all at once. The Soviets discourage religious beliefs and interfere with the churches. So does Hitler. You are surely aware that through the Hitler youth the Nazis seek to steal the children away from the religion of their parents. They close secular schools, censor church sermons, and have even prohibited the sale of the Bible in book stores. The Bolsheviks have imprisoned and killed many clerics as enemies of the Soviet state just as Hitler imprisoned and killed clerics of all religious denominations as enemies of the Nazi state. The Bolsheviks discourage but do not prohibit limited exercise of religious beliefs, and so do Hitler and his Nazis. And after a score of years of godless propaganda there are still millions of religious worshippers in Russia, just as there are in Germany. Even the attempt of the Nazis to establish a Nazi-controlled church is but an aping of the new 'living church' in Russia which the Bolsheviks established some years ago.

"And as to individual liberties, freedom of speech, of the press, of assemblage, etc., I defy anyone to find the difference between Germany and Russia.

"So you see, dear Father Coughlin, there is really nothing to differentiate fascism from communism except the color of their shirts, and that is not enough to keep our movements apart. Fascism and communism are both opposed to freedom, democracy, and the right of the individual citizen. So why not form a united front between the Fascists, whom you represent, and the Communists in the United States, whom we represent? I feel sure that Stalin would permit Earl Browder to sign such a treaty with you and you would have no trouble at all to get Hitler's permission. Why should he object? He never yet honored his signature to any treaty or any promise he ever made.

"We may call your combined forces 'red' fascism or 'black brown' bolshevism—it really doesn't matter. C. F. may remain our insignia, for it may mean Christian Front, Communist Front, or Common Front, and I have already devised a new salute, which consists of three parts or movements:

"1. The Communist raised arm and clenched fist, followed by

"2. Stretching out the arm and opening the fist into a Nazi salute, followed by

"3. A Bronx cheer.

"Come, come, dear Father Coughlin. I know you attacked the Bolsheviks bitterly and preached fascism as the only defense against us, but it should not be hard for you to eat your words and grasp our hands as those of brothers and coworkers in a common cause. Surely your attacks on bolshevism were not more caustic than Herr Hitler's and he has not hesitated to conclude an agreement of mutual friendship with Stalin, throwing the Anti-Comintern Pact overboard.

"After all, dear Father, we have really no choice in this matter. The cardinal principle on which both bolshevism and fascism are based is: Follow the leader, the Fuehrer or the Duce. It is not for us to think or consider where they lead us, or what they let us in for. Thinking or deliberating on the part of the individual citizen is a trait of the decaying democracies. We of the 'vigorous' Fascist and Communist states have but one duty—not to think, not to discuss, not even to justify, but blindly to obey the leader, wherever he leads us. And since Hitler and Stalin decreed a united front, we must obey them.

"So let us consolidate the Daily Worker with Social Justice, and under joint auspices let us march together toward the conquest of these United States for the glory of our leaders—Stalin and Hitler, or Hitler and Stalin, if you prefer it that way.

"Amen.

"Obediently yours,

"COMMUNAZI."

In view of all this, isn't it rather silly, at this late date, to use anticommunism as a justification for nazi-ism or fascism? Why, there is no longer any difference between them. One can't be for nazi-ism unless one is also for communism, and one can't honestly be against communism unless also against nazi-ism and fascism. There is no longer a question of nazi-ism versus communism, but a bitter fight by the communazis against democracy, and in our country against our democratic institutions and our Government.

So why not drop the mask of anti-Communist, Mr. THORKELSON, and show your true colors? Are you for communazi-ism or for our American democracy? You can't serve God and the devil simultaneously.

You say: "It is important for the Government to ask the Nonsectarian Anti-Nazi League to Champion Human Rights to lay its cards on the table for it is the most subversive group of all."

Here, Mr. Congressman, without waiting for the Government's request, are our cards:

We print literature, every piece of which is obtainable for the asking, including:

1. The Bill of Rights, and a list of groups who are seeking to destroy it. (Any subversiveness in that?)

2. A pamphlet containing the pictures and the criminal records of some of the leaders of the so-called Christian Mobilizers. (This is the same organization whom you addressed and praised so much in New York on March 4, 1940, in Ebling's Casino.)

3. An expose of the un-American activities of many of the so-called Christian groups.

4. An expose of the Nazi propaganda that is smuggled into the United States and documentary proof of the connection of some of our "patriots" with foreign propagandists.

