and training program in the United States; to the Committee on Military Affairs.

By Mr. WHELCHEL:

H. R. 10431. A bill to provide forms and penalty envelopes for the return of certain reports required to be made to the Secretary of Agriculture; to provide compensation for the making of such reports; and for other purposes; to the Committee on Agriculture.

By Mr. BLAND:

H. J. Res. 596. Joint resolution to authorize Commander Howard L. Vickery to hold the office of a member of the United States Maritime Commission; to the Committee on Merchant Marine and Fisheries.

By Mr. PLUMLEY:

H. J. Res. 597. Joint resolution authorizing the participation of the United States in the celebration of a Pan American Aviation Day, to be observed on December 17, of each year, the anniversary of the first successful flight of a heavier-than-air machine; to the Committee on the Judiciary.

By Mr. MARCANTONIO:

H. J. Res. 598. Joint resolution providing for the repeal of Public, No. 670, Seventy-sixth Congress (ch. 439, 3d sess.); to the Committee on the Judiciary.

By Mr. ROBERTSON:

H. J. Res. 599. Joint resolution to amend section 13 (a) of the Fair Labor Standards Act of 1938; to the Committee on Labor.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BLOOM:

H. R. 10432. A bill for the relief of Mor (Morris) Honig, his wife Franciska (Francesca), and their sons Vilmos (William) and Pal (Paul); to the Committee on Immigration and Naturalization.

By Mr. HOOK:

H. R. 10433. A bill for the relief of Basil Paul Vagin; to the Committee on Immigration and Naturalization.

By Mr. KELLER:

H. R. 10434. A bill for the relief of Arthur Smith; to the Committee on Military Affairs.

H. R. 10435. A bill granting an increase of pension to Elizabeth Knaus; to the Committee on Invalid Pensions.

H. R. 10436. A bill to record the lawful admission for permanent residence of Erik Uno Johansson; to the Committee on Immigration and Naturalization.

H. R. 10437. A bill to record the lawful admission for permanent residence of Olga Gutwirth; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

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

9246. By Mr. FULMER: Resolution submitted by W. H. Buford, commander, and W. H. Pettigrew, adjutant, North Augusta Post, No. 71, the American Legion, North Augusta, S. C., endorsing the conscription bill, and giving immediate aid to Great Britain; to the Committee on Military Affairs.

9247. By Mr. GREGORY: Petition of J. W. F. Williams and others, of La Fayette, Ky., requesting material aid for Great Britain; to the Committee on Military Affairs.

9248. By Mr. LYNCH: Resolution of Local Union, No. 488, United Brotherhood of Carpenters and Joiners of America, Bronx, N. Y., urging that the prevailing rate of wages and hours, as provided for under the laws of the State of New York and the United States Government, shall become a part of each and every contract or appropriation let or given by the United States Government for defense purposes; to the Committee on Military Affairs.

9249. Also, resolution of United Automobile Workers of America, Local 259, New York, N. Y., opposing the Burke-Wadsworth bill; to the Committee on Military Affairs.

SENATE

FRIDAY, AUGUST 30, 1940

(Legislative day of Monday, August 5, 1940)

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

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

O Lord, our Heavenly Father, Almighty and Everlasting God, who hast safely brought us to the beginning of this day: Defend us in the same with Thy mighty power, and grant that this day we fall into no sin, neither run into any kind of danger; but that all our doings, being ordered by Thy governance, may be righteous in Thy sight. Through Jesus Christ, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Thursday, August 29, 1940, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

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

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

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

Adams	Connally	Johnson, Colo.	Shipstead
Andrews	Danaher	Lee	Slattery
Ashurst	Donahey	Lucas	Smith
Austin	Downey	Lundeen	Stewart
Bailey	Ellender	McKellar	Thomas, Idaho
Bankhead	George	Mead	Thomas, Okla.
Barkley	Gerry	Miller	Thomas, Utah
Bone	Gibson	Minton	Townsend
Bridges	Glass	Murray	Truman
Bulow	Green	Overton	Tydings
Burke	Guffey	Pepper	Vandenberg
Byrd	Gurney	Pittman	Van Nuys
Byrnes	Harrison	Radcliffe	Wagner
Capper	Hatch	Reed	Wheeler
Caraway	Hayden	Reynolds	White
Chandler	Herring	Russell	Wiley
Chavez	Hill	Schwartz	
Clark, Idaho	Holt	Schwellenbach	
Clark, Mo.	Johnson, Calif.	Sheppard	

Mr. MINTON. I announce that the Senator from Mississippi [Mr. BILBO], the Senator from Michigan [Mr. BROWN], the Senator from Iowa [Mr. GILLETTE], the Senator from Delaware [Mr. HUGHES], the Senator from Utah [Mr. KING], the Senator from Connecticut [Mr. MALONEY], the Senator from Nevada [Mr. McCARRAN], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from New Jersey [Mr. SMATHERS], and the Senator from Massachusetts [Mr. WALSH] are necessarily absent.

Mr. AUSTIN. The Senator from Oregon [Mr. HOLMAN] is absent on public business.

The Senator from New Jersey [Mr. BARBOUR] is attending the funeral of Mr. Seger, late a Member of Congress from the State of New Jersey.

The following Senators are unavoidably absent:

The Senator from Oregon [Mr. McNARY], the Senator from Pennsylvania [Mr. DAVIS], the Senator from North Dakota [Mr. FRAZIER], the Senator from Maine [Mr. HALE], the Senator from Massachusetts [Mr. LODGE], the Senator from Nebraska [Mr. NORRIS], the Senator from North Dakota [Mr. NYE], and the Senator from Ohio [Mr. TAFT].

The PRESIDENT pro tempore. Seventy-three Senators having answered to their names, a quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 10263) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon,

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

and that Mr. TAYLOR, Mr. WOODRUM of Virginia, Mr. CANNON of Missouri, Mr. LUDLOW, Mr. SNYDER, Mr. O'NEAL, Mr. JOHNSON of West Virginia, Mr. TABER, Mr. WIGGLESWORTH, Mr. LAMBERTSON, and Mr. DITTER were appointed managers on the part of the House at the conference.

The message also announced that the House had passed a bill (H. R. 10413) to provide revenue, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 760. An act for the relief of Mrs. Guy A. McConoha; and

H. R. 9575. An act to amend the Federal Aid Act, approved July 11, 1916, as amended and supplemented, and for other purposes.

PETITION AND MEMORIAL

Mr. VANDENBERG presented a statement in the nature of a petition of several citizens of the State of Michigan relative to the naturalization of aliens, which was referred to the Committee on Immigration and ordered to be printed in the RECORD, as follows:

We, the undersigned, having pondered and delved into a problem confronting these United States with reference to a material state of affairs of a goodly number of aliens now resident in this country and calculated to number some 4,000,000 persons; that a considerable percentage of these individuals have been residents for a period of 10 years or more, but due to their age and inability to grasp the somewhat intricate scholarship of the English language, and who are anxious to exhibit their patriotism, and more specifically agreeable to participate in the affairs of government, have, by means of present existing legislation, been deprived of the sacredness of citizenship, and believing that these United States are, engaged in the act of registering aliens, that there has been cast a reflection upon the term "alien" as would lead one to believe that they are more or less undesirable and subjected to suspicion and unwanted remarks.

It is further the belief of the undersigned that in keeping with the defense program now in progress, it becomes necessary to raise such other and additional revenues as will assist in the building up of machination both in manpower and material; that the following resolution may be utilized for the purposes of raising additional funds to aid in the maintenance and continuation of democracy for which and upon which this country has been founded.

Further that the aliens having adopted these United States as their country wish to definitely assert themselves in order to prove that it is not a synthetic adoption: Therefore, be it

Resolved, That Congress of the United States enact such further and enabling legislation as will provide for the naturalization of any and all aliens that have legally entered and have been residents over a period of 10 years and upward so that they may become naturalized within 1 year from the time of the enactment of this remedial legislation and, further, be it provided that each applicant be caused to pay the sum of $50 for naturalization fees in order to defray the setting up of a special bureau for the foregoing purpose and to the end that said funds shall be designated to be used for defense purposes of these United States.

JOHN MESSINA.
Judge PATRICK H. O'BRIEN.
Judge D. J. HEALY.
Judge WILLIAM J. CODY.
NORMAN M. SNIDER.
JOSEPH KOSKI.
Judge ROBERT E. SAGE.

Mr. HOLT presented a statement in the nature of a memorial of 1,100 citizens of the State of Massachusetts, remonstrating against a policy of internationalism and any proposal to send American soldiers or sailors to battle in foreign countries, and also praying for the exposure of foreign war propaganda in the United States, which was referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. BANKHEAD, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 4311) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, reported it without amendment and submitted a report (No. 2061) thereon.

Mr. SMITH, from the Committee on Agriculture and Forestry, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 3991. A bill to authorize the disposal of tools and equipment on the New England hurricane damage project (Rept. No. 2062); and

H. R. 10080. A bill to amend section 3493 of the Internal Revenue Code, formerly section 404 of the Sugar Act of 1937 (Rept. No. 2063).

BILLS INTRODUCED

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

By Mr. BYRD:

S. 4320. A bill to provide for a review of certain claims arising under the War Minerals Relief Acts; to the Committee on Military Affairs.

By Mr. PEPPER:

S. 4321. A bill for the relief of J. H. Churchwell Wholesale Co., of Jacksonville, Fla.; to the Committee on Claims.

By Mr. MEAD:

S. 4322. A bill for the relief of Salomon George Kaufmann, his wife, Doris Kaufmann, and their child, John Michael Peter Kaufmann; to the Committee on Immigration.

HOUSE BILL REFERRED

The bill (H. R. 10413) to provide revenue, and for other purposes, was read twice by its title and referred to the Committee on Finance.

AMERICAN FORUM ARTICLES ON VITAL ISSUES OF THE DAY

Mr. PEPPER. Mr. President, I ask unanimous consent to have referred to the Committee on Printing, with a view to its being printed as a Senate document, a compilation of articles contributed over a period of several months to the American Forum, many of which were contributed by Members of the Senate. It is an excellent collection of the views of many public men on the vital issues of the day, and I believe it will be a very valuable Senate document.

There being no objection, the compilation was referred to the Committee on Printing with a view to its being printed.

WARREN ZIMMERMAN—CONFERENCE REPORT

Mr. ELLENDER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4126) for the relief of Warren Zimmerman, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows:

In lieu of the figures "$304.08" insert "$580.26"; and the House agree to the same.

ALLEN J. ELLENDER,
H. H. SCHWARTZ,
ARTHUR CAPPER,
Managers on the part of the Senate.
AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
J. PARNELL THOMAS,
Managers on the part of the House.

The report was agreed to.

C. Z. BUSH AND D. W. KENNEDY—CONFERENCE REPORT

Mr. BURKE (for Mr. BROWN) submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3481) for the relief of C. Z. Bush and D. W. Kennedy, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows:

In lieu of the figures "$1,204.50" insert "$1,704.50"; and the House agree to the same.

PRENTISS M. BROWN,
H. H. SCHWARTZ,
ARTHUR CAPPER,
Managers on the part of the Senate.
AMBROSE J. KENNEDY,
ROBERT RAMSPECK,
J. PARNELL THOMAS,
Managers on the part of the House.

The report was agreed to.

PRINTING OF SELECTIVE COMPULSORY MILITARY SERVICE BILL

Mr. BURKE. Mr. President, I am informed that it requires an order of the Senate to secure the printing of Senate bill 4164, the selective training and service bill. The number necessary has been fixed at 2,000. This is the Senate bill with all the amendments adopted during the course of the debate in the Senate. Since the House committee has reported its own bill, it appears that the only way to have the bill printed as it passed the Senate is to get an order, so I ask unanimous consent that an order be entered for the printing of 2,000 copies of the bill.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

ATTITUDE OF WASHINGTON NEWSPAPER GUILD ON CONSCRIPTION

Mr. WHEELER. Mr. President, I ask unanimous consent to insert in the RECORD a letter addressed to me by Mr. C. Belmont Faries, secretary of the Washington Newspaper Guild, relative to the attitude of the guild toward conscription.

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

WASHINGTON NEWSPAPER GUILD,
Washington, D. C., August 30, 1940.

Senator BURTON K. WHEELER,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR WHEELER: Attention of the officers of the Washington Newspaper Guild has been directed to a statement of the Washington Newspaper Guild Auxiliary opposing conscription inserted in the CONGRESSIONAL RECORD of August 28.

A hurried reading of the statement has given many persons the entirely mistaken impression that this represented the viewpoint of the Washington Newspaper Guild on conscription.

The executive committee of the Washington Newspaper Guild was called upon to take a stand on the conscription question at its meeting of August 22, and passed the following resolution, directed to the American Newspaper Guild international executive board:

"The Washington Newspaper Guild executive committee strongly urges the international executive board to take no action either favoring or opposing the Burke-Wadsworth bill, or conscription as a national policy."

The officers took the position that conscription was a matter of momentous and yet controversial nature that each Member should decide for himself, and that it was not wise to attempt to commit the membership to any one view.

The guild auxiliary, an organization of wives of guild members, has no direct affiliation with the Washington Newspaper Guild.

We hope this communication will be inserted in the CONGRESSIONAL RECORD.

Sincerely yours,

C. BELMONT FARIES, *Secretary.*

ACCEPTANCE SPEECH OF HON. HENRY A. WALLACE

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD the text of the speech delivered on August 29, 1940, by Hon. Henry A. Wallace, accepting the Democratic Vice Presidential nomination, which appears in the Appendix.]

THERE ARE NO ISLANDS ANY MORE—BY EDNA ST. VINCENT MILLAY

[Mr. PEPPER asked and obtained leave to have printed in the RECORD a poem written by Edna St. Vincent Millay, entitled "There Are No Islands Any More," which appears in the Appendix.]

FUNDS FOR THE T. V. A.

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an editorial from the Tampa (Fla.) Tribune, issue of July 18, 1940, entitled "A Peculiar Omission," which appears in the Appendix.]

WHERE IS THE RECOVERY?

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an editorial from a recent issue of the Tampa (Fla.) Sunday Tribune entitled "Where Is the Recovery?" which appears in the Appendix.]

MR. WILLKIE'S STAND ON DRAFT

[Mr. MINTON asked and obtained leave to have printed in the RECORD an article from the Philadelphia Record of August 30, 1940, under the heading "Willkie's stand on draft to aid F. D. R.—Guffey," which appears in the Appendix.]

ADDRESSES AT CONVENTION OF THE NATIONAL COLORED DEMOCRATIC ASSOCIATION

[Mr. MINTON asked and obtained leave to have printed in the RECORD addresses delivered at the convention of the National Colored Democratic Association held in the Eighth Regiment Armory, Chicago, Ill., Sunday, July 14, 1940, which appear in the Appendix.]

EDITORIALS FROM WALLACES' FARMER ON FOREIGN POLICY

[Mr. LUNDEEN asked and obtained leave to have printed in the RECORD five editorials from Wallaces' Farmer on the foreign policy of the United States, which appear in the Appendix.]

ARTICLE BY JOHN T. FLYNN—PLAIN ECONOMICS

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an article by John T. Flynn, under the heading "Plain economics," recently published in the Washington Daily News, which appears in the Appendix.]

ACQUISITION OF AIR AND NAVAL BASES—EDITORIAL FROM THE NEW YORK DAILY NEWS

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an editorial published in a recent issue of the New York Daily News, under the heading "Let's get the title first," which appears in the Appendix.]

CONSTRUCTION OF SUPERHIGHWAYS—EDITORIAL FROM THE NEW YORK DAILY NEWS

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an editorial under the heading "Let's borrow this back from Hitler," recently published in the New York Daily News, which appears in the Appendix.]

REGULATION OF INTERSTATE CARRIERS—CONFERENCE REPORT

Mr. WHEELER. Mr. President, I ask permission to withdraw the first conference report on Senate bill 2009 submitted to the Senate on April 26.

The PRESIDENT pro tempore. Without objection, the report is withdrawn.

Mr. WHEELER. I now ask unanimous consent to submit the last conference report which was brought in.

The PRESIDENT pro tempore. Is there objection? The Chair hears none.

The Chair lays before the Senate the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to 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.

(See H. Rept. No. 2832, printed in the House proceedings of August 12, 1940, p. 10147.

Mr. McKELLAR. Mr. President, what is the difference between the two reports?

Mr. WHEELER. I expect to explain that. I ask unanimous consent for the present consideration of the report.

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

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

Mr. CLARK of Missouri. I will say to the Senator from Montana that I have no disposition to interfere with taking up the report. I intend to make a point of order against the conference report.

Mr. WHEELER. I understand that.

Mr. CLARK of Missouri. But if the Senator desires to make an explanation of the report, I shall be glad to withhold any point of order until after he has made it.

Mr. WHEELER. The Senator from Tennessee asked me the difference between this conference report and the other one. I will say briefly that the main difference between this conference report and the one formerly submitted is as follows:

When the bill originally came over from the House it containd the so-called Harrington amendment and also the Jones amendment. The conferees could not agree with reference to the Harrington amendment, and sent it back to the House, and agreed upon a report which was unsatisfactory with reference to the so-called Harrington amendment, and some of the labor organizations fought it. Then the report came back with the Jones amendment. The Jones amendment was modified in the last conference report, and so was

the Harrington amendment, and as the report now comes back it is satisfactory to Representative JONES and also to the labor people.

The bill which is the subject of the conference report, Senate bill 2009, was originally introduced by me at the request of the President of the United States. It passed the Senate on May 25, 1939, by a vote of 70 to 6. The President appointed a committee of six to consider the bill, the committee being composed of members of the railroad executives and members of the railroad labor organizations, and they agreed upon a report which they made to the President. I introduced a bill along the lines of the report with the exception of certain portions of it to which I did not agree. The bill then went to the Senate Committee on Interstate Commerce, and the full committee held long hearings on it. Everybody who wanted to be heard was heard, including labor, shippers, farmers, truckers, bus people, and water carriers. Never since I have been a member of the Senate Committee on Interstate Commerce have there been such full and complete hearings.

After the long hearings before the Interstate Commerce Committee I appointed a subcommittee to revamp the bill.

The subcommittee was composed of three Democrats and two Republicans. We then went into executive session, but again we heard the representatives of the shippers, the truck and bus people, the labor people, and everybody else concerned; and I venture the assertion that the bill was given more careful and more thoughtful consideration than any other bill which has ever come before the Senate in my time.

The bill has been a very controversial one. As stated, it came before the Senate and finally passed the Senate by a vote of 70 to 6. When it went over to the House our bill proposed a codification of the whole Interstate Commerce Act. The Interstate Commerce Commission were not favorable to the codification at that time because they felt that they perhaps could do a better job if they took a longer time. The bill passed the Senate in that form, however, and went to the House. The House struck out everything after the enacting clause and wrote their own bill, but their bill was almost identical with the bill which passed the Senate except as to form and three or four matters, to which I shall call the attention of the Senate.

The House bill provided specific amendments of parts I and II of the Interstate Commerce Act, and a new part—part III—of that act providing for regulation of water carriers. As the bill passed the Senate, as Senators will remember, it provided for the regulation of water carriers; and as the measure passed the House it was in substantial conformity with the Senate bill.

After a lengthy conference, the conferees have agreed upon a bill which follows the form of the House amendments, but which, I believe it can be fairly said, contains legislation on every important point included in the Senate bill.

As originally reported, the conference substitute did not contain three amendments made from the floor of the House by Representatives JONES, HARRINGTON, and WADSWORTH, respectively. The House voted to recommit the bill with instructions to its conferees to insist upon such amendments. After further consideration, the conferees again reported out the bill with substitutes for the Jones and Harrington amendments. With these amendments the bill was passed by the House on Monday, August 12, by a vote of 247 to 74.

One of the things which apparently has caused some confusion in the minds of those opposing this legislation is the changes made in the provisions of the Panama Canal Act. I hope I may have the attention of the Members of the Senate to this particular amendment, because this is the one amendment and the one change that has aroused a great deal of misapprehension in the minds of some persons engaged in water transportation. After the Senate hears my explanation I think they will come to the conclusion that as a matter of fact we have not changed the intent and purpose of the Panama Canal Act in the slightest degree.

I shall read the provisions of this act, found in paragraphs 19, 20, and 21 of the present law, and I hope I shall not bore the Senate when I do so.

The present law reads as follows:

From and after the 1st day of July 1914, it shall be unlawful for any railroad company or other common carrier subject to the act to regulate commerce to own, lease, operate, control, or have any interest whatsoever (by stock ownership or otherwise, either directly, indirectly, through any holding company, or by stockholders or directors in common, or in any other manner) in any common carrier by water operated through the Panama Canal or elsewhere—

I call attention to the word "elsewhere" because that is one of the things upon which the opposition has based so much of its talk—

with which said railroad or other carrier aforesaid does or may compete for traffic or any vessel carrying freight or passengers upon said water route or elsewhere with which said railroad or other carrier aforesaid does or may compete for traffic; and in case of the violation of this provision each day in which such violation continues shall be deemed a separate offense.

That constitutes an absolute prohibition against a railroad owning, directly or indirectly, any interest in any shipping company whatsoever. That is section 5, paragraph 19.

Paragraph 20 reads:

Jurisdiction is hereby conferred on the Interstate Commerce Commission to determine questions of fact as to the competition or possibility of competition, after full hearing, on the application of any railroad company or other carrier. Such application may be filed for the purpose of determining whether any existing service is in violation of this section and pray for an order permitting the continuance of any vessel or vessels already in operation, or for the purpose of asking an order to install new service not in conflict with the provisions of this paragraph.

That is the way it reads.

The Commission may on its own motion or the application of any shipper institute proceedings to inquire into the operation of any vessel in use by any railroad or other carrier which has not applied to the Commission and had the question of competition or the possibility of competition determined as herein provided. In all such cases the order of said Commission shall be final.

When those two sections are read together it will be seen that while the first contains an absolute prohibition, the second was clearly intended to modify the first provision by saying that under certain conditions, as specified in the law, the Commission might, where it did not do away with competition and did not put somebody out of business, permit the one vessel or vessels to remain in operation, or they could grant a new license.

Because of the use of the term "paragraph" some contended that that related only to paragraph 20. But if the word "paragraph" is used, then the whole paragraph becomes absolutely meaningless. So, when the bill came to the Senate as originally passed, we changed the word "paragraph" to "section," so as to carry out the intent of the law as it was interpreted by the Interstate Commerce Commission in several cases, and there was not one appeal from a decision of the Commission in that regard.

It will be noted that the language in the section provides that the determination by the Commission shall be final.

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

Mr. WHEELER. I yield.

Mr. OVERTON. What is the question before the Commission for determination under the paragraph? Is it not the question whether the railroad carrier is in competition with the carrier it undertakes to acquire?

Mr. WHEELER. No. Paragraph 21 provides:

If the Interstate Commerce Commission shall be of the opinion that any such existing specified service by water other than through the Panama Canal is being operated in the interest of the public and is of advantage to the convenience and commerce of the people, and that such extension will neither exclude, prevent, nor reduce competition on the route by water under consideration, the Interstate Commerce Commission may, by order, extend the time during which such service by water may continue to be operated beyond July 1, 1914. In every case of such extension the rates, schedules, and practices of such water carrier shall be filed with the Interstate Commerce Commission and shall be subject to the act to regulate commerce * * *.

And so forth. Under paragraphs 19, 20, and 21 the Commission could grant an extension or could grant a new line.

Mr. OVERTON. Is there anything in the provision the Senator has read which authorizes the Interstate Commerce

Commission to permit a railroad to acquire a competing carrier by water?

Mr. WHEELER. Oh, yes, where it is in the public interest.

Mr. OVERTON. The question is whether or not it is competing.

Mr. WHEELER. No. I beg to differ. It seems to me the language is perfectly plain, and they have done it in three or four instances, and never has the question been carried to any court. I read it again:

If the Interstate Commerce Commission shall be of the opinion that any such existing specific service by water other than through the Panama Canal is being operated in the interest of the public and is of advantage to the convenience and commerce of the people, and that such extension will neither exclude, prevent, nor reduce competition on the route by water under consideration the Interstate Commerce Commission may * * *.

And so forth.

Mr. OVERTON. If, then, the acquisition does affect competition, if it reduces it or puts an end to it or in any way affects it, the Interstate Commerce Commission is without authority.

Mr. WHEELER. That is correct, and that obtains today. We leave absolutely the same provisions and the same conditions in the law, as I shall call to the attention of the Senate.

The provision as it passed the Senate in Senate bill 2009 was that—

It shall be unlawful for any railroad company or other common carrier subject to this act to regulate commerce except, on and after the date this amendatory act takes effect, a common carrier by water that is not owned, leased, operated, or controlled—

And so forth. No change was made which would affect the law. When we came to section 10, which is the same as section 20 of the Interstate Commerce Act, instead of using the word "paragraph," we used the word "section," because it was apparent that the word "paragraph," in order to have any meaning in the measure, must have referred to a section, otherwise that provision would have been meaningless. We left in the provision that—

If the Interstate Commerce Commission shall be of the opinion that any such existing specified service by water other than through the Panama Canal is being operated in the interest of the public and is of advantage to the convenience and commerce of the people, and that such extension will neither exclude, prevent, nor reduce competition on the route by water under consideration, the Interstate Commerce Commission may, by order, extend the time during which such service by water may continue to be operated beyond July 1, 1914. In every case of such extension of the rates, schedules, and practices of such water carrier shall be filed with the Interstate Commerce Commission and shall be subject to the act to regulate commerce—

And so forth. We did not change the purport of that provision in the slightest.

As the bill came from the House it provided that—

From and after the 1st day of July 1914, it shall be unlawful for any carrier, as defined in section 1 (3), or (after the date of the enactment of this amendatory section) any person controlled by such a carrier, or affiliated therewith, to own, lease, operate—

And so forth. As that paragraph came from the House it was practically the same as the other two paragraphs.

Then we come to section 16 of the House bill, which conformed to paragraph 20 of the Interstate Commerce Act, and this language was used:

Jurisdiction is hereby conferred on the Interstate Commerce Commission to determine questions of facts arising under paragraph 15—

Paragraph 15 being the same as paragraph 19 of the original act:

Such application may be filed for the purpose of determining whether any existing service is in violation of such paragraph and may pray for an order permitting the continuance of any vessel or vessels already in operation, or for the purpose of asking an order to install new service not in conflict with the provisions of this paragraph.

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

Mr. WHEELER. I yield.

Mr. CLARK of Missouri. It is a fact, is it not, that that changes existing law to the extent that any railroad which is brought into the operation of a ship line since July 1, 1914, in violation of the law, would be confirmed in the right to operate?

Mr. WHEELER. No, indeed. That is a misconception. The entire language cannot be read in any other way than that I have indicated. I am reading the House language. If they met the specifications provided in section 17 of the House bill, or section 21, then they were permitted to carry on and to operate. We have not changed the sense of that provision in the slightest degree. We changed the language in section 20, where the word "paragraph" was used, to "section."

Mr. CLARK of Missouri. I agree with the Senator from Montana that that is immaterial; but under the Panama Canal Act railroads were specifically excluded from the operation of ship lines either on the inland waterways or in the intercoastal traffic. It is true that the Interstate Commerce Commission, being a railroad-minded Commission, did finally come along in the Missouri-Pacific case, over the protest of Commissioner Mahaffie and Commissioner McManamy, and undertook to change the clear provisions of the law.

Mr. WHEELER. Let me read the language of the original Interstate Commerce Act to the Senator from Missouri. The first provision of paragraph 9 absolutely forbade what the Senator has suggested. Then it was modified by paragraph 20, and in paragraph 20, as I stated a moment ago, it is provided:

Jurisdiction is hereby conferred on the Interstate Commerce Commission to determine questions of fact as to the competition or possibility of competition, after full hearing, on the application of any railroad company or other carrier. Such application may be filed for the purpose of determining whether any existing service is in violation of this section and pray for an order permitting the continuance of any vessel or vessels already in operation, or for the purpose of asking an order to install new service not in conflict with the provisions of this paragraph.

Then we come to the next paragraph, which provides:

If the Interstate Commerce Commission shall be of the opinion that any such existing specified service by water, whether other than through the Panama Canal, is being operated in the interest of the public and is of advantage to the convenience and commerce of the people, and that such extension will neither exclude, prevent, nor reduce competition on the route by water under consideration, the Interstate Commerce Commission may by order, etc.

So that when we read those three paragraphs in the section together, there is no one who can come to any other conclusion than that I have stated, because otherwise the language in paragraph 20 would have to be construed as meaningless. When the courts come to put a construction upon one paragraph they must of necessity take into consideration the language of the whole section. Otherwise, they would not be doing their duty, as is required under the well-known principle of law that a court must place an interpretation on the law which will make the law itself reasonable and workable, and construe it in accordance with the intention of the Congress. Otherwise, one would have to say that the Congress of the United States in adopting paragraph 20 did something which was meaningless and of no moment whatsoever.

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

Mr. WHEELER. I yield.

Mr. MILLER. I should like to have the Senator refer to page 13 of the conference report. The Senator has been talking about subsections (14) and (15), on page 13 of the conference report, as being substantially the existing law, and being the existing law at the time of the passage of the bill by the Senate and the House. Am I correct in that statement?

Mr. WHEELER. That is correct.

Mr. MILLER. The new matter which the conference committee inserted in the report is carried on page 14, in subsection (16). Is that correct?

Mr. WHEELER. No; the new matter is carried in subsections (15) and (16).

Mr. MILLER. The conferees had a perfect right to rewrite subsection (15) because that subject was dealt with by both the House and the Senate. Is that not correct?

Mr. WHEELER. Yes.

Mr. MILLER. The Senator's version of subsection (15) is merely a rewriting of the work of the House and the Senate in subsection (15).

Subsection (16) is an entirely new matter injected into the bill by the conferees, is it not?

Mr. WHEELER. No. Let me say——

Mr. MILLER. Well, is it or is it not?

Mr. WHEELER. Let me call the Senator's attention to the fact——

Mr. MILLER. Will the Senator answer the question, please?

Mr. WHEELER. I will answer the question in my own way. I do not intend to have the Senator limit me to answering yes or no. I have been on the witness stand too many times to be trapped into doing anything of that kind. If I had not had long experience in the trial of cases, I might fall for that.

Let me say to the Senator that the bill went to the House, which struck out everything after the enacting clause. So the House did not agree to the language of the Senate bill. Consequently, when the bill came to the conferees, it came, not as language which had been agreed upon by both Houses but as language adopted by the House in its bill. Consequently, being language adopted by the House in its bill, we could change its form in conference.

Mr. MILLER. But, as a matter of fact, it came back as a subject dealt with by the Senate and the House?

Mr. WHEELER. Yes; but I——

Mr. MILLER. No; but it was a subject dealt with. Subsection (16), however, is a subject which was not dealt with by either the House or the Senate?

Mr. WHEELER. We dealt with the whole section.

Mr. MILLER. Is it not a fact that the conferees decided in their wisdom that neither the House nor the Senate knew what they were doing when they passed the bill and that subsection (16) was needed to implement what the Congress had done?

Mr. WHEELER. Not at all.

Mr. MILLER. Well, that is what was done, is it not?

Mr. WHEELER. Not at all.

Mr. MILLER. Will the Senator yield to me again?

Mr. WHEELER. I yield.

Mr. MILLER. Will not subsection (16) in the conference report have the effect of utterly abolishing the law which prevents railroads from acquiring a controlling interest in water carriers?

Mr. WHEELER. I think I can clear the matter up, if the Senator will permit me to do so.

Mr. MILLER. I shall be glad to have the Senator do so.

Mr. WHEELER. The Senator is referring to what was section 21 of the Interstate Commerce Act. The Senate in paragraph 21 of the Senate bill changed section 11 of the Interstate Commerce Act, which provided:

If the Interstate Commerce Commission—

We struck out "Interstate Commerce"—

shall be of the opinion that any such existing specified service by water other than through the Panama Canal is being operated in the interest of the public and is of advantage to the convenience and commerce of the people and that such extension will neither exclude, prevent, nor reduce competition on the route by water under consideration, the Interstate Commerce Commission may by order extend the time during which such service by water may continue to be operated beyond July 1, 1914—

We struck out "July 1, 1914"—

In every case of such extension the rates, schedules, and practices of such water carrier shall be filed with the Interstate Commerce Commission—

And we struck out "Interstate Commerce"—

and shall be subject to the—

We struck out "the" and put in "this"—

act to regulate commerce—

We struck out "to regulate commerce"—

and all amendments thereto in the same manner and to the same extent as is the railroad or other common carrier controlling such water carrier or interested in any manner in its operation: *Provided*, Any application for extension under the terms of this provision shall be filed—

And so forth. So the Senate, as a matter of fact, changed each and every one of the subsections. The bill went to the House, which struck out all the Senate provisions, and the bill went to conference in that form. So the House never at any time accepted the changes which the Senate had made in the bill.

Mr. MILLER. Mr. President, I grant that the House did not accept the Senate bill and that the House substituted one amendment for the entire Senate bill, but the question I am asking the Senator is this: Subsection (16), which is found on page 14 of the report, is entirely new matter injected by the conferees; is it not?

Mr. WHEELER. No. I have tried to say to the Senator that it is not new matter in the sense that the Senator speaks of it as being new matter.

Mr. MILLER. Well——

Mr. WHEELER. Let me finish my answer. I say it is not new matter that was injected into the bill. I repeat what we did was to amend each and every one of those subsections The measure went to the House, and the House struck out all the Senate enacted and passed a substitute, with various changes in the sections. When the bill went to conference, the conferees modified subsection (17), of which the Senator spoke. We did it because the Interstate Commerce Commission said the language ought to be clarified to make it simple and specific, so that there could not be any question about what was intended. We modified the language simply to clarify it. We did not in the slightest degree change the context of the section itself, and it was not intended to do so.

Mr. MILLER. I appreciate the fact that the Senator has given a great deal of consideration to the bill, and I appreciate his sincerity of purpose. However, let me ask him another question. The conferees dealt with the modifications of and amendments to the Interstate Commerce Act, that were carried in both bills in some form or other, as shown in the report down to the end of subsection (15) on page 14. Is that not right?

Mr. WHEELER. I do not follow the Senator. There is so much noise in the Senate Chamber I cannot hear him clearly.

Mr. MILLER. The Senator stated that the conferees modified certain sections of the Interstate Commerce Act which the Senate and the House had acted upon. I am not finding any fault with the conferees dealing with those sections which were modified by legislation passed upon by the House and the Senate. I ask, however—and I should like to have a definite answer—is not subsection (16), on page 14, entirely new matter, and does it deal with a single section in either the Senate or the House bill?

Mr. WHEELER. I will explain to the Senator——

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

Mr. WHEELER. I will yield in a moment. Let me say to the Senator from Arkansas, that in order to get the meaning of subparagraphs (15), (16), and (17) it is necessary to read them together.

Mr. MILLER. The Senator is speaking about paragraphs in the Interstate Commerce Act?

Mr. WHEELER. Yes; I am talking about all three of the subsections, because they are differently numbered. In the Interstate Commerce Act they are numbered (19), (20), and (21).

Mr. MILLER. I understand.

Mr. WHEELER. In the bill as it is now before us the subparagraphs are numbered (14), (15), and (16) of section 5. So when we speak of amending, we did not simply amend one paragraph so as to clarify it alone, but we tried

to make the whole section clear. The reason why we inserted the word "section" instead of "paragraph" in paragraph (15), was to make it plain that subsection (15) referred not only to subsection (14) preceding it, but it likewise referred to subsection (16).

When we come to subsection (16), there was a disagreement between the House and the Senate with reference to subsection (16). I understand the point the Senator is trying to make. He is trying to pick out one sentence in subsection (16) and say, "You wrote in some changes in that particular sentence, which was not changed in the House and was not changed in the Senate."

As I tried to explain to the Senate, the reason why that was changed was to make it conform to the changes which had been made—in other words, to simplify and clarify it. But the substance of that subsection is not changed in the slightest degree, according to the interpretation put on it by the committee; nor is it changed in the slightest degree according to the interpretation put on it by the Interstate Commerce Commission. So, as a matter of fact, those engaged in the shipping industry are in exactly the same position they occupied before this amendment. In fact, they are in a better position.

What I was about to say is that the shipping interests are further protected under this bill. They are much better protected than they were under the old bill, if they would recognize that fact, for the reason that under the present law the Interstate Commerce Commission may not issue a permit to a railroad company to buy a steamship line, but it may permit a railroad to cut rates, which would put the little fellow out of business. Under this bill the Commission may do exactly what it could do under the old bill with reference to granting permission, but it may not permit a railroad to cut rates in order to put the little fellow out of business, because the bill provides that the rates must all be regulated at the same time. To strengthen that provision so that the inherent advantages of each form of transportation may be recognized we wrote into the bill in conference provisions which went further than either the Senate or the House had gone in trying to protect those engaged in the shipping industry.

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

Mr. WHEELER. I yield.

Mr. MILLER. I know the able Senator from Montana is definitely of that opinion. I know perfectly well the Senator would not report a bill unless he thought it was in the interest of the people of the United States. I think every Member of the Senate is willing to concede that, and gladly concedes it.

Mr. WHEELER. I thank the Senator.

Mr. MILLER. The record justifies such a concession or admission on our part.

The conferees have correctly handled the mechanical part, with reference to various substitutions, striking out sections, and so forth; they have done that correctly; but the point I am trying to make is that the provisions of subsection (16) are new matter. I understand why the conferees think it was necessary to insert those provisions, but the point I am making is that it is a question for the Senate to say whether or not they should be in the bill.

Mr. WHEELER. Of course, it is for the Senate to pass upon every single thing the conferees did. I would not assume to speak for the Senate, and say that it must adopt everything the conferees have done. So far as I am personally concerned, I will say to the Senator that I undertook this job unwillingly, perhaps, only after the President of the United States had requested me to undertake it, and after the Committee of Six had begged me to do so.

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

Mr. WHEELER. I yield.

Mr. CONNALLY. I am asking for information. I recognize that the Senator knows much more about this kind of legislation than does the Senator from Texas. I do not want the Senator to conclude that I am trying to put him on the spot or cross-examine him. However, I wish to ask this question:

When the bill originally passed the Senate, it did not repeal the Panama Canal Act; did it?

Mr. WHEELER. No; indeed.

Mr. CONNALLY. When the bill passed the House, it did not repeal the Panama Canal Act; did it?

Mr. WHEELER. No.

Mr. CONNALLY. The conference report does.

Mr. WHEELER. No; absolutely not.

Mr. CONNALLY. It modifies it.

Mr. WHEELER. No.

Mr. CONNALLY. Does it not amend the Panama Canal Act?

Mr. WHEELER. It amends it; but I have tried to make it plain——

Mr. CONNALLY. Suppose we say that it does not repeal the Panama Canal Act, but amends it. The bill, when it passed the Senate, did not amend the Panama Canal Act.

Mr. WHEELER. Yes.

Mr. CONNALLY. In the same way in which the conference report amends it?

Mr. WHEELER. Not in exactly the same way.

Mr. CONNALLY. If it is not in exactly the same way, then that matter was not in conference.

Mr. WHEELER. I beg the Senator's pardon. If I become earnest with the Senator, I hope he will understand.

Mr. CONNALLY. I want the Senator to be earnest.

Mr. WHEELER. I have the unfortunate habit, in debate, of appearing to be too much in earnest.

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

Mr. WHEELER. I yield.

Mr. McKELLAR. I am asking purely for information. Subsection 16 gives the carrier the right to have or acquire an interest in a common carrier by water, under the conditions mentioned therein.

Mr. WHEELER. That is correct.

Mr. McKELLAR. Was that power given in the Senate bill?

Mr. WHEELER. Yes.

Mr. McKELLAR. It was given in the Senate bill?

Mr. WHEELER. Yes.

Mr. McKELLAR. Was it given in the House bill?

Mr. WHEELER. Yes.

Mr. McKELLAR. It was given in both?

Mr. WHEELER. It was given in both.

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

Mr. WHEELER. I yield.

Mr. REED. Let me say to the Senator from Tennessee—and I am sorry the Senator from Arkansas [Mr. MILLER] has left the Chamber—that the conference report does not confer on the Interstate Commerce Commission any jurisdiction which it did not have under the original Panama Canal Act, nor does it subtract any power. There was an ambiguity as between the three paragraphs in section 5 of the Interstate Commerce Act. We removed that ambiguity, but we have not changed in the slightest degree the power of the Interstate Commerce Commission, which was given to it in the original act, and which has been carried through all the 26 years without a single case decided under the Panama Canal Act being appealed to the courts. So we have no court decisions or interpretations for the simple reason that no appeals were taken.

I do not want to break in too much on the time of the Senator from Montana. There is a common misconception that the original Panama Canal Act was a prohibition against a railroad owning any interest in a competing carrier by water. It is nothing of the kind. If we consider only the first paragraph of the Panama Canal Act, that may be true; but, as the distinguished Senator from Montana has explained, the first paragraph is modified by the language of the subsequent paragraphs. All through the years that power has been vested in the Commission. We have not added to it or subtracted from it, not have we changed the intent of the original Panama Canal Act in any way.

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

Mr. WHEELER. I yield.

Mr. CONNALLY. If it has not been added to, subtracted from, or changed, why was the language changed?

Mr. REED. I said there was an ambiguity.

Mr. CONNALLY. The Senator said it had not been changed at all.

Mr. REED. Mr. President, I insist upon the Senator from Texas quoting me correctly.

Mr. CONNALLY. I am quoting the Senator to his face, and he may correct me if he objects.

Mr. REED. I said that we have not added to or subtracted from the power of the Interstate Commerce Commission granted under the original Panama Canal Act.

Mr. CONNALLY. I accept the Senator's statement. We have not added to it and have not subtracted from it. If that does not leave it just as it was, I cannot understand.

Mr. REED. Not necessarily as to the language.

Mr. CONNALLY. Let me ask the Senator one further question.

Mr. WHEELER. Mr. President, I have the floor.

Mr. CONNALLY. Will the Senator yield to me?

Mr. WHEELER. I yield.

Mr. CONNALLY. The Senator from Kansas brought out the ambiguity, and I wish to ask him a question about it. The Senator from Kansas said that we did not change the law; we merely removed some ambiguities. If we remove an ambiguity by law, we change the law. I do not care whether it is a two-eyed ambiguity or a one-eyed ambiguity. We change the law because, if we have a law which somebody does not understand and cannot construe, and we say, "It is ambiguous, and we will make a new law, making it unambiguous"; if that is not legislation, then we have no business meeting.

Mr. WHEELER. There is no question at all about it. We amended the bill as it passed the Senate. Let me read what Commissioner Eastman said. I think every Member of the Senate who knows Commissioner Eastman knows that he is one of the most sincere, able, and conscientious men in public service. I have not always agreed with him, but he is one of the most conscientious and able public servants ever to serve in the city of Washington.

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

Mr. WHEELER. I yield.

Mr. CLARK of Missouri. I entirely agree with what the Senator from Montana said about Commissioner Eastman, but does the Senator think he is any more patriotic or high-minded than Commissioner Mahaffie, who dissented in the Missouri-Pacific case, which is the only thing which brought about the ambiguity?

Mr. WHEELER. I do not want to draw comparisons between them, but Commissioner Eastman has probably had more experience in dealing with the construction of the Interstate Commerce Act. He is recognized, both by his enemies and by his friends, as the outstanding authority in the United States upon transportation matters.

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

Mr. WHEELER. I yield.

Mr. CONNALLY. I am not going to dissent from Commissioner Eastman, but what has Commissioner Eastman got to do with the point of order in the Senate? I am not attacking the motives of the Senator from Montana or the Senator from Kansas; I believe they are doing what they think is right; but the question here is not the desirability of this legislation; it may be very desirable; but the point is that the United States Senate has the right to consider this legislation originally and not the conference committee. I desire to make clear that I am not attacking the Senator's motives, or anybody else's motives, or Mr. Eastman; I think Mr. Eastman is a very great man; I believe he knows a great deal about transportation and I am sure his motives are lofty, pure, and fine. However, the point here is not what Mr. Eastman may think about something but whether or not the conference committee had any authority, under the rules of the Senate and the precedents, to include matter in this report that was contained neither in the Senate nor the House bill.

Mr. WHEELER. Let me say to the Senator that that is not a correct statement of fact. It is apparent to me that if the Senator from Texas, able lawyer as he is, had carefully read and studied the law, he would have studied it, as I have and as have the ablest Members of the House of Representatives, he would come to the same conclusion we have come to. I know that the water carriers have opposed this legislation and fought it upon every ground they could, and have tried to convince some Senators that the conference report exceeds the authority of the conferees. That is only a smoke screen to defeat the proposed legislation.

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

Mr. WHEELER. I will yield in a moment. I do not say it is a smoke screen on the part of any Senator, but I say it is a smoke screen on the part of the water carriers who have fought this proposed legislation in every conceivable way and by every representation that could possibly be made with reference to it. They have sent out propaganda. All I am trying to do is to get the Members of the Senate themselves not to accept the propaganda that has been sent out but to take the law and the facts. If they will do that, and not be fed up by the stuff which is being disseminated, I think they will come to a different conclusion.