5. Exposure of connections between the Italian Fascist, Nazi Bund, native traitors, Canadian and English Fascists, and their interlocking directorate.

6. Pamphlets concerning visits to Nazi Germany and what one can expect to find there.

7. A monthly bulletin exposing current Nazi and Nazi-inspired activities in the United States.

As to our "subversiveness" have you ever heard of any subversive group turning over its information and results of its activities to the proper Government authorities? We are doing it. Are the Nazi, "patriotic," or Communist organizations acting in a similar way?

These are our cards and we are anxious for the public to see them. In fact we are spending our last pennies to place them on public view. Will your friends, the Fascists, do the same? We doubt it and we will therefore save them the trouble of uncovering at least one of their cards.

You, Mr. THORKELSON, claim that we accuse American groups of being Fascist. One of these groups is the Christian Mobilizers, with whose program you seem to agree inasmuch as you spoke at their meeting on March 4, 1940, and praised their activities, as we pointed out in the beginning of this letter.

Here then is a card marked, "History of the Christian Mobilizers." We quote:

"Toward the end of May 1939, Joe, Thomas, George, Phil, and Z——r full names are in the affidavit) met in a little beer garden on Amsterdam Avenue. Joe told us that it was high time that a strong militant fascistic organization be formed for the purpose of putting the aryans on top and the Jews on the bottom. It would have to be a 'leadership' organization where one is to give orders and everyone else is to take orders. He stated that this organization was to endeavor to get a large following, have able speakers, and to form a corps of guardsmen similar to the storm troopers in Germany. Joe stated that the Christian Front was composed of a bunch of pussyfooters, the German-American Bund was out of luck because of its German tie-up and would never get anywhere, and that all other organizations had no specific plan and poor leaders. It was then and there decided to form a new organization which shall be known as the Christian Mobilizers. Joe said that each of us present at this beer garden would be the head of a department. He also said that this organization ought to start in the Bronx because there was a very large Jewish population there and also because there was a large Catholic population to cope with the Jews. He said it would be easy to play up alleged injustices by Jews, and we could make these more apparent in the Bronx.

"In August 1939, Joe and a few of us visited Camp Siegfried; it was a German day, and Kuhn and Joe addressed the crowd and received a great ovation.

"At the next meeting it was announced from the platform that strong, husky men were wanted to serve as guards. About 150 volunteered. A member of the bund was appointed as their drill master * * *."

This, Mr. THORKELSON, is from a sworn affidavit now in the hands of the Federal authorities. We have the names of the guards, too. This is the American patriotic organization which "is so anxious to get rid of the Non-Sectarian Anti-Nazi League and who, probably, induced you to attack the league on the pages of the CONGRESSIONAL RECORD."

What do you say about putting "more cards on the table?"

Now let us take up your other question about where we get our money and what we do with it.

We are a non-profit-making corporation, and our books are audited every 3 months by a certified public accountant. Our books are kept (not destroyed), and our money is received in $1, $2, $3, $5, and $10 contributions from organizations and individuals who still believe in democracy and in the necessity of defending it against "native" and imported Nazis.

We trust that even you will not accuse us of being supported by the Nazis, and no one but an imbecile could suspect, after reading our resolutions, that we would receive support from the Communists. At any rate, we issue official receipts for every dollar we receive and have copies of same ready for any investigation. Can you say so much for your Nazi friends?

But let us proceed with THORKELSON's attack. He says:

"The people should bear in mind that all information in the Nation's press appears from one angle alone, namely, the angle of the internationalists. It is not an American angle, it does not express American opinion but expresses, instead, an unassimilable alien philosophy." And later in the same paragraph you say: "The present war is not a war of the people but is, instead, a strife in which the people will be sacrificed in order to establish a super world government over which the internationalists can reign unmolested and free."

Now, the Nazis apply the term "internationalists" to Jews, but you, Mr. THORKELSON, are not a Nazi, or are you? Whom do you mean by this term? We assume that you mean the Jews.

Now, the Jews can be termed internationalists because of their religion and because of their racial group. Jews in the United States, England, France, Germany, Spain, Africa, South America, Canada, etc., are all Jews, and all have the same religion. But have you ever heard of the Catholics, Mr. THORKELSON? The American English, Spanish, Italian, etc., Catholics all have the same religion. And how about the Protestants? Haven't the American, British, German, etc., Protestants the same religion? If their religion stamps the Jews as internationalists, how about the Catholics and Protestants?