Personally, I have no interest in this legislation; it does not mean one iota to me whether it passes or fails; but I feel that it is good legislation, and, as I have said, I undertook it because the President wanted me to do so. I am not referring to Commissioner Eastman because I think he is pure and undefiled or anything of that kind, but I speak of him because of his ability, and I want to show the construction he places and the construction the Interstate Commerce Commission place upon the law.

Mr. SHIPSTEAD. Mr. President, will the Senator yield there?

Mr. WHEELER. Let me proceed for a moment, and then, I will yield, first to the Senator from Missouri, who asked me first, and then to the Senator from Minnesota.

The provisions of this act, found in paragraphs (19), (20), and (21) of section 5 of the Interstate Commerce Act involve many ambiguities and uncertainties of language, and, without administrative interpretation, they would have been impossible of practical application. Under such circumstances administrative interpretation is controlling unless overruled by the courts. The Commission's interpretation of these provisions has not been challenged in the courts, although such interpretation has been followed for many years by the Commission.

These paragraphs are not clear on the question of installation of new water service and on the acquisition of interests in water lines by rail carriers.

However, in the case of *Southern Pacific Co.'s Ownership of Atlantic Steamship Lines* (77 I. C. C. 124), the Commission found, following prior cases decided by it, that these paragraphs should be considered as a whole.

We should not pick out isolated sentences in this section and say the conferees changed them. In determining this question we have got to take the section as a whole and to show that the conferees so changed the intention of the section as a whole in such manner as to constitute a violation of their instructions from the Senate and the House.

I may add that this matter came before the House of Representatives; the same point of order was ruled upon, as I understand, in the House of Representatives by the Speaker of the House, and he decided against the contention that is now raised here.

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

Mr. WHEELER. I should like to finish reading the quotation, but I yield.

Mr. CLARK of Missouri. Since the Senator is quoting the decision in the House, let me suggest to the Senator that

until the decision of Vice President GARNER about 2 years ago on the agricultural-appropriation bill there had been for many years one set of rules in the House and another set of rules in the Senate as to the question of conferees exceeding their jurisdiction. The Speaker of the House was following a long line of decisions in the House.

Mr. WHEELER. That is correct.

Mr. CLARK of Missouri. Until the ruling of Vice President GARNER a couple of years ago there had been a uniform line of decisions in the Senate on the other side.

Mr. WHEELER. Let me say to the Senator that I know he is far more familiar with parliamentary rules of both the House and the Senate than I am, because I am not a student of them and never claimed to be; but the fact is, as the Senator says, the Speaker of the House ruled upon this question, and he made the same ruling that Vice President GARNER made on the agricultural bill in deciding an identical point of order. The Senator will concede that, will he not?

Mr. CLARK of Missouri. Yes; I think there is no question about it.

Mr. President, may I suggest to the Senator from Montana that I withheld the point of order on the theory that the Senator from Montana might desire to make a general statement with reference to the conference report?

Mr. WHEELER. That is correct.

Mr. CLARK of Missouri. The debate, however, has run into a discussion of the point of order. I suggest to the Senator from Montana, if he will yield to me further, that it might be well for me to make the point of order and have the discussion properly applicable to the matter before the Senate.

Mr. WHEELER. I do not want to yield for that purpose at this time. I should like to go through the report, and would prefer not to have the point raised at this time.

Mr. CLARK of Missouri. The Senator will agree that I did not raise it but withheld the point of order for that reason, but if we are going to discuss the point of order, I think I should make the point of order.

Mr. WHEELER. Let me say to the Senator that I did not intend to discuss the point of order. It was brought up by someone else. I was trying to discuss the report.

Mr. CLARK of Missouri. I will be glad to yield to the Senator's wishes in the matter, but I think, if we are going to discuss the point of order, it might well be before the Senate.

Mr. WHEELER. I have no objection, if the Senator wants to make the point of order.

Mr. CLARK of Missouri. I make the point of order that the conference report involves an excess of the jurisdiction of the conferees. I do that on the ground, in the first place, that the conference report in the case of the Miller-Wadsworth amendment has excluded a matter agreed to by both Houses. In the second place, that in a partial repeal of the Panama Canal Act and the Motor Transport Act the conferees have injected new matter never considered by either House.

Furthermore, Mr. President, while the old practice of the Senate, based on the decision of President pro tempore Cummins, was well settled, I recognize the fact that the decision of Vice President GARNER, made a couple of years ago, on the agricultural bill was to the effect that wherever one House has stricken out all after the enacting clause of a bill the whole subject is before the conferees for discussion and that anything germane might be included in the conference report.

I make the further point of order, Mr. President, that this conference report in the matter of the repeal pro tanto of the Panama Canal Act and the Motor Transport Act includes matter not germane to the matter submitted to the conferees, and, therefore, in order to sustain the conference report, it will be necessary to go much further than has ever been gone by the Senate and much further than has ever been gone by the House except in the opinion of Speaker BANKHEAD on this subject the other day.

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

The PRESIDENT pro tempore. Let the Chair state the parliamentary situation. The point of order is made; the point of order is not debatable unless submitted by the Chair. The Chair will state, however, that he intends to submit the question to the Senate. The Chair would like, in the meantime, to read a few precedents before submitting the point of order.

Mr. WHEELER. Mr. President, I do not understand the statement of the Chair.

The PRESIDENT pro tempore. The Chair said the point of order is not debatable unless the question is submitted by the Chair to the Senate. The Chair intends, after reading certain precedents, to submit the question to the Senate for its determination. The Chair should like, in the meantime, to proceed to read a few precedents.

Mr. WHEELER. Mr. President, I think we ought to have a quorum, and I suggest the absence of a quorum.

Mr. SHIPSTEAD. Mr. President, is the Presiding Officer about to rule on the point of order for action without debate?

The PRESIDENT pro tempore. The absence of a quorum has been suggested. The Chair will answer any parliamentary inquiry subsequent to the call for a quorum. The clerk will call the roll.

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

Adams	Connally	Johnson, Colo.	Shipstead
Andrews	Danaher	Lee	Slattery
Ashurst	Donahey	Lucas	Smith
Austin	Downey	Lundeen	Stewart
Bailey	Ellender	McKellar	Thomas, Idaho
Bankhead	George	Mead	Thomas, Okla.
Barkley	Gerry	Miller	Thomas, Utah
Bone	Gibson	Minton	Townsend
Bridges	Glass	Murray	Truman
Bulow	Green	Overton	Tydings
Burke	Guffey	Pepper	Vandenberg
Byrd	Gurney	Pittman	Van Nuys
Byrnes	Harrison	Radcliffe	Wagner
Capper	Hatch	Reed	Wheeler
Caraway	Hayden	Reynolds	White
Chandler	Herring	Russell	Wiley
Chavez	Hill	Schwartz	
Clark, Idaho	Holt	Schwellenbach	
Clark, Mo.	Johnson, Calif.	Sheppard	

The PRESIDENT pro tempore. Seventy-three Senators having answered to their names, a quorum is present.

The Senator from Missouri [Mr. CLARK] has made a point of order against the conference report, alleging that the conferees have included in the conference report matter which was not committed to them, and that they have stricken out certain provisions which were included in both the Senate and the House bills, contrary to section 2 of rule XXVII of the Senate.

Section 2 of rule XXVII reads as follows:

> 2. Conferees shall not insert in their report matter not committed to them by either House, nor shall they strike from the bill matter agreed to by both Houses. If new matter is inserted in the report, or if matter which was agreed to by both Houses is stricken from the bill, a point of order may be made against the report, and if the point of order is sustained, the report shall be recommitted to the committee of conference.

The Chair will present to the Senate some of the leading precedents with regard to the interpretation of this rule. The Chair will state that these precedents are contradictory.

There is no doubt that a conference between the two Houses of Congress is essential to the accomplishment of legislation. It would be within the power of either branch of Congress greatly to injure the Government, if not to destroy it, by refusing to perform its functions as a legislative body. In the very nature of things, comity must exist between the two branches of Congress.

It is a necessary theory that if either branch introduces and passes legislation and messages it to the other House, it is the duty of the other House to consider such legislation, and approve it, reject it, or amend it. It is in that manner alone that legislation may be enacted by Congress.

It is hardly possible to conceive that if one branch of Congress passed a bill dealing, for instance, with transportation, the other House of Congress could satisfy its duty by substituting another bill, for instance, authorizing the President

of the United States to sell destroyers to some belligerent government. That would not be a meeting of the two bodies on the legislation initiated. If such action were taken by one of the bodies and a conference were asked for, the other body naturally would refuse the conference, because it would not be on the subject initiated by the first body.

There have been rules of procedure and precedents in the House of Representatives from almost the beginning of the Congress which have been quite uniformly followed down to the present time, rules precedents which were antagonistic to the views of this body. I believe it has been universally held in the House, for instance, that when the House strikes out all after the enacting clause of a Senate bill and substitutes an amendment in the nature of a substitute for the Senate bill, that in that event the whole matter is in conference, and that the conferees have the right to write a new bill in lieu of the two bills submitted to the conference, and that the House would sustain that action, and the House has sustained such action.

The Chair has an opinion by Vice President GARNER on that subject in which he cites the precedents of the House, and in that ruling he quotes extensively from a ruling upon the subject by the Honorable Champ Clark, who at one time was a distinguished Speaker of the House. The Vice President took the ground in this opinion, which the Chair will read in part, that following the ruling of the House, and its precedents, where the House struck out all after the enacting clause and substituted another bill as an amendment, section 2 of rule XXVII of the Senate did not apply.

Let me read portions of this ruling by Vice President GARNER. The Chair will read only portions of it in order to save time, but I will ask to have the ruling printed in full at the end of my remarks, with the citations of precedents.

This ruling by Vice President GARNER was made during the consideration of the Agricultural Adjustment Act of 1938.

The Vice President stated:

H. R. 8505, the Agricultural Adjustment Act of 1938, was passed by the Senate with an amendment in the nature of a substitute. When the conference report was taken up in the Senate on February 10, 1938, Mr. SCHWELLENBACH, of Washington, made the point of order that the House bill and the Senate amendment, relating to the dairy industry, insofar as they presented the substance of the matter, were identical, the language being the same; that the corresponding provision inserted in the conference report was different from both the House and Senate provisions, and that the conferees, in inserting such provision, had left out matter agreed to by both Houses, and, therefore, under rule XXVII, paragraph 2, had exceeded their authority.

On February 11, 1938, the Vice President (JOHN N. GARNER), in the following language, overruled the point of order:

"At the outset the Chair will state that the merits of the bill do not concern him in making the ruling on the pending point of order, nor can the Chair take into consideration the question of the wisdom or the good faith of the conferees. The only point the Chair can take into consideration is whether the conferees have exceeded their powers, wisely or unwisely.

"There are rules of the Senate and rules of the House of Representatives. The particular rule of the Senate referred to a moment ago by the Senator from California [Mr. JOHNSON] has been one of the rules of the Senate, as the Chair recalls, since 1918. It has been part of the House rules for nearly a century. The first ruling in the House of Representatives on this particular question was rendered on March 3, 1865, by Mr. Colfax, the Speaker, who was later Vice President of the United States and President of the Senate. From that time until this 10 Speakers of the House of Representatives have passed on this particular question. All their decisions, remember, Senators, are based upon one fact, and that is that when one body strikes out all after the enacting clause and inserts a new bill the entire rule is reversed. Rule XXVII, clause 2, specifically does not apply then. The Senate decided by a vote of 41 to 34 when voting on a ruling by the then Vice President, Mr. Dawes, to which I shall call attention a little later.

"The Chair will say that in 1865 Speaker Colfax began this line of ruling, and in 1911 the matter was thoroughly surveyed in the House of Representatives under Speaker Clark. The Chair will now ask the clerk to read to the Senate the ruling of Speaker Clark, in order that the Senate may understand the philosophy with respect to the particular question now pending."

The Chair will read only extracts from Speaker Clark's ruling, as the whole ruling will be placed in the RECORD. Speaker Clark said:

The Chair has no doubt that at least one contention of the gentleman from Illinois is correct. That is, that if it is a mere dispute about amounts or rates, the conferees cannot go above the higher amount or rate named in one of the two bills or lower than the lower rate named in one of the two bills. But that is not this case. In this case the Senate struck out everything after the enacting clause and substituted a new bill. Last Saturday there did not seem to be any precedents to fit the point under consideration. This time, fortunately for the Chair, at least, four great Speakers of this House have ruled on the proposition * * *.

* * * * * * *

All four of these Speakers, three Republicans and one Democrat, have passed on this question, and they have all ruled that where everything after the enacting clause is stricken out and a new bill substituted, it gives the conferees very wide discretion, extending even to the substitution of an entirely new bill. The Chair will have three of these decisions read, and will have the decision of Speaker Cannon incorporated into this opinion, because the question ought to be definitely settled, during the life of this Congress, at least.

Again he quotes from a quotation by Speaker Clark of a ruling by Speaker Gillette, when Speaker Gillette said:

And it has been held so often and so far back and by so many Speakers that where everything after the enacting clause is struck out the conferees have carte blanche to prepare a bill on that subject that it seems to the Chair that question is no longer open to controversy. He then continued:

Again the Vice President in the same ruling quoted a former decision by Vice President Dawes. He quoted Vice President Dawes as follows:

The Chair would remark that when the amendment of the Senate is a new bill in the nature of a substitute instead of various amendments to different parts of the bill, the whole status of conference is changed under the precedents. Under the line of argument which the Chair followed the other day in holding that new matter when germane could be put in as an amendment under those circumstances, he would seem to be justified now in overruling the point of order. The status of conference being changed where the Senate substitutes a bill as an amendment, the precedents, in effect, held that the restrictions of rule XXVII, paragraph 2, do no apply, and he so rules. The point of order is not well taken.

The Senator from Nevada, the present President of the Senate pro tempore, appealed from that ruling, and the Senate sustained the ruling of the Chair (Vice President Dawes) by a vote of 41 to 34.

Then the Vice President made the ruling I quoted, on August 6, 1935, presumably in support of his position. The present occupant of the Chair contends it is not in support of his position. The Chair quotes the following language from the ruling made by the present occupant of the chair August 6, 1935, as follows:

It will be observed that while this matter is treated in both the Senate and House bills, they are at entire variance of their treatment of it. Therefore both of the sections were in conference.

Under the interpretation of the present occupant of the Chair, where all after the enacting clause of a House bill is stricken out and an entirely new bill inserted by the Senate, the question arises as to whether or not the language used as a substitute for the two sections is germane and carries out the intent of both bodies with regard to such particular legislation.

The Chair simply calls attention to that because the only question that was involved on the point of order was whether or not the language adopted by the conference committee carried out the intent of both bodies with regard to their position.

When the Vice President had finished his ruling, and overruled the point of order, Mr. Duffy of Wisconsin appealed from the ruling of the Chair. The appeal was laid on the table by a vote of 48 yeas to 31 nays.

The Chair calls attention to the fact that that was on the adoption of the conference report on the Agricultural Adjustment Act of 1938, which was a very important measure.

When the Chair calls attention to the inconsistency of the Senate with regard to these conflicting rules, it becomes evident that Senators, instead of voting upon the point of order, frequently were voting upon whether they wanted the conference report adopted or not adopted. That is very unfortunate. The Chair is informed that the House acts uniformly to sustain the rules, precedents of that body.

There is the ruling of the Vice President to the effect that when the Senate amends a House bill, or a Senate bill is amended by a House bill, by striking out all after the enacting clause, and substituting the other body's bill, rule

27 does not apply. That is a question which the Senate will have to determine.

Let us go back to a few other decisions on this matter. The Chair has before him an opinion by the late Senator Jones of Washington, when he was occupying the Chair. His ruling absolutely contradicts the ruling of Vice President GARNER and Vice President Dawes. The ruling by Senator Jones was made on August 25, 1922.

On August 25, 1922, the Senate had under consideration the conference report on the bill (H. R. 9103) for the appointment of additional district judges for certain courts of the United States, to provide for annual conferences of certain judges of United States courts, to authorize the designation, assignment, and appointment of judges outside their districts, and for other purposes. The Senate passed the bill with a substitute amendment.

There again we have an amendment, in the form of a substitute.

Mr. Shields, of Tennessee, made the point of order that the conferees had exceeded their authority in eliminating from the report in two instances matter agreed to by both Houses, namely, (1) the provision requiring judges to be residents of the districts for which appointed; and (2) the provision requiring the Attorney General upon the request of the Chief Justice to make a report of the business of the several courts of the United States with particular reference to cases or proceedings to which the United States was a part, together with such recommendations or requests as may be deemed proper.

Also, that the conferees had exceeded their authority by inserting in the report matter that was not the subject of discussion or within the scope of the bill in either the House or Senate with reference to the appointment of a judge for the middle district of Tennessee.

After debate, the presiding officer, Mr. Jones of Washington, sustained the point of order as follows, and the Chair will read this opinion, which is short, but quite clear:

The rule that is invoked reads as follows:

"Conferees shall not insert in their report matter not committed to them by either House, nor shall they strike from the bill matter agreed to by both Houses. If new matter is inserted in the report or if matter which was agreed to by both Houses is stricken from the bill, a point of order may be made against the report, and if the point of order is sustained, the report shall be recommitted to the committee of conference."

This rule was adopted to meet a practice of the Senate that had become an abuse and to which objection had often been made. It is clear and definite in the limits which it imposed upon the action of the conferees. It has not often been invoked since its adoption, when when invoked it is controlling upon the Senate. Whether the objection made is technical or substantial, if it comes within the terms of the rule, no discretion is left in the presiding officer.

The first objection to this conference report is based upon the provision of the House bill that reads:

"The Attorney General shall, upon the request of the Chief Justice, report to said conference on matters relating to the business of the several courts of the United States, with particular reference to causes or proceedings to which the United States may be a party, together with such recommendations or requests as may be deemed proper. The Attorney General shall not be a member of said conference."

That is the provision placed in the bill by the House. As the bill passed the Senate it contained this provision:

"The Attorney General shall, upon request of the Chief Justice, report to the said conference on matters relating to the business of the several courts of the United States, with particular reference to causes or proceedings in which the United States may be a party."

That language is identical with the language of the House as far as it goes, and the Chair thinks that it states a distinct matter, or proposition, and that the further provisions in the House bill—"together with such recommendations or requests as may be deemed proper" and "the Attorney General shall not be a member of said conference"—are in substance and statement two additional matters, and it seems to the Chair that the first matter stated in the House provision was adopted in the bill as it passed the Senate and comes clearly within the prohibition of the rule against omitting matter adopted by both Houses.

The next objection is based upon this language. The House bill provided:

"Said judges shall be residents of the districts for which appointed and shall receive the same salary and allowances and shall possess, exercise, and perform the same jurisdiction, powers, and duties as is now provided by law."

The Senate provision is:

"Every judge shall reside in the district or circuit or one of the districts or circuits for which he is appointed and shall devote his time to the duties of his office and shall not engage in any other employment for which he receives compensation, and for offending against the provisions of this section shall be deemed guilty of a high misdemeanor."

The Chair thinks there are several independent matters contained in each one of these provisions. There is the provision, "Said judges shall be residents of the districts for which appointed." That is a distinct matter. The Senate bill provided: "Every judge shall reside in the district or circuit or one of the districts or circuits for which he is appointed."

These two propositions are identical in substance and almost in language. They have nothing to do with the qualifications of the judge or with the salary which he shall receive. In other words, both Houses provided that each judge should reside in his district or circuit.

The point is made that this is covered by existing law. That may be true, and yet the Senate and the House both seemed to think that a provision of this sort was necessary, and inserted it. The rule says that a matter passed upon by both Houses shall not be eliminated. No discretion is left to the conferees as to whether it is covered by existing law or not.

It seems to the Chair that the point of order on that matter must be sustained.

The next proposition is with reference to the provision relating to the middle district of Tennessee. The House made provision for an additional judge for this district. It is conceded that under existing law the present judge is the judge for the eastern and the middle districts of Tennessee. The Senate made no provision for an additional judge for the middle district. The provision as finally agreed to and submitted by the conferees takes away the jurisdiction given to the present judge by existing law in the middle district and limits his jurisdiction to the eastern district.

The question of limiting the jurisdiction of the existing judge is not submitted to either House; neither House gave it any consideration whatever; and the Chair believes it to be new matter in the conference report and prohibited by the rule.

The Chair sustains the point of order on all three grounds. (CONGRESSIONAL RECORD, 67th Cong., 2d sess., p. 11766.)

Strange to say, there was no appeal from that decision, and that decision is diametrically opposed to the decision of the Vice President.

Another very important decision was rendered on this same question with regard to a conference report on legislation affecting Muscle Shoals.

On February 19, 1925, Mr. NORRIS, of Nebraska, raised the following points of order against the conference report on the bill (H. R. 518) to authorize and direct the Secretary of War, for national defense in time of war and for the production of fertilizers and other useful products in time of peace, to sell to Henry Ford, or a corporation to be incorporated by him, the Muscle Shoals properties, which had been passed by the Senate with a complete substitute: That the conferees had exceeded their authority in contravention of paragraph 2 of rule XXVII, as follows:

First. By the insertion of the following new matter relative to the employment by the President of officers or agents to carry out the purposes of the act:

The President is hereby authorized and empowered to employ such advisory officers, experts, agents, or agencies as may in his discretion be necessary to enable him to carry out the purposes herein specified, and the sum of $100,000 is hereby authorized to enable the President of the United States to carry out the purposes herein provided for.

Second. By the insertion of new matter relative to the rental to be paid for dam No. 2, as follows:

The lessee shall pay an annual rental for the use of said property an amount that shall not be less in the aggregate than 4 percent for the period of the lease on the total sum of money expended in the building and construction of dam No. 2 and upon dam No. 3 after completion, which shall be paid in full each year unless it be shown that due to expenditures in development and improved equipment for the production of fertilizer, as provided herein, the lessee may be granted a deferred payment, which shall draw interest at the rate of 4 percent annually after the first 6 years of the lease period at either or both dams: *Provided, however,* That no interest payment shall be required upon the cost of the locks at dam No. 2 and Dam No. 3, nor upon an additional amount to be determined by the President as representing the value of this development to navigation improvement.

Third. By inserting the following new matter relating to the production of nitrogen:

In order that the experiments heretofore ordered made may have a practical demonstration, and to carry out the purposes of this act, the lessor or the corporation shall manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, on the property hereinbefore enumerated, or at such other plant or plants near thereto as it may construct, using the most economic source of power available, with an annual production of

these fertilizers that shall contain fixed nitrogen of at least 10,000 tons during the third year of the lease period * * *: *Provided*, That if in the interest of the President, the interest of national defense and agriculture will obtain the benefits resulting from the maintenance of nitrogen fixation plant No. 2 or its equivalent in operating condition by so doing, then he is authorized to substitute the production of fertilizers containing available phosphoric acid * * *.

Fourth. By the insertion of the following new matter relative to construction work on dam No. 3 and the approach to the locks in dam No. 2:

The appropriation of $3,472,487.25, the same being the amount of the proceeds received from the sale of the Gorgas steam-power plant, is hereby authorized for the continued investigation and construction, by contract or otherwise, as may be necessary to prosecute said project to completion. Further expenditures to be paid for as appropriations may from time to time be made by law.

After a lengthy debate, the President pro tempore (Albert B. Cummins, of Iowa) sustained the points of order in the following language:

The Chair recognizes that the points of order made by the Senator from Nebraska present questions which are not only exceedingly important but exceedingly difficult, and upon which there is an opportunity for wide differences of opinion. These differences will never be settled finally until they are settled by a decisive vote of the Senate itself. In the ruling the Chair is about to make the text of the House bill is entirely disregarded, for, in the opinion of the Chair, it cannot be fairly claimed that the two Houses in their original action agreed upon any point or upon anything. There were, of course, some features of similarity, but these features of similarity were so connected with other considerations and so influenced by other provisions that the Chair is forced to the conclusion that the jurisdiction of the conference committee was neither expanded nor limited by anything contained in the original House bill as compared with the Senate bill. This means that, in the judgment of the Chair, the points of order must depend upon a comparison of the Senate bill with the report of the conference committee. It is urged on the one hand that when so compared new matter will be found in the conference report, and that therefore the report is objectionable under rule XXVII. It is urged, upon the other hand, that the phrase "new matter" does not prohibit in a conference report matter which is germane to the subject or subjects of the bill.

The subjects of the Senate bill were—

First. The disposition by lease of certain specified property belonging to the Government situated at or near Muscle Shoals, Ala.

Second. In the event of a failure to lease, or in event of the cancelation of the lease, the operation of the property so leased, together with other property by a Government-owned corporation.

There can be no doubt that the changes made in the Senate bill in conference are germane in a broad, general sense to the subjects dealt with in the Senate bill; and if that is the test to be applied, the points of order must be overruled.

The Chair, however, finds itself unable to interpret the second paragraph of rule XXVII with the breadth contended for by those who seek to sustain the conference report. This paragraph of rule XXVII to which reference has been made is as follows:

"Conferees shall not insert in their report matter not committed to them by either House, nor shall they strike from the bill matter agreed to by both Houses. If new matter is inserted in the report, or if matter which was agreed to by both Houses is stricken from the bill, a point of order may be made against the report, and if the point of order is sustained the report shall be recommitted to the committee of conference."

The Chair has already observed that there was nothing agreed upon by both Houses, and that part of the rule will not be further considered. There remains to be considered the prohibition that "conferees shall not insert in their report matter not committed to them by either House," and the requirement that "new matter" must not be inserted in a report. What is "new matter"? It is quite impossible to define this phrase with that accuracy and precision which will make any rule announced applicable to the infinite variety of cases that will arise. It may be remarked, however, that some 3 or 4 years after the adoption of paragraph 2 of rule XXVII the Senate amended rule XVI, relating to the consideration of appropriation bills, and the amendment provided:

"The Committee on Appropriations shall not report an appropriation bill containing amendments proposing new or general legislation; and if an appropriation bill is reported to the Senate containing amendments proposing new or general legislation, a point of order may be made against the bill; and if the point is sustained, the bill shall be recommitted to the Committee on Appropriations."

It has seemed to the Chair that the words "new matter," as found in rule XXVII, and "new legislation," as found in rule XVI, must mean practically the same thing. The fact of the identity of these two phrases makes it all the more important that the ruling upon the points of order now before the Senate shall be correct. Without attempting to define "new matter," the Chair is of the opinion that it was intended when this paragraph of the rule was adopted to restrict the general parliamentary law as frequently announced by the Speaker of the House of Representatives. The House knew when it sent the bill to conference that the rule of the Senate forbade the insertion of "new matter" in the conference report, and the Chair assumes it adopted that plan for bringing the two Houses into agreement with full understanding of the limitation placed upon the Senate conferees.

The Chair does not desire to be understood as holding that every change made in the bill by the conference report constitutes "new matter." It is of the opinion that, in order to bring the change within the spirit of rule XXVII, "new matter" must be of substantial import; that is to say, a change affecting in a substantial way the plan proposed in the Senate bill.

It is the judgment of the Chair that many such changes appear in the conference report. The Chair has been in some doubt with respect to the propriety of pointing out these changes which, in the judgment of the Chair, bring the conference report under the prohibition of the rule. It has, however, concluded not to name the specific instances in which, as viewed by the Chair, the rule has been violated. The Chair has been in grave doubt with regard to that matter. He has before him at the present instance a half dozen or more instances which, in his judgment, violate rule XXVII in the conference report. The points of order insofar as respect the insertion of new matter in the conference report are sustained.

Mr. Underwood, of Alabama, took an appeal from the decision, which, after debate, was sustained by the Senate—yeas 45, nays 41. (CONGRESSIONAL RECORD, 68th Cong., 2d sess., pp. 4124-4137, 4243-4250, 4310-4314, 4321-4326.)

The Chair calls attention to the fact that that is about the same vote by which the ruling of Vice President GARNER was sustained, indicating, as stated before, that it is unfortunate that there is evidence before the Senate of long years' standing that very frequently Senators, instead of voting on the question of violation of the rule, vote on whether or not they want the conference report agreed to. The Chair thinks a majority of this body wants this conference report agreed to if it contains what was in the bill when the Senate passed it.

It is impossible for the Chair to review the provisions of the Senate bill or the provisions of the House bill. They are voluminous. It is practically impossible for the Chair to review the conference report, which carries numerous amendments and changes. All the Chair is attempting to do is to lay down the various definitions of the rule. With all due respect to the Vice President, for whom the Chair has the highest regard, he does not believe that the precedents of the House of Representatives, which provide that the conferees have a very wide latitude and may write a new bill in the case of an amendment in the form of a substitute apply to the Senate, since the adoption of this particular rule on March 8, 1918. Each body has its own rules, and neither body can suspend or affect the rules of the other.

Mr. Jones of Washington stated in his ruling that the annoyance to the Senate of having to act on conference reports under the rules of the House had made the Senate rule necessary. Before the adoption of the rule in 1918 a conference report would come into the Senate based upon an amendment consisting of a substitution of one bill for another bill after the enacting clause, which would contain new legislation never considered by either body, or the elimination of legislation agreed to by both bodies. Prior to March 1918 there was no provision or rule in the Senate by which a point of order could be made. A Senator had only one remedy, and that was to vote against the conference report, as now appears to be the case if the Vice President is correct in holding that an amendment by the substitution of the House bill for the Senate bill eliminates rule XXVII.

If the ruling of Vice President GARNER is correct, then the Senate has been deprived of the opportunity to consider, discuss, reject, or approve the new legislation submitted in the conference report.

As to whether the matter is relevant or not, the Chair does not consider material. Under the rule, there is no question of relevancy. The rule provides that no new matter may be added and that no matter agreed on between the two Houses may be excluded. Whether or not new matter has been inserted in the report, the Chair does not know, and does not attempt to decide. It is evident that the repeal of the La Follette Seamen's Act would be relevant to this proposed legislation. Yet if the conferees should have included a provision in the conference report repealing the La Follette

Seamen's Act, each Senator would feel that he was entitled to the privilege of debating that question and rejecting the proposal separately or amending it to suit himself. Yet the Chair does not think anyone can question that the La Follette Seamen's Act would be relevant to the general regulation of rates and operations of railroads, motor carriers, and steamboats.

The Senate has a right to determine for itself whether or not a matter is sufficiently relevant to be included with the ordinary subject matter dealt with. Senators have a right to vote against it. But if the ruling of Vice President GARNER is correct and is to be followed, because there was an amendment by substitution instead of section by section, then every Senator is denied the right to vote separately on any new legislation that may be placed in the bill. A conference report is not open to amendment. If adopted, it becomes the law.

It seems to the Chair that if the ruling of Vice President GARNER is correct, rule XXVII is set aside by the simple procedure of the House amending the Senate bill by substitution, and then each Senator may be denied the privilege of debating the new provisions and the privilege of voting on it and is compelled, under such a ruling, either to vote for the conference report, the majority of whose provisions he favors and for which he voted in the Senate, and accept the new matter in the conference report in doing so, or voting against the conference report, which in part, if not in greater part, he favors, because objectionable matters are put in which were never under consideration by either the House or the Senate.

The Chair sees no distinction between amending a Senate bill by amending every section of it separately and amending every section of it by a substitute bill. If the substitute bill is different in language for the entire language of the Senate bill, then it constitutes an amendment of every section of the bill. If the substitute House bill only changes the language of half the Senate provisions, then it agrees with half, and there is an amendment to the other half, which would be in conference.

The substitution of a House bill for a Senate bill or a Senate bill for a House bill is purely a matter of convenience. It does not change one iota the questions that would be in conference between the two Houses. It is simply a fiction. Both bills deal with the same subject, or are supposed to deal with the same subject; both bills, as a matter of fact, are identical in some particulars, while in other particulars there is only a difference of language. If conferees can take a provision of the Senate bill which is a little different in language and form from the provision in the House bill, both having in view the accomplishment of the same purpose, and say, "We will not try to adjust these two amendments, but we will strike both out," notwithstanding the Senate rule, then, to a certain extent, it makes futile the labors of the Senate and the similar labors of the Members of the House.

The House is satisfied with such procedure. The House, probably because of its numerous Members, has been forced into somewhat of committee control of legislation. The Senate has never had any such theory of legislation. The Senate contends that no provision of a bill has a right to become law without each Senator having the opportunity to debate the subject so long as he wants to and to reject it or approve it or amend it.

The Chair stated in the beginning that it was impossible for him to ascertain the facts in the case of this report in the limited time he has had, or to attempt to determine whether those facts constitute presenting new matters of legislation, or whether they constitute the striking out of legislation agreed on by both Houses. Therefore the Chair respectfully submits the question to the Senate for its determination. The question is, Are the points of order raised by the Senator from Missouri well taken? When the time comes to vote, those who believe the points of order are well taken will vote "yea," and those who believe to the contrary will vote "nay."

The statement on the Authority of Conferees in Cases of Substitute Bills, which was ordered to be printed in the RECORD on the request of the President pro tempore, is as follows:

AUTHORITY OF CONFEREES IN CASES OF SUBSTITUTE BILLS

On February 27, 1919, the Senate proceded to consider the conference report on the bill (H. R. 13274) to provide relief where formal contracts have not been made in the manner required by law, the Senate having passed the bill with a substitute.

Mr. MCKELLAR, of Tennessee, made a point of order against the conference report that the conferees had exceeded their authority by eliminating matter passed by both Houses, citing rule XXVII of the Senate.

Mr. MCKELLAR then called attention to the proviso in the bill, as passed by the House, reading as follows:

"*And provided further*, That the names of such contractors and the amounts of such partial or final settlements shall be filed with the Clerk of the House, for the information of Congress, and printed in the CONGRESSIONAL RECORD or in the Official Bulletin or as a public document 10 days before confirmation and payment is authorized upon such contracts."

This provision, he contended, was substantially similar to the following proviso incorporated in the bill as it passed the Senate:

"*And provided further*, That the names of such contractors and the amounts of such partial or final settlements shall be filed with the Clerk of the House, for the information of Congress, and printed in the CONGRESSIONAL RECORD or as a public document within 10 days after such confirmation."

The Vice President (Thomas R. Marshall, of Indiana) overruled the point of order as follows:

"The Chair has heretofore gone to great lengths in sustaining the rule of the Senate with reference to the insertion of new matter and the omission of matter agreed to by the two Houses. In an early opinion after this rule was adopted, the point of order was sustained where there was a section of the original bill of the House and a section of the original bill of the Senate which were identically the same. That ruling went further than the precedents of the House of Representatives have been from the days of Speaker Colfax down. Those rulings are uniformly to the effect that where the House passed a bill and the Senate strikes out all after the enacting clause and passes another bill, when it goes to conference the matter is practically in the hands of the conferees to report such a bill, germane to the subject of the conference, as the conferees may think proper, and then it is for the two Houses to say whether they will adopt the conference report. As heretofore stated, however, the Chair, being extremely desirous of sustaining this rule of the Senate, did sustain a point of order under circumstances of a bill enacted by the House, all after the enacting clause stricken out, and a new bill inserted in the Senate, where in both bills there was a section identical in language.

"Now, let us see where we are.

"This is a proviso contained in each bill. It is not identical in the two bills at all, beyond the fact that each required the names of the contractors and the partial or final settlements to be filed with the House for the information of Congress. There it ends, so far as the terms are identical in the two bills. After that, in the House bill it is to be printed in the CONGRESSIONAL RECORD or in the Official Bulletin or as a public document 10 days before confirmation and payment as authorized upon such contract. The Chair is inclined to think that the important thing in the bill was the requirement that it be printed somewhere 10 days before confirmation and payment. In the Senate bill it is to be printed in the CONGRESSIONAL RECORD or as a public document within 10 days after such confirmation.

"The Chair thinks that there were just about 20 days in controversy before the conferees, and that they had a right to strike the proviso out. The Chair overrules the point of order. If Senators desire either provision retained, they can vote to reject the conference report for that reason." (CONGRESSIONAL RECORD, 65th Cong., 3d sess., p. 4412.)

APPOINTMENT OF ADDITIONAL DISTRICT JUDGES

On August 25, 1922, the Senate had under consideration the conference report on the bill (H. R. 9103) for the appointment of additional district judges for certain courts of the United States, to provide for annual conferences of certain judges of United States courts, to authorize the designation, assignment, and appointment of judges outside their districts, and for other purposes. The Senate passed the bill with a substitute amendment.

Mr. Shields, of Tennessee, made the point of order that the conferees had exceeded their authority in eliminating from the report in two instances matter agreed to by both Houses, namely, (1) the provision requiring judges to be residents of the districts for which appointed; and (2) the provision requiring the Attorney General upon the request of the Chief Justice to make a report of the business of the several courts of the United States with particular reference to cases or proceedings to which the United States was a part, together with such recommendations or requests as may be deemed proper.

Also, that the conferees had exceeded their authority by inserting in the report matter that was not the subject of discussion or within the scope of the bill in either the House or Senate with

reference to the appointment of a judge for the middle district of Tennessee.

After debate, the presiding officer (Mr. Jones, of Washington) sustained the point of order as follows:

"The rule that is invoked reads as follows:

"'Conferees shall not insert in their report matter not committed to them by either House, nor shall they strike from the bill matter agreed to by both Houses. If new matter is inserted in the report or if matter which was agreed to by both Houses is stricken from the bill, a point of order may be made against the report, and if the point of order is sustained, the report shall be recommitted to the committee of conference.'

"This rule was adopted to meet a practice of the Senate that had become an abuse and to which objection had often been made. It is clear and definite in the limits which it imposed upon the action of the conferees. It has not often been invoked since its adoption, but when invoked it is controlling upon the Senate. Whether the objection made is technical or substantial, if it comes within the terms of the rule, no discretion is left in the presiding officer.

"The first objection to this conference report is based upon the provision in the House bill that reads:

"'The Attorney General shall, upon the request of the Chief Justice, report to said conference on matters relating to the business of the several courts of the United States, with particular reference to causes or proceedings to which the United States may be a party, together with such recommendations or requests as may be deemed proper. The Attorney General shall not be a member of said conference.'

"That is the provision placed in the bill by the House. As the bill passed the Senate it contained this provision:

"'The Attorney General shall, upon request of the Chief Justice, report to the said conference on matters relating to the business of the several courts of the United States, with particular reference to causes or proceedings in which the United States may be a party.'

"That language is identical with the language of the House as far as it goes, and the chair thinks that it states a distinct matter, or proposition, and that the further provisions in the House bill—'together with such recommendations or requests as may be deemed proper' and 'the Attorney General shall not be a member of said conference'—are in substance and statement two additional matters, and it seems to the Chair that the first matter stated in the House provision was adopted in the bill as it passed the Senate and comes clearly within the prohibition of the rule against omitting matter adopted by both Houses.

"The next objection is based upon this language. The House bill provided:

"'Said judges shall be residents of the districts for which appointed and shall receive the same salary and allowances and shall possess, exercise, and perform the same jurisdiction, powers, and duties as is now provided by law.'

"The Senate provision is:

"'Every judge shall reside in the district or circuit or one of the districts or circuits for which he is appointed and shall devote his time to the duties of his office and shall not engage in any other employment for which he receives compensation, and for offending against the provisions of this section shall be deemed guilty of a high misdemeanor.'

"The Chair thinks there are several independent matters contained in each one of these provisions. There is the provision, 'Said judges shall be residents of the districts for which appointed.' That is a distinct matter. The Senate bill provided: 'Every judge shall reside in the district or circuit or one of the districts or circuits for which he is apponted.'

"These two propositions are identical in substance and almost in language. They have nothing to do with the qualifications of the judge or with the salary which he shall receive. In other words, both Houses provided that each judge should reside in his district or circuit.

"The point is made that this is covered by existing law. That may be true, and yet the Senate and the House both seemed to think that a provision of this sort was necessary, and inserted it. The rule says that a matter passed upon by both Houses shall not be eliminated. No discretion is left to the conferees as to whether it is covered by existing law or not.

"It seems to the Chair that the point of order on that matter must be sustained.

"The next proposition is with reference to the provision relating to the middle district of Tennessee. The House made provision for an additional judge for this district. It is conceded that under existing law the present judge is the judge for the eastern and the middle districts of Tennessee. The Senate made no provision for an additional judge for the middle district. The provision as finally agreed to and submitted by the conferees takes away the jurisdiction given to the present judge by existing law in the middle district and limits his jurisdiction to the eastern district.

"The question of limiting the jurisdiction of the existing judge was not submitted to either House; neither House gave it any consideration whatever, and the Chair believes it to be new matter in the conference report and prohibited by the rule.

"The Chair sustains the point of order on all three grounds." (CONGRESSIONAL RECORD, 67th Cong., 2d sess., p. 11766.)

NEW MATTER

On June 6, 1932, during the consideration of the conference report on H. R. 10236, the Revenue Act of 1932, Mr. Howell of Nebraska, made a point of order against the conference report in that the conferees had inserted a provision, in Senate amendment No. 180, which was not authorized by either the House bill or the Senate amendment.

The Vice President [Charles Curtis] overruled the point of order, and in his opinion, with respect to "new matter," said:

"The term 'new matter' contained in the rules (rule XXVII, paragraph 2) embraces, as the Chair thinks, matter that is entirely irrevelant to the subject matter."

Mr. Howell took an appeal from the ruling of the Chair, but the decision was sustained by the Senate by a vote of 42 yeas, 33 nays. (Senate Journal, 72d Cong., 2d sess., p. 554.)

AUTHORITY OF CONFEREES WHERE ONE HOUSE HAS PASSED A BILL OF THE OTHER BODY WITH A SUBSTITUTE

On February 19, 1925, Mr. NORRIS, of Nebraska, raised the following points of order against the conference report on the bill (H. R. 518) to authorize and direct the Secretary of War, for national defense in time of war and for the production of fertilizers and other useful products in time of peace, to sell to Henry Ford, or a corporation to be incorporated by him, the Muscle Shoal properties, which had been passed by the Senate with a complete substitute: That the conferees had exceeded their authority in contravention of paragraph 2 of rule XXVII, as follows:

1. By the insertion of the following new matter relative to the employment by the President of officers or agents to carry out the purposes of the act:

"The President is hereby authorized and empowered to employ such advisory officers, experts, agents, or agencies as may in his discretion be necessary to enable him to carry out the purposes herein specified, and the sum of $100,000 is hereby authorized, to enable the President of the United States to carry out the purposes herein provided for."

2. By the insertion of new matter relative to the rental to be paid for Dam No. 2, as follows:

"The lessee shall pay an annual rental for the use of said property an amount that shall not be less in the aggregate than 4 percent for the period of the lease on the total sum of money expended in the building and construction of Dam No. 2 and upon Dam No. 3 after completion, which shall be paid in full each year unless it be shown that due to expenditures in development and improved equipment for the production of fertilizer as provided herein, the lessee may be granted a deferred payment, which shall draw interest at the rate of 4 percent annually after the first 6 years of the lease period at either or both dams: *Provided, however,* That no interest payment shall be required upon the cost of the locks at Dam No. 2 and Dam. No. 3, nor upon an additional amount to be determined by the President as representing the value of this development to navigation improvement."

3. By inserting the following new matter relating to the production of nitrogen:

"In order that the experiments heretofore ordered made may have a practical demonstration, and to carry out the purposes of this act, the lessee or the corporation shall manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, on the property hereinbefore enumerated, or at such other plant or plants near thereto as it may construct, using the most economic source of power available, with an annual production of these fertilizers that shall contain fixed nitrogen of at least 10,000 tons during the third year of the lease period * * *: *Provided,* That if in the interest of the President, the interest of national defense and agriculture will obtain the benefits resulting from the maintenance of nitrogen fixation plant No. 2 or its equivalent in operating condition by so doing, then he is authorized to substitute the production of fertilizers containing available phosphoric acid * * *."

4. By the insertion of the following new matter relative to construction work on Dam No. 3 and the approach to the locks in Dam No. 2:

"The appropriation of $3,472,487.25, the same being the amount of the proceeds received from the sale of the Gorgas steam-power plant is hereby authorized for the continued investigation and construction by contract or otherwise as may be necessary to prosecute said project to completion. Further expenditures to be paid for as appropriations may from time to time be made by law."

After a lengthy debate, the President pro tempore [Albert B. Cummins, of Iowa] sustained the points of order in the following language:

"The Chair recognizes that the points of order made by the Senator from Nebraska present questions which are not only exceedingly important but exceedingly difficult and upon which there is an opportunity for wide differences of opinion. These differences will never be settled finally until they are settled by a decisive vote of the Senate itself. In the ruling the Chair is about to make the text of the House bill is entirely disregarded, for, in the opinion of the Chair, it cannot be fairly claimed that the two Houses in their original action agreed upon any point or upon anything. There were, of course, some features of similarity, but these features of similarity were so connected with other considerations and so influenced by other provisions that the Chair is forced to the conclusion that the jurisdiction of the conference committee was neither expanded nor limited by anything contained in the original House bill as compared with the Senate bill. This means that, in the judgment of the Chair, the points of order must depend upon a comparison of the Senate bill with the report of the conference committee. It is urged on the one hand that when so compared new matter will be found in the conference report,

and that, therefore, the report is objectionable under rule XXVII. It is urged upon the other hand that the phrase "new matter" does not prohibit in a conference report of matter which is germane to the subject or subjects of the bill.