Or, if it is their racial group, how about the Germans? We have Germans in the United States, Canada, Mexico, Central and South American republics, Africa, European countries, and, wherever they are, they are Germans. Aren't the Germans true internationalists?

Why repeat the Nazi appellation of internationalists to Jews and not to any other religious or racial group? And if you don't mean the Jews, whom or what do you mean by the term "internationalists"; or do you mean anything at all?

In justice to you—we wish to be just even to our enemies and opponents—and out of respect for your intelligence, we are ready, with your permission, to assume that you are not the author of the article in the CONGRESSIONAL RECORD, for it contains so many gross and foolish mistakes that you could not possibly make them.

As a Congressman, you could not ask what right the Non-Sectarian Anti-Nazi League has to assist the Government agencies. You surely know, or ought to, that it is not only the privilege but the duty of every citizen to help the Government in apprehending public enemies and traitors to the safety of the Nation. No matter how little you may know about economics, you could not have said that the fight of the Non-Sectarian Anti-Nazi League against the spread of nazi-ism in the United States is retarding our economic recovery. You could not have made the mistake of quoting from our literature that there are between 700 and 1,000 subversive Nazi-inspired organizations spreading racial hatred in the United States, and then ask us where we get the money to support these 700 to 1,000 organizations. Who would suspect that the Non-Sectarian Anti-Nazi League is supporting 1,000 Nazi organizations in the United States?

We are therefore ready to assume, again with your permission, that some stupid fellow wrote that article and wish to absolve you for the foolish statements made by that fool. But even if this be the case, you should have asked for the privilege of reading the speech before it was inserted under your name in the CONGRESSIONAL RECORD, for on page 2014 of the Appendix of the CONGRESSIONAL RECORD, lines 24 and 25, you are made to say, "who but the Communists desire to foster the principles of democracy in the Republic of the United States?"

You are anticommunistic, that is certain. You consider the Communists in the United States enemies of our Government and traitors to our country. You state that ours is a democratic Republic. That means, if it means anything, that democracy and republicanism are the keystone of the United States. You say that you are against anything the Communists are for but when you assert that the Communists are the only ones who desire to foster the principles of democracy in the Republic of the United States, you imply that you are an enemy of democracy.

Now, as a private citizen, you have as much right to be a rabid anti-Democrat as Hitler, Stalin, or Mussolini, but, as a Congressman, you have taken an oath to defend this Republic and our democratic form of government. If you are against them, what are you doing in the Congress of the United States? If you are for them, what is this nonsense about only Communists fostering the principles of democracy in the American Republic?

In closing, permit us to remind you that in recent years, in Austria, Czechoslovakia, Poland, and now in Norway, Nazi agents and native traitors have betrayed and sold their countries into the hands of Hitler. In all these countries the Nazis have induced, bribed, or by other means influenced native crackpots, megalomaniacs, or downright traitors to becloud the issues with such phrases as "Aryanism," "patriotism," "communism," "racism," "internationalists," etc. These served as an anaesthetic for the unthinking multitudes.

The same trick is now being tried by the Nazi agents and their hirelings in our country, the United States.

We who observe these termites and recognize their tactics, pledge ourselves to continue exposing their treacherous activities, irrespective of whether they wear red, brown, black, silver, white, or dirty shirts, and regardless of whether they spew their poison from soap boxes in Columbus Circle or from the exalted seats of legislatures.

NON-SECTARIAN ANTI-NAZI LEAGUE
TO CHAMPION HUMAN RIGHTS.

Mr. SABATH. I feel that it is but fair that this organization should have the right to answer the unjustified and unwarranted attacks made by the gentleman from Montana, and also for the further reason that he is said to have caused to be printed for certain other subversive organizations reprints of these attacks which are being mailed out by them, as I understand, under his frank, at a tremendous cost to the Government. It is the first time in my many years of service that I have made a unanimous-consent request that would cost the Government any additional sum of money which in this case will amount to approximately $225. However, in checking up on the extensions and remarks of the gentleman from Montana, I find that they have been printed at a cost of some $10,000 to the Government, a sum many times greater by far than that indulged in for extension of remarks by any other Member of the House in the present Congress.

ORDER OF BUSINESS

Mr. MAGNUSON. Mr. Speaker, may I inquire of the Chair if it is the intention of the House to take up any legislative matters during the remainder of this week other than the bill now pending before the House?