"The subjects of the Senate bill were:

"First. The disposition by lease of certain specified property belonging to the Government situated at or near Muscle Shoals, Ala.

"Second. In the event of a failure to lease or in the event of the cancelation of the lease, the operation of the property so leased together with other property by a Government-owned corporation.

"There can be no doubt that the changes made in the Senate bill in conference are germane in a broad, general sense to the subjects dealt with in the Senate bill, and if that is the test to be applied, the points of order must be overruled.

"The Chair, however, finds itself unable to interpret the second paragraph of rule XXVII with the breadth contended for by those who seek to sustain the conference report. This paragraph of rule XXVII to which reference has been made is as follows:

" 'Conferees shall not insert in their report matter not committed to them by either House, nor shall they strike from the bill matter agreed to by both Houses. If new matter is inserted in the report or if matter which was agreed to by both Houses is stricken from the bill, a point of order may be made against the report, and if the point of order is sustained the report shall be recommitted to the committee of conference.'

"The Chair has already observed that there was nothing agreed upon by both Houses, and that part of the rule will not be further considered. There remains to be considered the prohibition that 'conferees shall not insert in their report matter not committed to them by either House' and the requirement that 'new matter' must not be inserted in a report. What is 'new matter'? It is quite impossible to define this phrase with that accuracy and precision which will make any rule announced applicable to the infinite variety of cases that will arise. It may be remarked, however, that some 3 or 4 years after the adoption of paragraph 2 of rule XXVII the Senate amended rule XVI, relating to the consideration of appropriation bills, and the amendment provided:

" 'The Committee on Appropriations shall not report an appropriation bill containing amendments proposing new or general legislation, and if an appropriation bill is reported to the Senate containing amendments proposing new or general legislation, a point of order may be made against the bill, and if the point is sustained the bill shall be recommitted to the Committee on Appropriations.'

"It has seemed to the Chair that the words 'new matter' as found in rule XXVII and 'new legislation' as found in rule XVI must mean practically the same thing. The fact of the identity of these two phrases makes it all the more important that the ruling upon the points of order now before the Senate shall be correct. Without attempting to define 'new matter,' the Chair is of the opinion that it was intended when this paragraph of the rule was adopted to restrict the general parliamentary law as frequently announced by the Speaker of the House of Representatives. The House knew when it sent the bill to conference that the rule of the Senate forbade the insertion of 'new matter' in the conference report, and the Chair assumes it adopted that plan for bringing the two Houses into agreement with full understanding of the limitation placed upon the Senate conferees.

"The Chair does not desire to be understood as holding that every change made in the bill by the conference report constitutes 'new matter.' It is of the opinion that in order to bring the change within the spirit of rule XXVII 'new matter' must be of substantial import; that is to say, a change affecting in a substantial way the plan proposed in the Senate bill.

"It is the judgment of the Chair that many such changes appear in the conference report. The Chair has been in some doubt with respect to the propriety of pointing out these changes which, in the judgment of the Chair, bring the conference report under the prohibition of the rule. It has, however, concluded not to name the specific instances in which, as viewed by the Chair, the rule has been violated. The Chair has been in grave doubt with regard to that matter. He has before him at the present instance a half dozen or more instances which, in his judgment, violate rule XXVII in the conference report. The points of order insofar as respects the insertion of new matter in the conference report are sustained."

Mr. Underwood, of Alabama, took an appeal from the decision, which, after debate, was sustained by the Senate—yeas 45, nays 41 (CONGRESSIONAL RECORD, 68th Cong., 2d sess., pp. 4124–4137, 4243–4250, 4310–4314, 4321–4326).

On February 26, 1925, the Senate had under consideration the conference report on the bill (H. R. 11444) readjusting postal salaries and increasing postal rates.

Mr. HARRISON of Mississippi made the point of order that the conferees had exceeded their authority by inserting new matter.

After debate, the President pro tempore (Mr. Cummins, of Iowa) overruled the point of order, saying: "The Chair thinks the Senator from Mississippi (Mr. HARRISON) has misunderstood the ruling of the Chair made with respect to the point of order raised against the conference report on the Muscle Shoals bill. With that suggestion the Chair overrules the point of order." (CONGRESSIONAL RECORD, 68th Cong., 2d sess., p. 4698.)

On February 3, 1927, the Senate had under consideration the conference report on the bill (H. R. 9971) for the regulation of radio communications, and for other purposes.

Mr. Howell, of Nebraska, in opposing the report, made the following point of order:

"I make the point of order against the conference report that the clause repealing the joint resolution (approved in December 1924) was not in the radio bill when passed by the Senate; it was not in the radio bill when passed by the House, but was inserted by the conferees, and, therefore, it is new matter inserted contrary to the rule."

The Presiding Officer (Mr. Oddie, of Nevada), after debate, overruled the point of order, saying:

"The Chair is prepared to rule on the matter, and holds that where one House strikes out all after the enacting clause of a bill and inserts new language, as was done in this case, the conferees are given wider latitude in dealing with the subject; and matter that is germane to the matter in dispute may be dealt with by the conferees without subjecting the report to the point of order that the conferees have exceeded their authority in inserting new matter."

Mr. Howell appealed from the ruling of the Chair, but subsequently withdrew the same, and made a point of order on another ground, as follows:

"The bill which passed the House came to the Senate, was passed, and was referred to conferees. The conferees had the bill under consideration for some weeks, whereupon Senate Joint Resolution 125 was passed by the Senate and House. Of course, that resolution was not contemplated by either House at the time the bill (radio bill) was passed, and therefore was new matter when inserted in the bill by the conferees (citing a part of rule XXVII, part 2). It must be evident that this resolution, passed long after the bill was in the hands of the conferees, was new matter, and that any reference thereto in the report, even in the way of a repeal, renders the conference report out of order."

Mr. Howell, in reply to an inquiry by Mr. Watson, of Indiana, stated that the point of order involved the same question.

The Vice President (Charles G. Dawes, of Illinois) overruled the point of order, saying:

"The Chair takes the same view of the matter taken by the preceding Presiding Officer (Mr. Oddie, of Nevada), that where one House strikes out all after the enacting clause of a bill and inserts new language, as was done in this case, the conferees are given wide latitude in dealing with the subject; and matter that is germane to the matter in dispute may be dealt with by the conferees without subjecting the report to the point of order that the conferees have exceeded their authority in inserting new matter."

Mr. Howell took an appeal from the decision of the Chair, but the appeal was laid on the table by a vote of 48 yeas, 14 nays. (CONGRESSIONAL RECORD, 69th Cong., 2d sess., pp. 2877–2880.)

On February 8, 1927, during the further consideration of the foregoing conference report, Mr. Howell made a further point of order against the conference report on the ground that the conferees had stricken from the report the following matter agreed to by both Houses: "(with due consideration of the right of each State to have allocated to it, or to some person, firm, company, or corporation within it, the use of a wave length for at least one broadcasting station located or to be located in such State, whenever application may be made therefor)."

The Vice President (Charles G. Dawes) overruled the point of order, saying: "The Chair would remark that when the amendment of the Senate is a new bill in the nature of a substitute instead of various amendments to different parts of the bill, the whole status of conference is changed under the precedents. Under the line of argument which the Chair followed the other day in holding that new matter when germane could be put in as an amendment under those circumstances, he would seem to be justified now in overruling the point of order. The status of conference being changed where the Senate substitutes a bill as an amendment, the precedents in effect hold that the restrictions of rule XXVII, paragraph 2, do not apply, and he so rules."

Mr. PITTMAN, of Nevada, appealed from the ruling, the appeal being laid on the table by a vote of 41 yeas, 34 nays. (CONGRESSIONAL RECORD, 69th Cong., 2d sess., pp. 3258–3262, 3336).

On June 5, 1934, during the consideration of the conference report on the bill (S. 3170) to revise air-mail laws (the House having adopted a substitute for the Senate bill), Mr. Copeland, of New York, raised the following questions of order, viz, that the conferees had exceeded their authority by inserting on page 2, in paragraph (d) of the report, the provision including the eastern and western coastal routes among primary routes; by inserting on page 1, section 3, the word "initial" in the phrase "for initial periods of not exceeding 1 year;" by providing, on page 1, that the right of appeal should be to the Comptroller General instead of to the Interstate Commerce Commission; and by inserting radically new or changed language in subsection (a).

After debate, the Presiding Officer (Mr. BARKLEY, of Kentucky) overruled the points of order in the following language:

"The Chair is ready to rule. The Chair has been trying to compare the House and Senate bills while the argument has been in progress. It is not easy to do so because the sections do not correspond. It is a well-recognized rule that where either House strikes out the language of the bill sent to it by the other House and inserts language of its own, the conferees have a wider field for the adjustment of differences than they would ordinarily have

where the bill passed by one House is amended by the other House section by section. In that case, it is easy for the conferees to determine just what the specific differences are, where part of the language of a House bill or a Senate bill is stricken out and new language inserted; but where either House strikes out all the language coming to it from the other body and inserts its own language, necessarily, in order to reach an agreement and adjust the differences, there must be more flexibility and power existing in the conferees. That has been for a long time recognized in the rules of the Senate and of the House of Representatives.

"Where the language in either bill which is stricken out is indefinite or where there is no reference at all to the subject matter as to which the other House inserts language, then the conferees have almost unlimited power, so long as their amendments are germane to the proposal of either the House or the Senate bill.

"The Chair does not think the insertion of the word 'initial,' referred to by the Senator from Maine [Mr. WHITE], constitutes such a departure as would vitiate the conference report on that account. While the language in neither bill contained the word 'initial,' the bill as written by the conferees, using the word 'initial,' does not apparently or substantially change the effect of the language contained in both the House and the Senate bills.

"With reference to the point of order made against subsection (d) of section 3, it seems that the Senate bill provided that the Postmaster General might designate certain routes as primary and secondary routes and might include at least four transcontinental routes, without further reference to eastern or western primary routes. The Chair does not think the use of the word 'may' the second time has any effect whatever. The Postmaster General had full discretion, under the language of the Senate bill, to establish such primary and secondary routes as he might see fit.

"In the absence of any language in the House bill on the subject either permitting or prohibiting the Postmaster General from establishing primary or secondary routes, the Chair is of the opinion that he could do that even under the language of the House bill by regulation, because there is nothing in the bill to prevent it.

"There being no language in the House bill on the subject and the insertion of the words 'eastern and western coastal routes' being germane to the four routes already provided for in the Senate bill, the Chair does not think that inserts new matter to such an extent as to vitiate the conference report.

"For the same reasons stated with reference to the other point of order the Chair overrules the point of order made by the Senator from New York [Mr. Copeland]."

The Chair subsequently said:

"Of course, it is perfectly obvious that where neither House has a provision with reference to a matter, the conferees cannot insert anything with reference to it; but the House having struck out all the language of the Senate bill and included nothing upon the controverted points, the Senate conferees and the House conferees had the right to make such changes as might be germane to the language of the Senate bill that were not included in the House bill." (CONGRESSIONAL RECORD, 73d Cong., 2d sess., pp. 10487–10492.)

On August 6, 1935, the Senate had under consideration the conference report on the bill (H. R. 6511) to amend the air-mail laws and to authorize the extension of the air mail service. The Senate passed the bill with a substitute amendment.

Mr. WHITE, of Maine, made the point of order that the conferees had exceeded their authority by inserting at the end of section 6 the following:

"And the Commission shall make a report to the Congress, not later than January 15, 1936, whether or not, in its judgment, a fair and reasonable rate of compensation on each of said eight contracts, under the other provisions and conditions of said act, as herein amended, is in excess of 33⅓ cents per mile; together with full facts and reasons in detail why it recommends for or against any claim for increase." And by inserting at the end of section 10 the following language:

"There is authorized to be used from the appropriations for contract air-mail service for the fiscal year ending June 30, 1936, a sum not in excess of $25,000 for the purpose of auditing the books and records of air-mail contractors by the Post Office Department."

After debate, the President pro tempore (Mr. PITTMAN, of Nevada) overruled the points of order, as follows:

"A point of order is made by the Senator from Maine [Mr. WHITE] against the language in the conference report [citing the above language].

"The point of order is based on the allegation that new legislation is carried in the conference report not contained in either the Senate or House bills. In the Senate bill this language appears with regard to the 33⅓ cents per mile:

"'*Provided*, That where the Postmaster General holds that a low bidder is not responsible or qualified under this act, such bidder shall have the right to appeal to the Comptroller General, who shall speedily determine the issue, and his decision shall be final: *Provided further*, That the base rate of pay which may be bid and accepted in awarding such contracts shall in no case exceed 33⅓ cents per airplane mile for transporting a mail load not exceeding 300 pounds. Payment for transportation shall be at the base rate fixed in the contract for the first 300 pounds of mail or fraction thereof plus one-tenth of such base rate for each additional 100 pounds of mail or fraction thereof, computed at the end of each calendar month on the basis of the average mail load carried per mile over the route during such month, except that in no case shall payment exceed 40 cents per airplane mile.'

"In the House bill, in section 6 (a), as amended, this matter is provided for. The last part of the section says:

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

"It will be observed that while this matter is treated in both the Senate and House bills, they are at entire variance of their treatment of it. Therefore both of the sections were in conference.

"Under the interpretation of the present occupant of the chair, where all after the enacting clause of a House bill is stricken out and an entirely new bill inserted by the Senate, the question arises as to whether or not the language used as a substitute for the two sections is germane and carried out the intent of both bodies with regard to such particular legislation.

"As to the provision which is the subject of the last point of order—citing the authorization of $25,000—the Chair calls attention to the fact that the Senate bill carries no provision for auditing the books, while the House bill, in section 10, as amended, carries this provision:

"'All persons holding air-mail contracts shall be required to keep their books, records, and accounts under such regulations as may be promulgated by the Postmaster General, and he is hereby authorized, if and when he deems it advisable to do so, to examine and audit the books, records, and accounts of such contractors, and to require such contractors to submit full financial reports in such form and under such regulations as he may prescribe.'

"That requirement is found alone in the House bill. The Senate did not have to accept that provision; if it did accept that provision, it could accept it with such conditions as it saw fit. It did accept the provision with this condition:

"'There is authorized to be used from the appropriations for contract air-mail service for the fiscal year ending June 30, 1936, a sum not in excess of $25,000 for the purpose of auditing the books and records of air-mail contractors by the Post Office Department.'

"That addition to the House provision certainly is germane, and it is a reasonable condition to impose upon the adoption of the House provision for auditing the books.

"The former provision which the Chair has discussed, which requires a report to Congress, is absolutely germane to the issue raised by the different sections of the two bills. Being germane and the language not being identical in both bills, it was a reasonable adjustment of the differences in that particular between the two Houses.

"The Chair overrules the points of order." (CONGRESSIONAL RECORD, 74th Cong., 1st sess., pp. 12549, 12550. Senate Journal, p. 575.)

AGRICULTURAL ADJUSTMENT ACT OF 1938

H. R. 8505, the Agricultural Adjustment Act of 1938, was passed by the Senate with an amendment in the nature of a substitute. When the conference report was taken up in the Senate on February 10, 1938, Mr. SCHWELLENBACH, of Washington, made the point of order that the House bill and the Senate amendment relating to the dairy industry, insofar as they presented the substance of the matter, were identical, the language being the same; that the corresponding provision inserted in the conference report was different from both the House and Senate provisions, and that the conferees, in inserting such provision, had left out matter agreed to by both Houses, and, therefore, under rule XXVII, paragraph 2, had exceeded their authority.

On February 11, 1938, the Vice President, JOHN N. GARNER, in the following language, overruled the point of order:

"At the outset the Chair will state that the merits of the bill do not concern him in making the ruling on the pending point of order; nor can the Chair take into consideration the question of the wisdom or the good faith of the conferees. The only point the Chair can take into consideration is whether the conferees have exceeded their powers, wisely or unwisely.

"There are rules of the Senate and rules of the House of Representatives. The particular rule of the Senate referred to a moment ago by the Senator from California [Mr. JOHNSON] has been one of the rules of the Senate, as the Chair recalls, since 1918. It has been part of the House rules for nearly a century. The first ruling in the House of Representatives on this particular question was rendered on March 3, 1865, by Mr. Colfax, the Speaker, who was later Vice President of the United States and President of the Senate. From that time until this, 10 Speakers of the House of Representatives have passed on this particular question. All their decisions, remember, Senators, are based upon one fact, and that is that when one body strikes out all after the enacting clause and inserts a new bill, the entire rule is reversed. Rule XXVII, clause 2, specifically does not apply then. The Senate decided by a vote of 41 to 34 when voting on a ruling by the then Vice President, Mr. Dawes, to which I shall call attention a little later.

"The Chair will say that in 1865 Speaker Colfax began this line of ruling, and in 1911 the matter was thoroughly surveyed in the House of Representatives under Speaker Clark. The Chair will now ask the clerk to read to the Senate the ruling of Speaker Clark, in order that the Senate may understand the philosophy with respect to the particular question now pending."

The Chief Clerk read as follows:

"The desire of the present occupant of the Chair is to rule fairly; and so far as I am individually concerned, I would rather have it said of me, after I have finally laid down the gavel, that I was the fairest Speaker that the House ever had, than that I was the greatest.

"The gentleman from Wisconsin last Saturday made a remark which deserves the consideration of the House, and that was that

no Speaker could afford to render a decision for temporary benefit to his party fellows without considering the ultimate and general effect of it. That is absolutely true.

"The particular matter at bar seems to have been differentiated into two classes by previous Speakers: One, where the dispute between the two Houses is simply a dispute about rates or about amounts, and the other where one House strikes out everything after the enacting clause and substitutes an entirely new bill.

"The Chair has no doubt that at least one contention of the gentleman from Illinois is correct. That is, that if it is a mere dispute about amounts or rates, the conferees cannot go above the higher amount or rate named in one of the two bills or lower than the lower rate named in one of the two bills. But that is not this case. In this case the Senate struck out everything after the enacting clause and substituted a new bill. Last Saturday there did not seem to be any precedents to fit the point under consideration. This time, fortunately for the Chair at least, four great Speakers of this House have ruled on the proposition involved—Speaker Colfax, who was subsequently Vice President; Speaker Carlisle, subsequently Senator and Secretary of the Treasury; Speaker Henderson; and Speaker Cannon. The Chair does not know anything about the parliamentary clerks to Speaker Colfax and Speaker Carlisle, but the Chair is fully persuaded that every Member of this House who has served in prior Congresses will agree that Speaker Henderson and Speaker Cannon had the advantage of being advised by one of the most skillful parliamentarians in this country, the present Member from Maine, Mr. Hinds.

"All four of these Speakers, three Republicans and one Democrat, have passed on this question, and they have all ruled that where everything after the enacting clause is stricken out and a new bill substituted, it gives the conferees very wide discretion, extending even to the substitution of an entirely new bill. The Chair will have three of these decisions read, and will have the decision of Speaker Cannon incorporated into this opinion, because the question ought to be definitely settled, during the life of this Congress at least."

The Vice President continued:

"Senators will observe that that was the universal opinion, so far as the House of Representatives is concerned, down to the time of Speaker Clark.

"The Chair desires to call the Senate's attention to the decisions in the House of Representatives following Speaker Clark's decision, which include decisions by Speaker Gillette and Speaker Longworth. They have gone a little bit further than Speaker Clark did. Speaker Gillette quoted from the Manual:

"'And it has been held so often and so far back and by so many Speakers that where everything after the enacting clause is struck out the conferees have carte blanche to prepare a bill on that subject that it seems to the Chair that question is no longer open to controversy.'

"He then continued:

"'The Chair, on that ground, overrules the point of order.'

"In other words, Senators, the House has held, under a rule similar to Senate rule XXVII, paragraph 2, that there is no limit to the power of the conferees when one House strikes out all after the enacting clause of the bill of the other House and substitutes an entirely new bill.

"What has been the action of the Senate upon this rule? The Chair desires to call the Senate's attention to a ruling in the Senate on February 8, 1927; and the Chair may add that it seems to him that he should follow the ruling in the Senate, especially when the Senate, by majority vote, upholds that ruling.

"On February 8, 1927, Mr. Howell, of Nebraska, made a point of order against the conference report on a bill for the regulation of radio communications, stating that the conferees had exceeded their authority by leaving out matter agreed to by both Houses, in contravention of paragraph 2 of rule XXVII, as follows:

"'Conferees shall not insert in their report matters not committed to them by either House, nor shall they strike from the bill matter agreed to by both Houses.'

"That seems to be definite language and, as the Senator from California has said, subject to no equivocation. But that rule applies to a bill ordinarily passed by one body and amended, section by section and paragraph by paragraph, by the other body, and does not apply to an entire new bill submitted by one body as a substitute for the bill of the other body.

"The Chair will now read the ruling of Vice President Dawes, as set out in the Senate Journal for the Sixty-ninth Congress, second session, page 157, as follows:

"'The Chair would remark that when the amendment of the Senate is a new bill in the nature of a substitute instead of various amendments to different parts of the bill, the whole status of conference is changed under the precedents. Under the line of argument which the Chair followed the other day in holding that new matter when germane could be put in as an amendment under those circumstances, he would seem to be justified now in overruling the point of order. The status of conference being changed where the Senate substitutes a bill as an amendment, the precedents in effect hold that the restrictions of rule XXVII, paragraph 2, do not apply, and he so rules. The point of order is not well taken.'

"The Senator from Nevada, the present President of the Senate pro tempore, appealed from that ruling, and the Senate sustained the ruling of the Chair (Vice President Dawes) by a vote of 41 to 34.

"On August 6, 1935, the President pro tempore of the Senate (Mr. PITTMAN) himself made a ruling upon this identical question. The Senator from Maine (Mr. WHITE) made a point of order against the conference report on H. R. 6511, a bill to amend the air-mail laws, that the conferees had exceeded their authority by inserting new matter. The President pro tempore overruled the point of order, and in his opinion made these remarks:

"'It will be observed that while this matter is treated in both the Senate and House bills, they are at entire variance in their treatment of it. Therefore, both of the sections were in conference.

"'Under the interpretation of the present occupant of the chair, where all after the enacting clause of a House bill is stricken out and an entirely new bill inserted by the Senate, the question arises as to whether or not the language used as a substitute for the two sections is germane and carries out the intent of both bodies with regard to such particular legislation.'

"In other words, Senators, it is the reasoning of all the parliamentarians who have ever considered this rule, so far as the Chair can ascertain from all the precedents, that the philosophy should be that where one House passes an entirely new bill as a substitute for the bill of the other House, there is very little limitation placed on the discretion of the conferees, except as to germaneness.

"In this particular case, the House having passed a bill with reference to conservation of soil, or other provisions with reference to farming, and the Senate having substituted an entirely different bill, it seems to the Chair that, according to the philosophy of previous rulings referred to, the conferees would have the power to do what they have done in this instance—write an entirely new bill—and the Chair overrules the point of order."

Mr. Duffy, of Wisconsin, appealed from the ruling of the Chair. The appeal was laid on the table by a vote of 48 yeas to 31 nays (CONGRESSIONAL RECORD, 75th Cong., 3d sess., vol. 83, pt. 2, pp. 1772–1773, 1820–1822; Senate Journal, 75th Cong., 3d sess., p. 158, 161, 162).

AUTHORITY OF CONFEREES

[Cannon's Precedents of the House of Representatives, vol. 8, sec. 3288, p. 774]

Syllabus: Where an amendment of one House proposes to strike out a paragraph of a bill of the other, whether a substitute therefor is proposed or not, and the amendment has been disagreed to, the conferees have the whole subject before them, and may report any provision germane thereto.

On August 23, 1912, the House of Representatives was considering the conference report on the Post Office appropriation bill.

Mr. Murdock made the point of order that the conferees had exceeded their authority by receding from disagreement to Senate amendment No. 60 and agreeing to it with an amendment providing an appropriation of $35,000 for transporting the mails across the Mississippi bridge at St. Louis, not in dispute between the two Houses.

The Speaker (Champ Clark, of Missouri) overruled the point of order, and said:

"The rule is clear, and it is a hundred years old, a little more than a hundred, because it was established on the 23d day of June 1812 by Speaker Clay. The rule is that a subject that is in a conference report must have been treated either by the House or by an amendment of the Senate, or by a House amendment to a Senate amendment. It must be germane. That is all that there is to it.

"Now, let us see. Speaker Cannon stated the matter in two or three sentences once in a very comprehensive manner, thus:

"'It is true that if the whole paragraph in the bill as it passed the House had been stricken out'—

"And that is practically the case here—

"'and a substitute therefor proposed by the Senate; or if the Senate had stricken out the paragraph without proposing a substitute, and the House had disagreed to the Senate amendment, then the conferees might have had jurisdiction touching the whole matter and might have agreed upon any provision that would have been germane.'

"That statement cannot be improved upon as to the rule. Let us see how this case fits the rule. The House provision was that—

"'No part of this appropriation shall be paid for carrying the mail over the bridges across the Mississippi River at St. Louis, Mo., over and above the regular mileage rates for the transportation of the mail by railroad routes.'

"What is the subject of the words I have read? Why, it is carrying the mail from East St. Louis, Ill., to the city of St. Louis, Mo. That is all there is to that. What does the Senate amendment do? It treats of identically the same subject, and nothing else. If there ever was a case that fits the rule as laid down by Speaker Cannon, in which he followed all his predecessors, it is this one, and the point of order is overruled" (CONGRESSIONAL RECORD, 62d Cong., 2d sess., pp. 11755–11759).

AUTHORITY OF CONFEREES

[Cannon's Precedents of the House of Representatives, vol. 8, sec. 3267, p. 752]

Syllabus: When a section is stricken out and a new text inserted, the conferees may incorporate any germane matter.

On March 3, 1915, the conference report on the agricultural appropriation bill was under consideration in the House of Representatives, when Mr. Henry, of Texas, submitted a point of order that the report contained matter not in dispute between the two Houses.

He based his point of order on the provision for a joint farm-credits committee incorporated in the conference report in lieu of a

provision for a rural-credits bureau carried in a Senate amendment stricken out by the House.

The Speaker (Champ Clark, of Missouri) overruled the point of order as follows:

"The point of order raised by the gentleman from Texas has been repeatedly passed on. In the first place it seems to the Chair that the only correct way in which to regard the matter now in controversy is to consider this rural-credit amendment offered by Senator McCumber as a separate subject, distinct from the bill proper. What happened about that was this: The Senate inserted the McCumber amendment, treating the whole subject of rural credits, and it was sent over to the House in that form. The House struck out the whole of the McCumber amendment. That is, it agreed to a substitute for the entire McCumber amendment. It did not leave a single line or word of the McCumber amendment. That put it exactly in the same situation as if everything after the enacting clause of a bill was stricken out. And it has been held so often and so far back and by so many Speakers that, where everything after the enacting clause is struck out, the conferees have carte blanche to prepare a bill on that subject, it seems to the Chair that question is no longer open to controversy. The Chair will refer to just one or two of the rulings. * * *

"The case as to the immigration bill, which was passed on some three or four Congresses ago, is precisely on "all fours" with this. In paragraph 6424 of Hind's Precedents, volume 5, the syllabus, to use the legal phrase, is this:

" 'Where the disagreement is as to an amendment in the nature of a substitute for the entire text of a bill, the managers have the whole subject before them and may exercise a broad discretion as to details.'

"The only change I would make in that language is to say that they have carte blanche on the subject.

* * * * * * *

"The only thing for the Speaker to pass on at this juncture is whether or not the conferees exceeded their authority. Not only by the decision of the present Speaker on two different occasions, but by half a dozen of his predecessors, it brings this provision which the conferees brought in here within the rule, and the point of order of the gentleman from Texas is overruled." (CONGRESSIONAL RECORD, 63d Cong., 3d sess., p. 5469.)

Mr. ADAMS. Mr. President——

The PRESIDENT pro tempore. The Senator from Montana has the floor.

Mr. WHEELER. I yield to the Senator from Colorado.

Mr. ADAMS. Mr. President, I desire to make an inquiry. As I understand, the Chair has laid down what he believes to be the correct rule with which, as I understand it, I am in entire accord. But the Chair also says that he does not feel that he is equipped to pass upon the question of fact, and he is going to submit it to the Senate, which is in an equal state of inability to pass on the question of fact. That is my difficulty as one of the jurymen or judges. The Chair who has given some study to the matter has passed it back to the Senate on the question of fact. I should like to vote to sustain the Chair's interpretation of the rule, but I want to know whether it applies to the particular case——

The PRESIDENT pro tempore. Does the Senator ask his question as a parliamentary inquiry?

Mr. ADAMS. No; I did not intend it as such.

The PRESIDENT pro tempore. The Chair will take it as such for this reason: The Chair is willing to confess, after attempting for 1 day to read the two bills and the conference report, that he has been totally unable to determine the facts, and the Chair is aware that the Senator from Colorado may be as ignorant of this bill as is the Chair—which the Chair hopes he is not—but there are Senators in this body who took part in framing the Senate bill, and some who took part in the conference, who must know more about it than the Chair does and can explain it to the Senate.

Mr. ADAMS. I should like to ask the Chair as to which Senator he would refer us to secure accurate information? I hardly suppose that is a parliamentary inquiry.

The PRESIDENT pro tempore. The Chair doubts it.

Mr. WHEELER. Mr. President, I wish to call attention to the situation in which we find ourselves. In the first place—and I should like to have the attention of the Senator from Colorado and of the lawyers of this body—the main contention of the Senator from Missouri is that the conferees wrote new matter into the Panama Canal Act, which was not germane.

Mr. CLARK of Missouri. And also into the Motor Transport Act.

Mr. WHEELER. And also into the Motor Transport Act.

Let me say, in the first instance, that we took up sections 19 and 20 and 21 of the Interstate Commerce Act and amended them. We did so because it was apparent from reading them that they were not clear and it was difficult for anyone to state exactly what the Congress had in mind in enacting those provisions, and in order properly to construe the section it was necessary to read sections 19, 20, and 21 in conjunction with one another.

I called attention earlier in the day to the fact that the Panama Canal Act, in the first provision, section 19, absolutely prohibits any railroad from owning or operating or having any interest in any steamship line operating through the Panama Canal or elsewhere. Then we come to the second section, section 20, which follows section 19 and says:

Jurisdiction is hereby conferred on the Interstate Commerce Commission to determine questions of fact as to the competition or possibility of competition, after full hearing, on the application of any railroad company or other carrier. Such application may be filed for the purpose of determining whether any existing service is in violation of this section and pray for an order permitting the continuance of any vessel or vessels already in operation, or for the purpose of asking an order to install—

What?—

to install new service not in conflict with the provisions of this paragraph.

The word "paragraph" does not make sense there, because there is nothing in that paragraph on the subject; so of necessity it must refer to the whole section. So the section provides first that the Interstate Commerce Commission may, under certain conditions and under certain rules laid down, permit railroads to own steamship lines. Second, if we read the word "paragraph" as "section," it expressly says "or for the purpose of asking an order to install new service not in conflict with the provisions of this section." When the bill came to the Senate we changed the language from "paragraph" to "section," so that it would make sense, and the bill passed the Senate in that way. Then we amended section 21 of the Senate bill, and it went to conference in that form.

When we got into conference the House modified the whole section in a different way. In that modification we changed the language of section 21, which is complained of, so as to make it plain, and to clarify the language so that there could be no question in the mind of anybody as to what was meant.

I submit to any lawyer in this body that it is impossible to read that language and say that we have in the slightest degree changed the intention and the purposes of sections 19, 20, and 21, as they exist today. Those who oppose the report say, "You repealed the Panama Canal Act." Nothing of the kind is true. We left section 19 almost identically as it is at the present time. We changed section 21 by changing the word "paragraph" to "section," and we made one or two other clarifying changes.

Mr. SMITH. Mr. President, may I ask the Senator a question?

Mr. WHEELER. Yes.

Mr. SMITH. Section 19 of the Panama Canal Act forbids a railroad to own any steamship line or any water carrier at all, either operating through the Panama Canal or elsewhere.

Mr. WHEELER. That is correct.

Mr. SMITH. If subsequent enactments by law change that prohibition and give the railroads power to do it, then section 19 is modified to that extent.

Mr. WHEELER. It is modified at the present time in the present law. We did not change the modification of that section at all.

Mr. SMITH. But sections 20 and 21 dealt with a different proposition from the absolute prohibition contained in section 19.

Mr. WHEELER. I beg to differ with the Senator. Let me read it to him. There seems to be a misunderstanding with reference to it.

In paragraph 19 there is an absolute prohibition. Then paragraph 20 modifies section 19, and says:

Jurisdiction is hereby conferred on the Interstate Commerce Commission to determine questions of fact as to the competition or possibility of competition, after full hearing, on the application of any railroad or other carrier. Such application may be filed for the purpose of determining whether any existing service is in violation of this section—

That is clearly a modification. If we give the Commission power to determine whether an existing line is in violation of the section, that is a clear modification of the other section.

Mr. SMITH. But does not the Senator interpret section 20 to be a tightening of section 19?

Mr. WHEELER. No.

Mr. SMITH. That the carrier must come and give evidence as to whether it is in violation of section 19?

Mr. WHEELER. No; for the simple reason that if section 19 stood alone, every railroad company in the country would have to eliminate itself from the field of water transportation. There was no qualification at all in section 19.

Mr. SMITH. Does the Senator interpret section 20 as having reference to a modification of section 19? Read it again and see if it refers to water carriers.

Mr. WHEELER. Yes; it says:

Jurisdiction in hereby conferred on the Interstate Commerce Commission to determine questions of fact as to the competition or possibility of competition, after full hearing, on the application of any railroad company or other carrier.

What does that mean? We are dealing with the Panama Canal Act, and we are dealing with water carriers through the Panama Canal.

Such application may be filed for the purpose of determining whether any existing service is in violation of—

Of what?

of this section—

Not paragraph 20, but "of this section," dealing with the Panama Canal alone—

and pray for an order permitting the continuance of any vessel or vessels already in operation, or for the purpose of asking an order to install new service not in conflict with the provisions of this paragraph.

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

Mr. WHEELER. I yield.

Mr. BARKLEY. As I understand, if standing alone, without any other provision, section 19 would absolutely prohibit a railroad from owning or operating a steamship.

Mr. WHEELER. That is correct.

Mr. BARKLEY. But section 20 is a relaxation of the rigors of section 19 by giving to the Interstate Commerce Commission the right, power, and jurisdiction to determine the fact.

Mr. WHEELER. That is correct.

Mr. BARKLEY. So section 20 does not strengthen section 19, but rather relaxes the rigors of it.

Mr. WHEELER. It relaxes it under certain conditions.

Mr. SMITH. But the point is, here is a prohibition in section 19 which is clear and unmistakable. Then section 20 says that the Commission must investigate and see whether or not there is a violation of the law. Section 21 refers to vessels which are being operated. One contradicts the other.

Mr. BARKLEY. As a matter of fact, if there were nothing there but section 19, there would be nothing for the Interstate Commerce Commission to investigate. It would be absolutely prohibited from acting, no matter what the facts were; but section 20 gives the Commission the right to determine whether there shall be some deviation from the prohibition.

Mr. SMITH. But in section 19 the position is taken that no railroad shall operate or have any part or parcel in the operation of a water carrier.

Mr. WHEELER. That is correct.

Mr. SMITH. Sections 20 and 21 assume that when section 19 was passed some ships were already owned by the railroads, and sections 20 and 21 give them easement as to what they will do with those ships; but what was section 19 written for?

Mr. BARKLEY. The whole act must be read together.

Mr. WHEELER. Section 19 says that not only shall the Commission have power to ease this prohibition and say that the operation of existing water services by railroads is all right, but it goes further than that and says—

Or for the purpose of asking an order to install new service.

Mr. SMITH. What is the use of section 19? Section 19 prohibits such operation, and sections 20 and 21 nullify section 19.

Mr. WHEELER. I will say to the Senator that I did not write this law.

Mr. SMITH. I hope the Senator did not.

Mr. WHEELER. I am taking the law as it is written. I say to the Senator that the Interstate Commerce Commission took these three different sections and tried to interpret them so that they would make sense, and they could not come to any other conclusion than the one I have indicated. I submit to the Senator that there have been three or four decisions by the Interstate Commerce Commission, and never has an appeal been taken from any of them, and they stand today as the law with reference to this matter.

Mr. SMITH. I do not wonder that there has not been an appeal, because nobody knows what the act means. It is a reflection on Congress, in so important a matter as our transportation, so to write an act that nobody knows whether or not there may be a monopoly by virtue of the power of the railroads; and it seems to me we ought to deal with it so that there will be no confusion.

Mr. WHEELER. That is exactly what we tried to do. Let me say to the Senator that what all of us tried to do in this conference report was not to change the intention of the statute as it is at the present time, but to clarify it so that there could not be any confusion either in the minds of the Commission or in the minds of anybody else. That is all that we did; and the act stands there exacty as it does today, under an interpretation which must be put upon it by the courts if it should go to any court in the land.

Every lawyer in this body, I am sure, recognizes the fact that when a case is presented to a court, the court has to take the different paragraphs in a section and so weave them together that they make common sense, and he has to try to find what the intention of the Congress was.

Mr. SMITH. Mr. President, my attention was called to this question when this matter was before the committee, of which I am a member, and I could not reconcile the flat prohibition to the Interstate Commerce Commission, "You cannot allow the railroads to engage in water transportation and truck transportation, because it is evidently monopolizing the business of different competing lines of transportation." Now, they relax in section 20, according to the interpretation, and finally throw the whole thing out the window in section 21, and give them the power to establish convenience and necessity and noncompetition.

Mr. WHEELER. I am sure the Senator is not criticizing the committee for its action, because what we did was merely in an effort to clarify the language which had already been written. I submit that the language was not clear.

Mr. SMITH. Why not simply repeal paragraph or section 19, and put section 21 in? That covers the ground.

Mr. WHEELER. This is the position in which we found ourselves; we were dealing with the whole transportation problem.

Mr. SMITH. Yes.

Mr. WHEELER. And this matter was brought to us. This was one of the things they wanted in order to clarify the language.

Mr. ELLENDER. Who wanted to clarify it?

Mr. WHEELER. The Interstate Commerce Commission were the ones who suggested the clarifying language.

Mr. ELLENDER. Had not the Interstate Commerce Commission previously rendered doubtful decisions as to those three sections?

Mr. WHEELER. I do not think they were doubtful. I think the decisions of the Interstate Commerce Commission were in exact accord with the intent of Congress. They

placed exactly the correct interpretation and the only honest and just interpretation they could place on the statute.

Mr. ELLENDER. If there was no doubt about the decisions, why amend the act? Why not allow the courts to pass upon the question?

Mr. WHEELER. If we are writing a bill and revamping the law and we come across some imperfections, some things which do not make sense, we should clarify them, so that he who runs may read, so that not only the Interstate Commerce Commission and the courts, but the layman on the street may take up the law and read it and say, "This is what it means." That is what we attempted to do.

Let me say to the Senator from South Carolina that, as the measure now comes before the Senate, it protects those engaged in transportation by water as they have never been protected before. It used to be that a railroad company could buy a steamship company which competed with some other steamship company, and it would immediately cut the rates, and because the smaller steamship company did not have the money and the railroad did have the money to back it up, the railroad could throw its competitor off the water.

Under the pending bill that could not be done, because the Interstate Commerce Commission would say, "You cannot indulge in cutthroat competition." One of the things we are seeking to do under the bill is to prevent cutthroat competition.

Mr. SMITH. Mr. President, the Senator knows that section 4 has been a bone of contention since the Interstate Commerce Commission was established.

Mr. WHEELER. The Senator is talking about the long-and-short haul?

Mr. SMITH. Yes. I am talking about water competition, permitting a railroad to impose a rate to a port which would put a steamship out of competition.

Mr. WHEELER. That is correct.

Mr. SMITH. All the coastal shipping was driven out of existence by that means. We go a step further now and say, "Not only is section 4 still operative, but we will allow you to buy the steamships."

Mr. WHEELER. No; the Senator has a misconception. No one in the Senate has been more familiar with section 4 than I have, because the people of my State have been fighting section 4, and have been interested in it, and ever since I have been in the Senate I have been fighting to keep section 4, the long-and-short-haul provision, in the law. A bill providing for the repeal of section 4, the long-and-short-haul clause, passed the House of Representatives on two or three different occasions since I have been chairman of the Committee on Interstate Commerce, and I deliberately and premeditatedly held it up in committee when a majority of my own committee was for it. I did not bring it up because it would put the shipping people out of business, in my judgment. But I cannot agree that we should put the railroads in a strait jacket, and then let the competing forms of transportation loose to compete and cut the rates. I argue, and I submit to any fair-minded man in this body or anywhere else in this country, that if I am to be regulated, then my competitor should also be regulated.

If this bill shall not be enacted, and water carriers shall not be regulated by the same body and in the same way in which the railroads and the busses are regulated, then we should repeal the laws regulating the railroads and let them indulge in cutthroat competition all over this country. That is what would happen, because a bill which would have brought that about passed the House twice, and would have passed the Senate if it had not been for my holding it up.

Mr. SMITH. The Senator must recognize that the costs of certain forms of transportation should inure to the benefit of the shipper. The railroads are corporations, they own their rights-of-way, they have established themselves to make money, and they have the right to keep trespassers off their property. They own the roads, they own the rights-of-way, and they run the roads for their own benefit. Trucks and busses are public carriers, but they utilize the highways, just as a barefoot man or a man rolling a wheelbarrow does. The cost is nothing like the cost incident to keeping up a railroad.

I am a friend of the railroads, from a public standpoint. I believe that the railroads will be here forever, because they have certain advantages—in the long haul, for instance, and for handling heavy tonnage—and they provide certain conveniences which cannot be obtained otherwise, or have not been up to the present time. But we have no right to say to a method of transportation which is essentially cheaper, necessarily cheaper, than the railroads, "You have to pay the same tax and be put under the same jurisdiction as to expense." Naturally it is more expensive.

Mr. WHEELER. Mr. President, let me say to the Senator, in my own time, if I may, that we are not seeking to do that, and the bill does not do that. If the Senator were familiar with the legislation proposed in the bill, he would know that in the very beginning we say, "It is hereby declared to be the national transportation policy of the Congress to provide for fair and impartial regulation of all modes of transportation subject to the provisions of this act, so administered as to recognize and preserve the inherent advantages of each."

Mr. SMITH. Mr. President, I wish to make one further statement, then I will not engage in the debate further.

I have been in the Senate so long that I know that the preamble, the statement of what we profess to set out, generally contains a joker which nullifies the whole thing. I will use an illustration.

During the war, when we were fixing prices, the then Senator from Minnesota, Knute Nelson, said to me, "You are for this bill?" He was referring to a bill from a committee of which I was chairman or a member. I said, "Yes. It fixes $2 a bushel on wheat, and from there on the sky is the limit."

"Well," he said, "I have read the bill, but there is a joker in it somewhere. Two dollars will be what the farmer will get."

I said, "Oh, the Senator is mistaken."

It was a voluminous bill. The bill had been in operation but a short time when we discovered that it provided that the Food Administrator should have the right to fix the price of any food in which he thought there was profiteering. Of course he fixed $2 a bushel as being the maximum and the minimum for wheat.

It was all right to say to wheat growers, "We will give you $2, and from there on the sky will be the ceiling," and then provide that the man who had the law in charge could declare what he thought was profiteering, so that he could say that anything above $2 a bushel would be profiteering. That ended it.

Mr. ADAMS. Mr. President——

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

Mr. WHEELER. I yield.

Mr. ADAMS. My particular interest now relates to the point of order which is pending. Subsections (19), (20), and (21) were in the existing law?

Mr. WHEELER. That is correct.

Mr. ADAMS. As I understand, the modifications were made originally in the Senate bill?

Mr. WHEELER. Yes.

Mr. ADAMS. Now, the question is whether or not the changes which the conference committee made are outside the differences between the modifications in the Senate bill and the House bill?

Mr. WHEELER. Certainly not. What the conferees did, for example, was to pick out a sentence in subsection (21)—it would be subsection (16), I think, of the Senate bill—and change the language.

Mr. ADAMS. Of course there is no restriction on changing the language, but there is on changing the substance.

Mr. WHEELER. That is correct. We did not change the substance, and I will say to the Senator, that the substance

of the language in subsections (19), (20), and (21) is exactly the substance of the present law.

Mr. ADAMS. As I understand the situation, while there are separate subsections (19), (20), and (21), in substance subsections (20) and (21) are provisos attached to subsection (19), and if, instead of subsections, provisos were inserted before subsections (20) and (21) one would get the substance?

Mr. WHEELER. If instead of making separate paragraphs, provisos had been inserted, so the subsections would have been joined together, one would get the substance, and it would make the language clear all the way through. Change of language is all that was accomplished. The change of language does not change the substance in the slightest degree. On the contrary, the substance is exactly the same.

Let me clarify the answer previously made to a question asked by the Senator from South Carolina [Mr. SMITH]. In conference, at the request of the water carriers, we specifically wrote in certain language, as follows:

> In the exercise of its power to prescribe just and reasonable rates, fares, and charges of common carriers by water, and classifications, regulations, and practices relating thereto, the Commission shall give due consideration, among other factors, to the effect upon movement of traffic of the carriers for which the rates are prescribed.

We wrote in that language to protect the water carriers.