The SPEAKER pro tempore. If we complete the consideration of the pending bill in a reasonable time tomorrow, there are two resolutions reported by the Committee on Rules, one with reference to the New York Fair and the other with reference to the San Francisco Fair, that Members from those localities and others interested say must be passed and in effect before the 11th of May. It is the intention of the Chair, if the bill we have been considering today and which we will further consider tomorrow is completed within a reasonable time, to recognize members of the Rules Committee to call up those rules.

Mr. MAGNUSON. May I ask further, Mr. Speaker, if it is also intended to call up the conference report on the Wheeler-Lea bill?

The SPEAKER pro tempore. It was announced in the House today, definitely, that that conference report would not come up until Thursday next.

Mr. MAGNUSON. Other than these two, the Chair is not cognizant of any other matters that will be considered tomorrow?

The SPEAKER pro tempore. Not at the moment. Of course, we are working from hour to hour now.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. WOLFENDEN of Pennsylvania, indefinitely, on account of illness.

To Mr. HARE, for the remainder of the week, on account of important business.

PERMISSION TO ADDRESS THE HOUSE

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

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

There was no objection.

[Mr. VAN ZANDT addressed the House. His remarks appear in the Appendix of the RECORD.]

ENROLLED JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker pro tempore:

H. J. Res. 431. Joint resolution to extend to the 1940 New York World's Fair and the 1940 Golden Gate International Exposition the provisions according privileges under certain customs and other laws to the expositions of 1939.

The SPEAKER pro tempore announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 252. Joint resolution to amend section 5 (b) of the act of October 6, 1917, as amended, and for other purposes.

ADJOURNMENT

Mrs. NORTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 14 minutes p. m.) the House adjourned until tomorrow, Friday, May 3, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Friday, May 3, 1940, at 10 a. m., in room 328, House Office Building, to consider various bills.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of a subcommittee of the Committee on Interstate and Foreign Commerce, at 10 a. m., Tuesday, May 7, 1940, for the consideration of House Joint Resolution 457, entitled "For the Transfer of the Marketing Laws Survey to the Department of Commerce."

There will be a meeting of the Committee on Interstate and Foreign Commerce on Monday, May 13, 1940, at 10 a. m.

Business to be considered: To begin hearings on S. 280 and H. R. 145—motion pictures. All statements favoring the bill will be heard first. All statements opposing the bill will follow:

COMMITTEE ON PATENTS

There will be a meeting of the Committee on Patents on Thursday, May 9, 1940, at 10:30 a. m., for the consideration of H. R. 8441, H. R. 8442, and H. R. 8444, all of which relate to amendments to the patent laws.

There will be a meeting of the Committee on Patents on Thursday, May 16, 1940, at 10:30 a. m., for the consideration of H. R. 9384, H. R. 9386, and H. R. 9388, all of which relate to amendments to the patent laws.

COMMITTEE ON IRRIGATION AND RECLAMATION

The Committee on Irrigation and Reclamation will meet on Saturday, May 4, 1940, at 10 a. m., in room 128, House Office Building, for the consideration of H. R. 9093.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1587. A letter from the Secretary of Agriculture, transmitting in accordance with section 9 of the Soil Conservation and Domestic Allotment Act, as amended, a report for the fiscal year ending June 30, 1938, of the operations under sections 7 to 14, inclusive, of this act; to the Committee on Agriculture.

1588. A letter from the Attorney General, transmitting a draft of a proposed bill to amend section 355 of the Revised Statutes to authorize the Attorney General to approve the title to low-value lands and interests in lands acquired by or on behalf of the United States subject to infirmities; to the Committee on the Judiciary.

1589. A letter from the Acting Secretary of the Interior, transmitting a draft of a proposed bill for the relief of Dr. Lawrence T. Post, G. F. Allen, and D. Buddrus; to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. COSTELLO: Committee on Military Affairs. H. R. 7254. A bill authorizing the temporary detail of J. L. Savage, an employee of the United States, to service under the Government of the State of New South Wales, Australia; without amendment (Rept. No. 2062). Referred to the Committee of the Whole House on the state of the Union.

Mr. ELSTON: Committee on Military Affairs. H. R. 7611. A bill to provide for the rank and title of lieutenant general of the Regular Army; with amendment (Rept. No. 2064). Referred to the Committee of the Whole House on the state of the Union.