Mr. REED. Read the following sentence.

Mr. WHEELER. The following sentence is:

> And the needs of the public interest for adequate and efficient water transportation service at the lowest cost consistent with the furnishing of such service.

Let me say to the Senator from Louisiana [Mr. ELLENDER], whom I know is interested in water transportation, that in conference we went further to protect the water carriers than had been done in either the House bill or the Senate bill.

Mr. ELLENDER. Mr. President, let me ask the Senator a question: Suppose the sections under debate at present had not been modified at all in conference; could the Interstate Commerce Commission, under either the sections adopted in the Senate or the House, provide for the acquisition by a railroad of motor transportation or water-carrier transportation?

Mr. WHEELER. Yes. There is no question about it. They have done it.

Mr. ELLENDER. They did it; but it is a question whether or not they had the right to do it.

Mr. WHEELER. There is no question in my mind that they had the right to do it, and there is not the slightest doubt in my mind that any court in the country would uphold such a decision. If those interested in the matter had not supposed that the decision was correct, does not the Senator suppose that there would have been an appeal to higher courts in the Southern Pacific case and in certain other cases?

Mr. ELLENDER. Yes; but, by the same token, if the parties interested had thought the position taken was a correct one, they would not come to the Congress and ask for a change in the law.

Mr. WHEELER. They did not ask for it.

Mr. ELLENDER. Why was the change made in the law?

Mr. WHEELER. Is the Senator speaking of the railroads or the water carriers?

Mr. ELLENDER. I am speaking of the modification of the three subsections referred to.

Mr. WHEELER. Let me say in the first place that the Interstate Commerce Commission did not ask for the modifications which were made by the Senate. The modifications were placed in the Senate bill when the measure was passed on by the Senate. The Interstate Commerce Commission did not ask for those changes. They were placed in the measure by the Senate. We thought that would clarify the situation. Afterward the House inserted certain language in the bill which it thought would clarify the provisions. When the bill went to conference the Commission went over the bill and thought that neither the House nor the Senate language quite clarified the matter, and the Commission suggested some clarifying language, which no one considered to be of any moment, except that it would make the intention of the Congress more plain and simple.

Mr. ELLENDER. Is it the Senator's contention then that the clarifications made in those three subsections do not change the substance of the measure as passed by the Senate and by the House?

Mr. WHEELER. Yes.

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

Mr. WHEELER. I yield.

Mr. BARKLEY. I realize how difficult it is for us to separate our convictions on the question of water and rail transportation from a point of order. The only question that is now pending before the Senate is whether the conferees exceeded their authority. If I understand the situation, what the conferees did was to attempt to clarify paragraphs or subsections (19), (20), and (21). Both Houses dealt with those paragraphs.

I recall when the bill was under consideration in the Senate. Being a member of the Interstate Commerce Committee, and living on the Ohio River, and 30 miles from the Mississippi, I am naturally interested in water transportation and I do not want to see it driven off the waters. I have done all I could through legislation to encourage the improvement of navigation on the rivers of the United States.

However, the question that confronts me, and I am sure it confronts all Senators, is simply whether the conferees went beyond their authority in rewriting or clarifying these three paragraphs.

There is no doubt that what the conferees did is germane both to the Senate and the House bills.

Mr. WHEELER. Yes.

Mr. BARKLEY. There is no doubt that under the rulings of the Senate, even in its votes on the question of points of order—and I happen to remember some of those points of order—the Senate has gradually and more and more veered toward the House position, that when one House strikes out all the language in a bill and writes an entirely new bill, the conferees have infinitely wider discretion in adjusting the matter, and even writing a new proposal on its own account, than is true when a few sections are amended, as they come in a bill, page by page.

I was a member of the Committee on Interstate and Foreign Commerce of the House. It was the only committee I was ever on in the House, because it is regarded as one of the major committees and a Member of the House can be a member of only one such committee. When we passed the Esch bill in 1919 in the House—it became the Transportation Act of 1920, because it was finally signed in 1920—we merely amended, page by page, the Interstate Commerce Act. The bill came over to the Senate. Senator Cummins, of Iowa, was chairman of the Committee on Interstate Commerce at that time, and the Senate committee struck out the entire bill and wrote a new bill, which was known as the Cummins bill. Later it became the Esch-Cummins bill. But the Cummins amendment was a complete bill, striking out the entire House bill.

I happened to be a member of the conference committee on the part of the House and we spent 6 weeks, including Christmas Day, trying to adjust the differences, and the conferees wrote an entirely new bill on the theory, which was sustained by the Senate, and by the House also, that when the House had amended, section by section and page by page, an act already in existence, and the Senate struck it all out and wrote a new bill, the conferees had what Speaker Clark used to call almost carte blanche in rewriting the bill.

I recall that on one occasion, when I happened to be in the chair in the Senate, a bill came over from the House dealing, as I recall, with air-mail contracts. The Senate struck out the entire bill and wrote a new bill. When the conference report came back, the word "initial," which was not in either bill, had been inserted by the conferees, so it applied to "initial payments" and "initial situations," which greatly limited both bills as they had passed the House and Senate. I happened to be in the chair, and based upon the precedents which had been established by Vice President Dawes, and in

one case by Vice President Marshall, and which have been later sustained by Vice President Garner, I overruled the point of order, and the Senate did not question the ruling. There was no appeal taken, as I recall, from the ruling. So it seems to me that in the vote we are to cast, in the face of the situation that the Chair does not feel called upon to rule because he is not familiar with the facts, we must not lose sight of the fact that we are voting on a point of order. We are voting to establish a precedent by which the Senate may be governed in the future; and we cannot afford to vote on the point of order according to our convictions, sentiments, or inclinations with respect to water or rail transportation.

Mr. WHEELER. That is correct.

Mr. BARKLEY. I remember that when we passed the bill in the Senate I interrogated the Senator from Montana particularly on the point. We were trying to coordinate all transportation facilities of an interstate character. We gave to the Interstate Commerce Commission power, under certain circumstances, to fix rates by water, rail, bus, and other interstate transportation facilities. As I recall, at that time I undertook to emphasize the fact that while we were giving the Interstate Commerce Commission jurisdicion over water transportation, we were not compelling the Commission, or even advising it, to use the same yardstick with respect to rates and practices in connection with water transportation that was to be used with regard to rail transportation, or even bus transportation.

It seems to me that the matter which is in dispute, and upon which the point of order is made, is germane to both bills. The Senate dealt with the Panama Canal Act in 1920 and 1921. The House dealt with it in a little different way. The House struck out all the Senate bill and wrote a new bill. It seems to me that not only did the conferees have wider discretion and a wider field in which to operate in arriving at an adjustment of the differences between the two Houses, but also that they remained within the borders of that field. No one can doubt that what the conferees have done is germane to both bills.

Mr. WHEELER. That is correct.

Mr. BARKLEY. In view of the latitude the conferees have under those circumstances, it seems to me there is no question that the point of order ought not to be sustained.

Mr. WHEELER. I thank the Senator.

Let me call the attention of Members of the Senate to what we were confronted with. We went into the conference, and we had before us the rulings of the House of Representatives for years and years and years. We also had before us the latest rulings of Vice President GARNER and Vice President Dawes. They were the latest rulings of the Senate. So, when the question was raised, because of the fact that we wanted to write the best kind of a bill we could, we felt that we could do one of two things. We did not say, "What did somebody do 10 or 15 years ago?" but "What is the latest ruling of the Senate?" The latest rulings of the Senate, by Vice President Dawes and Vice President GARNER, were to the effect that when everything after the enacting clause is stricken out, the conferees have wide latitude. It was like writing a new bill. We followed both the precedents of the House and the precedents of the Senate.

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

Mr. WHEELER. I yield.

Mr. ELLENDER. Did the Senator, as a conferee, think it proper to delete from the Senate bill language which was adopted not only by the Senate but by the House?

Mr. WHEELER. To what language does the Senator refer?

Mr. ELLENDER. I refer specifically to language which was adopted by the Senate as well as by the House. Let me read it:

> 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 services rendered.

Mr. WHEELER. Certainly I thought it was proper, and I will tell the Senator why. The Senator from Arkansas [Mr. MILLER] and everyone else know perfectly well that I agreed to take the provision to conference; but it was offered in the last days of the debate, and I took it to conference with the tacit understanding that I would not try to keep it in.

Mr. ELLENDER. But the House had adopted it.

Mr. WHEELER. If that language had stayed in the bill, passenger rates and rates on agricultural products would have been raised, and it could not be made to work as a practical matter. With that provision in the bill, there would be no legislation on the subject.

Mr. ELLENDER. The Senate passed upon the question, and the House passed upon it. I do not believe the conferees acted fairly and squarely when they struck it out.

Mr. WHEELER. That may be the Senator's opinion, but I am sure that, so far as I was concerned, I felt differently. I discussed the matter with various Senators. That provision was offered in the last days of the debate, and it was taken to conference with the understanding which I have stated.

Mr. ELLENDER. That very clause prompted a number of us to vote for the bill. I know it prompted me to do so.

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

Mr. WHEELER. I yield.

Mr. CLARK of Missouri. I have heard the Senator go over this matter three or four times. He merely said he would take the provision to conference. What is meant when a Senate conferee takes a provision to conference? That action should mean that he will stand for and fight for it because it is the action of the Senate. If the Senator had had a conflict on this matter he might have had some excuse to abandon the position of the Senate; but he did not have any conflict on it, because the House conferees had a mandate of almost precisely the same sort.

The only difference between the Miller-Wadsworth amendment as it was included in the Senate bill and the Miller-Wadsworth amendment as it was included in the House bill was one unimportant proviso. On that basis, the Senator from Montana according to his own statement having agreed to take it to conference, if I know anything about parliamentary practice in either House of Congress, such action means that a Senate conferee will take the provision to conference and stand on the Senate provision until he is overpowered by the resistance of the House. Based upon such a situation as that, the conferees completely struck out the provision.

Mr. WHEELER. I was easily overpowered.

Mr. CLARK of Missouri. Who overpowered the Senator?

Mr. TRUMAN. Mr. President——

Mr. CLARK of Missouri. If the Senator will yield, I shall be glad to have him tell who overpowered him. The House, by unanimous vote, had included a substantially similar provision.

Mr. TRUMAN. Mr. President, if my colleague will yield to me, I can tell the Senator what overpowered the Senate conferees. The amendment of the Senator from Arkansas [Mr. MILLER] was offered on the floor of the Senate toward the close of the debate on the bill.

Mr. CLARK of Missouri. It does not make any difference when it was offered.

Mr. WHEELER. Just a moment. I yield to the junior Senator from Missouri.

Mr. TRUMAN. The amendment was offered toward the close of the debate on the bill. It had had no consideration whatever by any committee. What it would do to the bill, or what it would do to transportation, had not been considered by anybody. It was accepted toward the close of the debate.

The same thing was true of the Wadsworth amendment in the House. Representative WADSWORTH himself admitted on the floor of the House that he had no idea of the ramifications and the effect of his amendment on transportation. If it were left in the bill, it would absolutely put every short-line railroad in the country out of business, and deprive every little interior town in the country of transportation. We considered that question thoroughly in the conference; and under the rulings of the Vice President in the Senate and the rulings in the House as far back as a century, we felt that

we had a right to take out the amendment in order to save the bill.

Mr. CLARK of Missouri. Mr. President, will the Senator yield to me for the purpose of answering what my colleague has said?

Mr. WHEELER. I yield.

Mr. CLARK of Missouri. The Senator says Representative WADSWORTH changed his mind. That does not change the fact that a majority of the Senate conferees took it upon themselves to override the unanimous will of the House of Representatives and the unanimous will of the Senate. There is no dispute about either amendment.

Mr. TRUMAN. There was no vote on either amendment.

Mr. CLARK of Missouri. They were accepted by unanimous consent, so there was a vote. The fact that the amendments were offered in the latter stages of consideration certainly has no influence on the matter, because many amendments are so offered.

Mr. TRUMAN. Those amendments were offered with but one idea in view, and that was to kill the bill.

Mr. CLARK of Missouri. Why did the Senator from Montana accept them?

Mr. WHEELER. Mr. President, let me make an explanation. I talked to the Senator from Vermont [Mr. AUSTIN] about the matter at the very time it came up. In some respects the Senator's argument might seem to be logical. But suppose we should go into a conference and find a provision which nobody had studied, which had not been debated on the floor of the Senate, and which had not had any consideration by anybody in the committee or anywhere else; and suppose that after we reach the conference we find that if the amendment were adopted it would wreck every short-line railroad and every branch-line railroad in the country. Does the Senator think that then we ought to keep it in, regardless of whether or not we feel that under the rule we are authorized to take it out?

Mr. CLARK of Missouri. If the Senator will permit me to answer his question, I will answer by saying in the first place that I think when both Houses have unanimously agreed on a provision, the conferees have absolutely no right to set themselves up as a super-Congress and try to legislate over the heads of both the Senate and the House.

Mr. WHEELER. The Senator's father, as Speaker of the House, ruled otherwise; and the Senator wrote several of the decisions.

Mr. CLARK of Missouri. Let me say that there is a long line of decisions in the House——

Mr. WHEELER. The Senator wrote them.

Mr. CLARK of Missouri. I followed the precedents in the House of Representatives.

Mr. WHEELER. Certainly.

Mr. CLARK of Missouri. The precedents in the Senate have been almost unanimously contrary to that view, except in the case of the opinion of Vice President GARNER, which was sustained on appeal by the very narrow margin of two votes.

Mr. WHEELER. I beg to differ with the Senator. Vice President Dawes so held in 1927, and he was sustained.

Mr. CLARK of Missouri. Mr. President, inasmuch as the Senator has brought up the question, the difference between the House and Senate is that in 1918 the Senate took the trouble to protect this great body against the excesses of conferees by adopting a specific rule against such practices, as was held by President pro tempore Cummins.

As is well known, the Vice President served for a long time in the House of Representatives; and, with all the respect and affection I have for him, I know very well that in making his decision, which was sustained by only two votes on appeal, he was following the experience of his long service in the House of Representatives. However, the practice in this body has always been otherwise.

Will the Senator from Montana permit me to ask him another question?

Mr. WHEELER. Yes.

Mr. CLARK of Missouri. The Senator said that since the provision had not been discussed or debated in the Senate the conferees were entitled to cut it out, notwithstanding the fact that both Houses had acted on it unanimously. I recall considerable discussion between the Senator from Arkansas and the Senator from Montana.

Mr. WHEELER. I did not say there was not any discussion.

Mr. CLARK of Missouri. Let me ask the Senator from Montana what discussion there was of the innovation repealing the Panama Canal Act or repealing the Motor Transport Act, which was not in either bill, and which was not even mentioned or discussed on the floor of the Senate and which neither committee dared bring into the Senate and submit to a vote in either body?

Mr. WHEELER. The Senator is just as wrong as he ever was in his life. He simply is not familiar with the situation. I have tried to explain it to him, and I thought I had done so, but it is apparent to me that my friend from Missouri still has not read the bill and does not understand it.

He is so able a lawyer that if he had read the bill carefully, and understood what had been done, I know that he himself would come to the conclusion that we had not changed the language.

He says we did not dare to bring the provision into the Senate. I say to the Senator that I dare to bring anything into the Senate of the United States in which I conscientiously believe. I have never feared to bring anything on the floor of the Senate in which I believed; I believe in this, and I know it to be right.

Mr. CLARK of Missouri. Mr. President, I certainly did not intend to question the courage of the Senator from Montana, for nobody can do that; but I have read very carefully the provisions of the bill; I have read very carefully the changes made in the Motor Transport Act and in the Panama Canal Act. I have read the decisions of the Interstate Commerce Commission which enter into this matter, and which I intend to discuss later in my own time. Let me state further that I completely disagree with the Senator from Montana in his conclusion; and let me say further that I withdraw any remark which the Senator from Montana may have taken as an aspersion on his courage——

Mr. WHEELER. No; I did not.

Mr. CLARK of Missouri. Because, as the Senator knows, I am not only extremely fond of him but a great admirer of his ability and courage. But let me add that while on the final passage of the bill, as the Senator has remarked several times, we secured only six votes in opposition to it; if there had been in it such a provision as is now in the conference report we would have secured 60.

Mr. WHEELER. The truth about it is that the language in the conference report does not change the purport of the bill at all.

Mr. TRUMAN. Mr. President——

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

Mr. TRUMAN. I want to correct the statement that the appeal from the decision of Vice President GARNER on the agricultural bill was voted down by 2 votes. The vote on the appeal of the decision was 48 to 31, and the appeal from the decision of Vice President Dawes in 1927 was voted down by 48 to 14. Confirmation of this statement is in the CONGRESSIONAL RECORD, Seventy-fifth Congress, third session, volume 83, part 2, pages 1772–1773, 1820, and 1822, and CONGRESSIONAL RECORD, second session, pages 2877–2880.

Mr. WHEELER. I do not desire to take up more time of the Senate except to call attention to the point of order and to say that if it is desired by Senators to kill the bill then they should vote to sustain the point of order, because that will end the bill.

I repeat that this bill was introduced by me at the request of the President of the United States who appointed a committee to study it. I introduced it and we worked on it for a long time. There has never been a bill presented to the Senate of the United States since I have been a member of the body that has had more careful thought and study and longer hours devoted to it by able Members of the House of Representatives and of the Senate than has this bill. We had before us in the conference committee the so-called Miller-Wadsworth amendment.

The principal objection to this bill in the House was caused by the elimination of the Miller-Wadsworth amendment. This amendment as it passed the Senate reads:

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 for the service rendered.

When the bill was submitted by the House, they added to the Senate bill the following proviso:

"*Provided,* That nothing in this paragraph shall be construed so as to affect the long-and-short-haul provision of section 4.

If the Miller-Wadsworth amendment should be adopted, it would make every railroad company in this country, if a question of rates was raised, increase its rates on every branch-line railroad. Not only that, but the Wadsworth amendment provides that the Commission is to permit a floor to be placed under rates. It must be compensatory and in addition it must cover all overhead and all allowances of costs, meaning overhead, including taxes. There is considerable freight in this country that is carried at a low level of freight rates on a narrow margin because of competitive conditions or because it will not move at a higher freight rate. Many agricultural commodities are in this category, as are passenger fares.

If the Miller-Wadsworth amendment should go into effect let me say that the wheat of North Dakota, Minnesota, South Dakota, and eastern Montana could not be moved to the seacoast and meet the competition of grain from Australia. We would not be able to move the commodities that are produced all through the great Middle West section of this country and have them compete with the grains and commodities from other countries.

In this country there is great need of cheap transportation because of the wide spread of the country and the fact that productive centers are scattered throughout the Nation. The effect of the amendment would be to raise the freight rates on a large part of the heavy commerce of the United States. Passengers in the United States are carried at a heavy loss which has been approximated at $100,000,000 a year. If the Miller-Wadsworth amendment was adopted by the railroads theoretically it would have to recover that $100,000,000 by higher fares. Obviously it could not do so. It would simply mean that the rates would be raised and it would have less traffic on the railroads and less income. As I have said, there are certain movements of freight traffic on the railroads, or anywhere else for that matter, that will not move unless it has a cheap rate. Much of that includes agricultural products. The rates on these articles are not fixed on a full allocated cost which would include overhead and profit and all the other things, but they figure what the out-of-pocket cost is to move that freight and add something to it on the theory that it is better to make a little profit than not to move the freight at all. There are rates like that all over the country. There are rates made on a basis other than the full allocated cost which have been made effective simply to equalize the competitive advantages of different communities trying to get into a consumer market. The Wadsworth amendment means that a rail carrier could not reduce a rate below the full allocated cost in order to move the traffic that would otherwise not be moved. It seems to me the effect of this would be to raise the rates over the country, particularly on agricultural commodities. I do not believe anyone wants that done. There is no sound economic reason why it should be necessary for each rate to pay its share of all costs and at the same time contribute something to profit. If rates were made on this theory the classification of goods and commodities for rate-making purposes would be next to impossible and as a consequence rates on many commodities, particularly farm products, would be greatly increased. If this amendment goes into effect it appears to me that practically every branch line of the country will be seriously affected. The reason is that the amendment provides that no rate shall be reduced below the cost of operating a particular line. It is well known that branch-line transportation is more expensive than main-line transportation. Under our rate structure, rates charged on grain, for example, from a certain point on the main line to the city of Chicago is identical with that which is charged on the branch line. The rate on the branch line would have to be raised, and the same thing would be true as to passenger fares.

This amendment had the most vigorous objection of the legislative committee of the Interstate Commerce Commission headed by Chairman Eastman. The Commission pointed out that there are two kinds of costs, out-of-pocket costs and full-allocated costs, which are quite different. The amendment is not clear as to what maner of cost is meant, and it is also uncertain what is meant by a compensatory return. In stating why the amendment was objectionable, the Commission said:

In the past, the freight rates of railroads, and also of other carriers, have taken into consideration, not only cost of service, but value of service or "what the traffic would bear." This had the result of putting a somewhat disproportionate burden on the higher-valued commodities, particularly those capable of a comparatively heavy car loading, but in general was approved by public opinion. The intense transportation competition of the present day, including the ability of many shippers to provide their own transportation, is tending rapidly to break down this method of constructing rates, and it may be that eventually it will be impossible to give much, if any, weight to the so-called value of the service.

Let us suppose, for example, a situation where competing railroads, coastwise steamship lines, and trucks are all maintaining, to their own and the shippers' satisfaction in general, a comparatively high level of freight rates on various packaged goods of high value, and some carrier, for the sake of a temporary advantage, undertakes to cut these rates. If this must be allowed, ultimately all the competing rates will be reduced and a hole created in carrier revenues which may make it necessary to increase rates on traffic less able to stand the burden. We think that it should not be allowed, and that the Commission should be in a position to prevent such a train of events by exercise of its authority over minimum rates.

In our judgment, the provision in question is not necessary in order that the public at large may enjoy the benefit and economy afforded by each type of transportation. The requirement in the rate-making rule that the Commission give due consideration to the effect of rates on the movement of traffic by the carrier or carriers for which the rates are prescribed and also to the need in the public interest, of adequate and efficient transportation by such carrier or carriers at the lowest cost consistent with the furnishing of such service, coupled with the admonition in the declaration of policy in section 1 that the provisions of the act be so administered as to recognize and preserve the inherent advantages of each mode of transportation, will afford adequate protection in this respect. If experience should show that further protection is needed, contrary to our expectation, Congress can then amend the act, but such a restriction as is now proposed is, we believe, both unnecessary and undesirable.

Mr. MILLER. Mr. President, I should like to discuss this question not from the standpoint of the merits of the conference report but strictly from the standpoint of the point of order.