Mr. MANSFIELD: Committee of conference on the disagreeing votes of the two Houses. H. R. 6264. A bill authorizing the construction, repair, and preservation of certain works on rivers and harbors, and for other purposes (Rept. No. 2065). 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. HARNESS: Committee on Military Affairs. S. 3095. An act for the relief of Harry Huston; without amendment (Rept. No. 2063). 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. LUDLOW:

H. R. 9631 (by request). A bill to authorize the appropriation of $200,000 for the purpose of constructing a national airport and aviation school at Indianapolis, Marion County, Ind., for training Negro citizens to become aviators in the United States Aviation Corps, and as aviators in the United States Army and the Government's subsidies; to the Committee on Military Affairs.

By Mr. PAGÁN:

H. R. 9632. A bill concerning the act of May 5, 1939, passed by the Legislature of Puerto Rico, relating to bonds; to the Committee on Insular Affairs.

By Mr. RANDOLPH:

H. R. 9633. A bill to enlarge and extend the power and jurisdiction of the Board of Education over degree-conferring institutions operating within the District of Columbia; to the Committee on the District of Columbia.

By Mr. SPARKMAN:

H. R. 9634. A bill to amend the Tennessee Valley Authority Act, as amended, by striking therefrom subsection (k) of

section 4 and substituting therefor a new subsection (k); to the Committee on Military Affairs.

By Mr. TENEROWICZ:

H. R. 9635. A bill authorizing the organization of a full regiment of colored combat troops as a part of the National Guard of the State of Michigan; to the Committee on Military Affairs.

By Mr. VINSON of Georgia:

H. R. 9636. A bill authorizing the conveyance to the Commonwealth of Virginia of a portion of the naval reservation known as Naval Proving Ground, Dahlgren, Va.; to the Committee on Naval Affairs.

By Mr. CURTIS:

H. R. 9637. A bill to provide for financing wells and pumping systems for farms and for a method of repayment; to the Committee on Agriculture.

By Mr. GAVAGAN:

H. R. 9638. A bill authorizing and adopting the improvement of East River, N. Y.; to the Committee on Rivers and Harbors.

By Mr. MAAS:

H. R. 9639. A bill to amend certain sections of the Naval Reserve Act, 1938, as amended; to the Committee on Naval Affairs.

By Mr. WHITTINGTON:

H. R. 9640. A bill authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes; to the Committee on Flood Control.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. ANGELL:

H. R. 9641. A bill to correct the naval record of John B. Dolan; to the Committee on Naval Affairs.

By Mrs. BOLTON:

H. R. 9642. A bill for the relief of Caroline Janes; to the Committee on Claims.

By Mr. DEMPSEY:

H. R. 9643. A bill for the relief of Herman C. Hawkins and others; to the Committee on Claims.

By Mr. GARRETT:

H. R. 9644. A bill for the relief of Roy Kendrick; to the Committee on Claims.

By Mr. HULL:

H. R. 9645. A bill for the relief of Mrs. William Butak, Dorothy Clyde, Mrs. Albert Westcott, Mrs. Albert Meyer, Florence Johnson, Marie Grill, Mrs. Leo Maloney, Marian McDonald, Mrs. Edward Beier, Mrs. E. L. Bly, Mrs. Lucien Miller, Lois Kehnl, Reka Berg, Mrs. Ollis Klicker, Wilma Vogler, and Mary Chisholm; to the Committee on Claims.

By Mr. KLEBERG:

H. R. 9646. A bill for the relief of Farmers Rural Telephone Association; to the Committee on Claims.

By Mr. MAGNUSON:

H. R. 9647. A bill to enable Sadao Tanaka to remain permanently in the United States; to the Committee on Immigration and Naturalization.

By Mr. MONRONEY:

H. R. 9648. A bill granting a pension to Maud Carrico; to the Committee on Pensions.

H. R. 9649. A bill granting a pension to Annie Joyce; to the Committee on Pensions.

H. R. 9650. A bill for the relief of Maynard Goss; to the Committee on Claims.

By Mrs. O'DAY:

H. R. 9651. A bill for the relief of Meier Langermann, his wife Friederike, and son Joseph; to the Committee on Immigration and Naturalization.

By Mr. SABATH:

H. R. 9652. A bill for the relief of Kresimir Matijevic; to the Committee on Immigration and Naturalization.

By Mr. SIMPSON:

H. R. 9653. A bill granting a pension to Jacob G. Simmons; to the Committee on Invalid Pensions.

PETITIONS, ETC.

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

7839. By Mr. CHIPERFIELD: Petition of the Illinois Association of County Superintendents of Highways of District No. 4, urging immediate consideration and passage of the Hatch bill; to the Committee on the Judiciary.

7840. By Mr. ELSTON: Petition of various citizens of Cincinnati, Ohio, petitioning consideration of their resolution with reference to the Federal chain-store tax bill (H. R. 1); to the Committee on Ways and Means.

7841. By Mr. FLAHERTY: Petition of the Animal Rescue League of Boston, Mass.; opposing the use of animals in the testing of high explosives; to the Committee on Military Affairs.

7842. By Mr. JARRETT: Petition of the American Legion Auxiliary, East Brady, Pa.; to the Committee on World War Veterans' Legislation.

7843. By Mr. MARTIN J. KENNEDY: Petition of the Railway Labor Executives' Association, Chicago, Ill., opposing House bill 7133; to the Committee on Labor.

7844. Also, petition of the Textile Workers Union of America, New York City, opposing any and all amendments, including the Smith and Norton amendments, to the National Labor Relations Act; to the Committee on Labor.

7845. Also, petition of the United Electrical, Radio, and Machine Workers of America, district No. 4, Newark, N. J., expressing opposition to the Norton and Smith amendments to the National Labor Relations Act; to the Committee on Labor.

7846. By Mr. KEOGH: Petition of the New York State Farm Bureau Federation, Ithaca, N. Y., favoring section 32 of the agricultural appropriation bill; to the Committee on Agriculture.

7847. Also, petition of the New York State Waterways Association, Inc., Albany, N. Y., concerning the conference report on Senate bill 2009; to the Committee on Interstate and Foreign Commerce.

7848. Also, petition of the Merca Traffic Service Bureau, New York City, favoring the amending of section 10 (a) of the transportation bill (S. 2009); to the Committee on Interstate and Foreign Commerce.

7849. Also, petition of the American Short Line Railroad Association, Washington, D. C., favoring the adoption of the conference report on Senate bill 2009; to the Committee on Interstate and Foreign Commerce.

7850. Also, petition of the Seatrain Lines, Inc., New York City, concerning the Wheeler-Lea transportation conference report on Senate bill 2009; to the Committee on Interstate and Foreign Commerce.

7851. Also, petition of the Brotherhood of Locomotive Engineers, Brotherhood of Locomotive Firemen and Enginemen, Order of Railway Conductors, Brotherhood of Railway Trainmen, and Switchmen's Union of North America, favoring recommiting transportation bill (S. 2009); to the Committee on Interstate and Foreign Commerce.

7852. By Mr. LYNCH: Petition of the Merca Traffic Service Bureau, New York, N. Y., urging on behalf of 1,200 shippers that section 10 (a) of the transportation bill be amended to retain the present 3-year limitation period for recovery of overcharges in lieu of the 2-year period proposed in the bill; to the Committee on Interstate and Foreign Commerce.

7853. By Mr. PFEIFER: Petition of the New York State Waterways Association, Inc., Albany, N. Y., opposing enactment of Senate bill 2009, to amend the Interstate Commerce Act; to the Committee on Interstate and Foreign Commerce.

7854. Also, petition of the Brotherhood of Locomotive Engineers, Brotherhood of Locomotive Firemen and Enginemen, Order of Railway Conductors, Brotherhood of Railway Trainmen, and Switchmen's Union of North America, Washington, D. C., urging recommitment of the conference report on Senate bill 2009; to the Committee on Interstate and Foreign Commerce.

7855. Also, petition of the Merca Travel Service Bureau, New York City, urging the amending of section 10 (a) of

Senate bill 2009, the Transportation Act of 1940; to the Committee on Interstate and Foreign Commerce.

7856. By Mr. RANKIN: Petition of the Legislature of Mississippi; to the Committee on Interstate and Foreign Commerce.

7857. Also, petition of the Legislature of Mississippi; to the Committee on Appropriations.

7858. Also, petition of the Legislature of Mississippi; to the Committee on Appropriations.

7859. Also, petition of the Legislature of Mississippi; to the Committee on Roads.

7860. By the SPEAKER: Petition of the District of Columbia Chapter, National Lawyers Guild, Washington, D. C., petitioning consideration of their resolution with reference to the Fair Labor Standards Act of 1938; to the Committee on Labor.

7861. Also, petition of the Farmer Labor Central Committee (Curtiss Olson), Roseau, Minn., petitioning consideration of their resolution with reference to the La Follette-Wheeler-Bankhead bill concerning agriculture; to the Committee on Agriculture.

7862. Also, petition of the Long Beach Junior Chamber of Commerce, Long Beach, Calif., petitioning consideration of their resolution with reference to the reorganization measures affecting the Civil Aeronautics Authority; to the Select Committee on Government Organization.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 3, 1940

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. RAYBURN.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Increase our faith, O God, and forgive wherein we have faltered and failed; in much thought of the world, we have missed the passion of Jesus. Let us be less troubled about the ways of others and more alive in the higher realms of thought, feeling, and tolerance; less disturbed about the ebb and flow of the changing scenes of life. Take away the persistent shadow of self and fill us with godly consideration for the honesty and high motives of our fellow men. We pray that we may walk together in our own land of the living, for Thou hast dealt bountifully with us. If we hallow our blessings, reverence our fair name, esteem our influence and power, we shall experience a spiritual enrichment. We most humbly pray for all churches in their devoted endeavors to promote cooperation and good will throughout the broad earth. Oh, hasten the hour in which all faiths shall blaze a pathway of brotherhood in unchartered lands and the divine plan shall arise to replace the broken strings in the harp of the world. Through Christ, our Saviour. 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, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 8745. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1941, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 8438) entitled "An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1941, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon; and appoints Mr. BYRNES, Mr. GLASS, Mr. THOMAS of Oklahoma, Mr. OVERTON, Mr. WALSH, Mr. HALE, and Mr. LODGE to be the conferees on the part of the Senate.

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 Senate to the bill (H. R. 8319) entitled "An act making appropriations for the Departments of State, Commerce, and Justice, and for the judiciary, for the fiscal year ending June 30, 1941, and for other purposes."

The message also announced that the Senate having proceeded to reconsider the bill (H. R. 289) entitled "An act for the relief of officers and soldiers of the Volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899," returned by the President of the United States to the House of Representatives, in which it originated, with his objections, and passed by the House on a reconsideration of the same, it was—

Resolved, That the said bill pass, two-thirds of the Senators present having voted in the affirmative.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

An April 26, 1940:

H. R. 3406. An act for forest protection against the white-pine blister rust, and for other purposes.

On April 30, 1940:

H. R. 7406. An act granting the consent of Congress to the General State Authority, Commonwealth of Pennsylvania, and/or the Pennsylvania Bridge and Tunnel Commission, either singly or jointly, to construct, maintain, and operate a toll bridge across the Susquehanna River at or near the city of Middletown, Pa.;

H. R. 7407. An act granting the consent of Congress to the General State Authority, Commonwealth of Pennsylvania and/or the Pennsylvania Bridge and Tunnel Commission, either singly or jointly, to construct, maintain, and operate a toll bridge across the Susquehanna River at or near the city of Millersburg, Pa.;

H. R. 7655. An act to extend the times for commencing and completing the construction of a bridge across the Delaware River between the village of Barryville, N. Y., and the village of Shohola, Pa.;

H. R. 7660. An act to amend section 35B of the United States Criminal Code to prohibit purchase or receipt in pledge of clothing and other supplies issued to veterans maintained in Veterans' Administration facilities;

H. R. 7663. An act providing for sick leave for substitute postal employees;

H. R. 7814. An act for the relief of Gerald Henry Simpson;

H. R. 8320. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River near Jefferson Barracks, Mo.;

H. R. 8397. An act to extend the times for commencing and completing the construction of a bridge or bridges across the St. Louis River at or near the city of Duluth, Minn., and the city of Superior, Wis., and to amend the act of August 7, 1939, and for other purposes;

H. R. 8398. An act amending acts extending the franking privilege to widows of ex-Presidents of the United States;

H. R. 8467. An act authorizing the Superior Oil Co., a California corporation, to construct, maintain, and operate a free highway bridge or causeway and approaches thereto, across the old channel of the Wabash River from Cut-Off Island, Posey County, Ind., to White County, Ill.;

H. R. 8471. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Susquehanna River, at or near Wyalusing between Terry and Wyalusing Townships, in the county of Bradford, and in the Commonwealth of Pennsylvania;

H. R. 8495. An act to extend the times for commencing and completing the construction of a bridge or bridges across the