As to whether or not the point of order should be sustained, I wish to lay down two propositions which to me seem vital and which are now squarely before the Senate, the determination of which may have a profound effect upon the future legislative action of this body.

It seems to me that if we are to maintain constitutional consideration of legislation, such consideration as contemplated and provided by the Constitution and which has the sanction of more than 150 years of national existence, then the point of order must be sustained.

I make that statement upon the assumption that the Senate conferees—and it matters not what their good faith may have been; I am not impugning their good faith—have transcended their authority in representing the Senate in conference. If that fact is established, then there is but one action the Senate can take, and that is to sustain the point of order.

I should like to have the RECORD contain the rule under which the conferees were proceeding, and I should like to have the Nation know just exactly the limitations on the conferees.

Clause 2 of rule XXVII is as follows:

Conferees shall not insert in their report matter not committed to them by either House, nor shall they strike from the bill matter agreed to by both Houses.

That is one proposition; they shall not strike from their report matter agreed to by both Houses. The next proposition is:

If new matter is inserted in the report, or if matter which was agreed to by both Houses is stricken from the bill, a point of order may be made against the report, and if the point of order is sustained, the report shall be recommitted to the committee of conference.

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

Mr. MILLER. I yield.

Mr. CLARK of Missouri. Is it not a fact that that rule was adopted in 1918, taking the Senate directly and purposely out of the classification of the House rulings on the subject, for the reason, as stated by the Presiding Officer, Senator Wesley Jones—one of the ablest men who sat in this body in my lifetime, a very experienced parliamentarian, who had served in both bodies of the Congress—that it was desired to abate the practice, which had become a nuisance, of the conferees of this body setting up their will against the will of the majority or the whole of the Congress, as the case might be? In this case we have three men setting themselves up against the unanimous decision of the Members of this body.

Mr. MILLER. The Senator is correct. I have read the decision of Senator Jones on that question. As I say, in my opinion, this question is not only important for the welfare of the Senate, but unless the point of order is sustained the independence of the Senate is destroyed. We are no longer an independent legislative branch of the Government.

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

Mr. MILLER. I yield.

Mr. CLARK of Missouri. Is not the principle involved exactly the same principle of hornbook law, which is familiar to every freshman student in a law school in the United States, and certainly to anybody who has practiced law for any length of time, that the authority of the agent never can exceed the authority delegated to him by the principal?

Mr. MILLER. That is primary and fundamental.

Mr. CLARK of Missouri. In other words, in this case, after the two principals in the matter, the House and the Senate, had deliberately, by unanimous action, instructed their agents that they desired the Miller-Wadsworth amendment, the conferees, the agents of the House and the Senate, took it upon themselves to strike it out.

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

Mr. MILLER. I yield to the Senator from New Mexico.

Mr. HATCH. The eminent lawyers on both sides have just agreed that the authority of the agent never can exceed the authority conferred by the principal. They lay that down as a fundamental principle of law. Do they stand on that principle?

Mr. MILLER. I think as a general proposition, yes.

Mr. HATCH. Have the Senators ever heard of the doctrine of ratification?

Mr. MILLER. Yes; I have heard of the doctrine of ratification, but the doctrine of ratification does not destroy the original doctrine.

Mr. HATCH. Ah, Mr. President, but it is an important exception.

Mr. MILLER. That is true.

Mr. HATCH. And it is an exception which is applicable right here. The Senate may ratify anything that is done.

Mr. MILLER. Certainly the Senate may ratify; but the proposition to which I desire to address myself is whether or not the Senate should bind itself in the future by ratifying the unauthorized action of the conferees.

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

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Kansas?

Mr. MILLER. I do.

Mr. REED. Since the Senator from Arkansas and the Senator from Missouri desire to consider this matter from a technical standpoint, I call the attention of the Senator from Arkansas to the fact that the amendment as it came from the House was not the amendment voted on by the Senate.

Mr. MILLER. I will take care of that.

Mr. REED. There had been an addition which changed the amendment.

Mr. MILLER. Yes; I understand that.

Mr. REED. The Senator from Arkansas is aware of that?

Mr. MILLER. I am aware of it.

Mr. REED. Technically—and that is the standpoint from which the Senator from Missouri and the Senator from Arkansas are arguing—that changes the situation.

Mr. CLARK of Missouri. No; the Senator misunderstands what I was saying. I say that the House amendment and the Senate amendment were substantially identical. I know there was an additional provision in the House amendment; but the long line of decisions in this body set out conclusively, and the decision of President pro tempore Cummins recognized, that there might be some difference in language which could be reconciled, but a substantially identical proposition could not be eliminated from the bill.

Mr. REED. Mr. President, if the Senator will yield again, I will not bother him much longer.

Mr. MILLER. I yield. The Senator does not bother me at all.

Mr. REED. The Senator from Missouri and the Senator from Arkansas ought not to argue upon technical grounds when they admit that the technical grounds upon which they argue have no foundation in fact.

Mr. CLARK of Missouri. Mr. President, I do not admit anything of the kind.

Mr. REED. Well, that is the truth, whether the Senator from Missouri recognizes it or not.

Mr. CLARK of Missouri. It is not true at all.

Mr. MILLER. Mr. President, I think by the time I shall have finished what I have to say the Senate will not be in doubt on what I base my argument. It is not a technical argument. I propose to show that the Senate conferees violated not only the letter but the spirit of the rule.

This is what has happened, Mr. President: On the 24th day of May 1939, I submitted this amendment, while the Wheeler bill—Senate bill 2009—was under consideration:

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.

The amendment as offered by me also carried one additional sentence.

I undertook to discuss the amendment on the floor of the Senate. It is true that the amendment had not been referred to the Committee on Interstate Commerce. I undertook to discuss it as best I could. In the discussion on the floor a considerable colloquy about it occurred between me, the Senator from Kansas, the Senator from Montana, and other Senators.

The Senator from Montana [Mr. WHEELER] said this:

The amendment, in my judgment, would not do what the Senator from Arkansas wants to do with reference to discrimination.

I may say, in explanation of that statement of the Senator from Montana, that the Senator from Arkansas had been complaining against discrimination under the freight-rate structure, insofar as the Southwest regions of the Nation were concerned.

Continuing, he said:

Let me say to the Senator that the amendments we have already put into the bill go much further toward accomplishing the purpose the Senator has in mind than would this amendment. I am in thorough accord with the statements made by the Senator from Arkansas with reference to discrimination. I think they ought to be stopped, and if the Commission pursues the investigation and follows what we have laid down in this bill, many of the

discriminations between territories will be eliminated. A great many of them are absolutely arbitrary, and it seems to me without any justification.

In order to overcome the objections of the Senator from Montana, this is what occurred—and I read from the RECORD:

Mr. MILLER. Mr. President, will the Senator yield?
Mr. WHEELER. I yield.
Mr. MILLER. In the Senator's own time, and supplementing what the Senator has so well and so forcefully said—that it is the intention of the bill to protect each and every system of transportation or carriage of goods or persons—let me again call the attention of the Senator to the terms of the amendment. It simply says that—
"In order that the public at large may obtain the benefit and economy afforded by each type of transportation"—
Truck, boat, and railroad—
"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."
Mr. WHEELER. Let me say to the Senator that so far as the first sentence of the amendment is concerned, I should not have any particular objection to it. It is the second provision which I think is objectionable.
Mr. MILLER. If the Senator has no objection, I am perfectly willing to strike out the last sentence.
Mr. WHEELER. If the Senator is willing to strike out the last sentence, I am perfectly willing to take the amendment to conference and see what I can do with it.

Mr. SHIPSTEAD. Mr. President, what was the last sentence?

Mr. MILLER. The last sentence, which I struck out, was that it should be unlawful to establish rates for a type of transportation which should not be compensatory, as therein defined, whether such rates were established to meet competition or for other purposes.

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

Mr. MILLER. I yield.

Mr. CLARK of Missouri. When the Senator from Montana made the statement to the Senator from Arkansas that he was willing to take the amendment to conference and see what he could do with it, did not the Senator understand that that meant that the Senate conferees would use their very utmost endeavors to procure the inclusion of that provision in the law, and that if the House had no objection, which apparently in this case the House did not, it would automatically be put into the law?

Mr. MILLER. I thought that would occur. Let me continue in order to keep the record straight:

Mr. MILLER. Mr. President, I should like to modify the amendment by striking out the last sentence, beginning on page 2 of the amendment, line 13, and as modified I offer the amendment.
Mr. NORRIS. The Senator has a right to modify his amendment.
Mr. MILLER. I understand that, and I am now offering the amendment in its modified form.
Mr. NORRIS. I congratulate the Senator on being willing to do that. As I see it, that relieves the amendment of any possible objection.

So the amendment was modified, and, as modified, was adopted by the Senate. The Senator in charge of the bill did not urge any further objections to it, and said he would take it to conference. It did go to conference.

What happened in the House? The bill went to the House, and at the time the bill was considered in the House Representative WADSWORTH, of New York, offered the identical amendment, to which he added a proviso, and I wish to call the attention of the Senate to the words and to the situation.

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

Mr. MILLER. I yield.

Mr. SCHWELLENBACH. Did the Senate bill go to a House committee, and was the amendment stricken out by the House committee, and was the bill so reported to the floor of the House?

Mr. MILLER. The entire Senate bill was stricken out.

Mr. SCHWELLENBACH. I realize that, but as the House amendment, if that is the language they use in the House, was reported to the House, it did not include the provision the Senator suggested?

Mr. MILLER. It did not include the Miller-Wadsworth amendment as reported by the committee.

When the bill was being considered on the floor of the House Representative WADSWORTH offered the identical provision, word for word, sentence for sentence, to which he added a proviso. Now catch the distinction:

Provided, That nothing in this paragraph shall be construed so as to affect the long-and-short-haul provision of section 4.

There was no change whatsoever in the amendment which had been solemnly adopted by the Senate and was solemnly adopted by the House. It is true the House put a limitation on the amendment, and only a limitation.

What happened in conference? The bill went to conference. On April 9 the conferees filed a conference report in the House and in the Senate.

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

Mr. MILLER. I yield.

Mr. OVERTON. What action did the House take? Did they adopt the Wadsworth amendment by unanimous consent?

Mr. MILLER. They adopted it; yes. I will not say it was adopted by unanimous consent, but they adopted the identical amendment which the Senate had adopted, and with the additional proviso against interfering with the long-and-short-haul provision.

Mr. OVERTON. I make the inquiry because I understood from what the Senator from Missouri said that it was adopted in the House by unanimous consent.

Mr. MILLER. They do not do that in the House to any extent, as the Senator knows. But it was adopted, and became a part of the bill.

Mr. OVERTON. There was no recorded vote against it?

Mr. MILLER. No; there was no recorded vote against it. The bill was sent to conference. The bill as passed by the House contained the same amendment as that adopted by the Senate, with the proviso added, and I submit to the good judgment of the Senate that the proviso does not alter in any respect the substance of the amendment.

Mr. OVERTON. Will the Senator yield again?

Mr. MILLER. I yield.

Mr. OVERTON. The only matter in conference, then, in respect to the Miller-Wadsworth amendment, would have been the proviso.

Mr. MILLER. That is all in the world that was in conference.

Mr. OVERTON. The Miller amendment, adopted by the Senate, was not in conference at all, because it was agreed to by the House, with the addition of a proviso; so all that was in conference was the proviso.

Mr. MILLER. That is all that could have been in conference, under the rules of the House, and under the rules of the Senate.

Mr. President, if we are to maintain orderly constitutional legislative functioning of the Senate, the Senate must so find, for it is admitted that the Senate conferees made no attempt to bring the bill back for instructions. The conference report came up in the House and was rejected, and the House conferees were specifically instructed, and these were the instructions:

That the managers on the part of the House insist on the inclusion in the report of the committee of conference of the provision adopted by the House known as the Wadsworth amendment, which reads as follows.

Then follows the amendment which the Senate had adopted, which I had previously offered in the Senate.

Thus we have this anomalous situation, a situation which has never before existed, so far as I know, in the annals of legislative history: We have the House instructing its conferees to bring back a report with the Miller-Wadsworth amendment included; we have the Senate conferees acting free and independent of any instructions.

Mr. President, I desire to submit and leave to the imagination of Senators the gigantic exertion put forth by the Senate conferees to sustain the Senate's position, in the face of the instructions the House conferees had that they must insist

upon the amendment. How can any such legislative action as that be explained? As I have said, I am not condemning the motive of anyone, but I am concerned in the precedent. How can this body accept a conference report when the conferees say, "Yes, we rejected the amendment, because it is not workable?"

I do not care to discuss the merits of the Miller amendment at this time, because it is not proper to discuss them now. There was a time when that would have been proper. Had the conferees representing the Senate thought the Miller amendment should not have been adopted, why did they not come back to the Senate with the report, "We are confronted by this situation: The House conferees have been instructed to insist upon the Miller-Wadsworth amendment, and the Senate has acted upon it, but we believe that we should be instructed to recede from our position and resist the amendment." Why did they not come back for instructions?

No; they took it upon themselves and in their wisdom said, "We will decide here and now that that amendment is a foolish amendment, that it is not what it should be, and therefore we will substitute our own judgment for the judgment of the Senate and the judgment of the House."

Mr. President, that is what has occurred; and the question is whether or not the Senate shall accept the conference report under those conditions.

As I have said, I do not care to discuss the merits of the Miller amendment, further than to say that if the Senate conferees want to take the bill back and return to the Senate and ask for instructions on it, I shall be perfectly willing to debate it at any proper time when the parliamentary usage will permit. But that is neither here nor there. Let us admit, for the sake of the argument that the amendment was inadvisable; it would not be the first legislative mistake the Congress ever made.

I wish to say that we could not select a conference committee the personnel of which would be better than that which handled this bill; there could not be a conference of more sincere and honorable men, honest in every respect. But that is not the question. They make a plea of confession and avoidance. They say, "Yes, we did not bring back the amendment. The amendment was adopted by the House and it was adopted by the Senate, but notwithstanding the House conferees were instructed to insist upon their position, we got them to abandon it in the face of this solemn action of the Senate."

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

Mr. MILLER. I yield.

Mr. CONNALLY. The Senator just stated that the particular amendment was agreed to by both Houses.

Mr. MILLER. Yes.

Mr. CONNALLY. Then, is not the deletion of it a violation of Senate rule XXVII?

Mr. MILLER. There is no doubt in the world about it.

Mr. CONNALLY. Is not the conference report subject to a point of order on that ground?

Mr. MILLER. That is what I have been basing my argument on.

Mr. CONNALLY. I beg the Senator's pardon.

Mr. MILLER. I base my argument upon clause 2 of rule XXVII.

Mr. CONNALLY. Let me suggest to the Senator, in that connection, that my conception of rule XXVII is that it is a limitation upon the power of conferees.

Mr. MILLER. Certainly.

Mr. CONNALLY. Mr. President, the House rules and the House's conception of what its conferees have authority to do in no wise affect the Senate.

Mr. MILLER. Not in the least.

Mr. CONNALLY. The conferees, under the Senate conception, under rule XXVII, are simply our attorneys in fact, as it were, to go out and do something for the Senate. Their master, the Senate, when it gives them the authority, tells them, "You can go out and confer, but you cannot insert something that is not in either bill, and you cannot delete something that is in both bills."

Action by the House or rulings by many Speakers have nothing to do with this matter, because in 1918 the Senate said, "We will confer with the House, but the Senators we appoint to confer shall not do these things, and if they do, the conference report will be, in effect, recommitted."

It seems to me that abstruse questions of what Mr. Speaker may have said in the House prior to 1918, or subsequent to 1918, have nothing to do with the Senate's duty with respect to this particular matter.

If I appoint a man to buy for me a bay horse, restricting his purchase to a bay horse, he cannot come back and deliver me a gray horse. All we authorize the conferees to do is to come to agreement, if possible, with the House conferees, but in doing so they cannot put in new matter or take out old matter, and they have done both.

Mr. MILLER. I thank the Senator for his contribution.

Mr. BARKLEY. Mr. President, the illustration given by the Senator from Texas may not be exactly precise, because there is no way to change the color of a bay horse. If I order a man to buy a bay horse, he has to buy a bay horse or nothing. But if I order one man to buy a bay horse, and another man to buy a gray horse, and they cannot buy either a bay or a gray horse, but can buy a sort of mixed-color horse, and bring back a roan horse, they may still be within the instructions with respect to the horse. [Laughter.]

Mr. MILLER. Mr. President, I agree with the Senator from Kentucky, but in this case the conferees did not bring back either. They just "drapped it," as the old Negro says. They changed the entire provision. If, as they had a perfect right to do under the existing procedure, they had remodeled the measure, redrafted it, or done whatever was necessary to do, as the conferees did with respect to certain portions of the Panama Canal Act, very well, but the thing I complain about is their simply dropping certain parts of the legislation; in other words, bringing back no horse at all, neither a bay nor a gray.

Mr. President, there is only one other matter to which I wish to call attention, because as I stated in the beginning of my remarks, I desire to confine my argument to the question which is before the Senate, which is the parliamentary situation. I hope the merits of any of the proposed amendments will not be debated, because they are absolutely immaterial at this point. If the point of order is sustained that ends the matter, and the conference report goes back. For that reason I shall not enter into a discussion of the merits of the bill.

There has been much said about the effect on the Panama Canal Act of the action taken by the conferees. Let me call the attention of the Senate to what happened in that connection, as I construe it.

There is incorporated in the conference report under subsection (16) entirely new matter that is not included in either of the bills. Mind you, Mr. President, subsections (14) and (15) of the conference report, on page 13 thereof, come within the rule—that is, the conferees remodeled and redrafted the provisions—but in dealing with subsection (16) they have not complied with the rule.

Mr. President, that is all in the world I have to say about this matter. I assume that the world will go on, whatever we may do about the conference report, whether it is adopted or not adopted, but the question I desire to submit to the Senate, and have the Senate in its solemn judgment pass upon, is, Will the Senate uphold the action of its conferees when they admittedly delete from legislation a provision which is included in both the House and Senate bill, upon the plea that, in their judgment, however sound their judgment may be, the amendment is not desirable? If that is to be the practice of the Senate, then let me respectfully suggest that we are yielding to the conferees of the Senate power we never even imagined we would yield to anyone. We are yielding to a delegation of three or five men the power, in the secrecy of their conference chambers, to draft legislation which may determine the fate, the happiness, and the welfare of 130,000,000 people; and the Senate sits here impotent and unable to cope with the situation.

That is the question before the Senate in respect to the conference report.

UTILIZATION OF INDUSTRIAL RESOURCES—STATEMENT BY MR. WENDELL WILLKIE

Mr. RUSSELL. Mr. President, yesterday Mr. Wendell L. Willkie, erstwhile industrial magnate and today the Republican candidate for the Presidency, issued a statement——

Mr. CLARK of Missouri. Mr. President, will the Senator yield to me at that point?

Mr. RUSSELL. I yield.

Mr. CLARK of Missouri. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

Adams	Connally	Johnson, Colo.	Shipstead
Andrews	Danaher	Lee	Slattery
Ashurst	Donahey	Lucas	Smith
Austin	Downey	Lundeen	Stewart
Bailey	Ellender	McKellar	Thomas, Idaho
Bankhead	George	Mead	Thomas, Okla.
Barkley	Gerry	Miller	Thomas, Utah
Bone	Gibson	Minton	Townsend
Bridges	Glass	Murray	Truman
Bulow	Green	Overton	Tydings
Burke	Guffey	Pepper	Vandenberg
Byrd	Gurney	Pittman	Van Nuys
Byrnes	Harrison	Radcliffe	Wagner
Capper	Hatch	Reed	Wheeler
Caraway	Hayden	Reynolds	White
Chandler	Herring	Russell	Wiley
Chavez	Hill	Schwartz	
Clark, Idaho	Holt	Schwellenbach	
Clark, Mo.	Johnson, Calif.	Sheppard	

The PRESIDING OFFICER (Mr. CHANDLER in the chair). Seventy-three Senators having answered to their names, a quorum is present.

Mr. RUSSELL. Mr. President, yesterday Mr. Wendell L. Willkie, who recently took over the Republican Party and is its nominee for the Presidency, issued a statement strongly denouncing the action of the Senate in adopting an amendment with which I was identified, which was offered to the so-called compulsory military service bill to provide for the utilization of the industrial resources of this Nation in the defense program when an agreement cannot be arrived at between the owner of a plant and the department of the Government which is in need of essential military equipment.

The statement made by Mr. Willkie is rather lengthy and contains a great many misstatements of fact. However, I assume it may be taken as a correct statement of Mr. Willkie's philosophy of government, and that it sets forth his ideas of the relative values of human beings who are American citizens, and dollars which are the property of American citizens.

If I correctly understand Mr. Willkie's statement, he is a strong advocate of drafting the blood and the lives of American youth, even over the protests of the men who may be affected; and today in the Senate we bask in his commendation of our action in drafting manpower in this hour of national emergency. But Mr. Willkie is violently opposed to the action of the Senate affecting business. If I read his statement aright, he is opposed to any action whatever by the Government of the United States, not suggested by business itself, which will assure that the boys whom we have voted to draft into the Army will have the proper implements and machinery of war with which to protect themselves and defend our common country. In other words, it is Mr. Willkie's position that it is an act of highest patriotism to vote for a draft of young men and their lives, but arrant demagoguery to say that all of our resources and every segment of our national life shall respond in this hour of emergency when needed.

Mr. President, Mr. Willkie is given to asking questions. I should like to propound a question to Mr. Willkie. I ask him to tell the American people whether or not he favors any limitation whatever on the swollen profits which may accrue to the manufacturers of war supplies in this period when we are spending billions of dollars to prepare our Nation for any eventuality. Does Mr. Willkie favor a limitation of 100 percent on profits, or 50 percent, or 20 percent? Or does he think that business and industry should be unrestrained in dipping their hands into the Public Treasury during this period of enormous expenditures for the machinery of war?

Today we are faced with a situation in which the Government must have arms and machinery of war. Unless some steps are taken by the Government to prevent profiteering, certain industries are in a position to fix the amount of profits which they will receive on Army and Navy contracts. I ask Mr. Willkie to take the American people into his confidence and tell them whether or not he favors any limitation whatever; and if so, what form of restraint he would use and what amount of profits he would assure to industries who may try to bleed the Government in this hour of need when time is so important.

Mr. Willkie has had vast experience in attempting to defeat some efforts of the National Government to restrain big business and huge combines. In his statement he seeks to wave aside the act of 1916, which relates to the utilization of industry in time of emergency, and he makes the bald statement that—

> No such sweeping powers were ever heretofore granted to a President of the United States, even in time of war.

I quote that statement verbatim from Mr. Willkie's statement as carried in the metropolitan press, which is supporting him in this campaign. The statement is misleading and will not stand the light of truth. The act to which he refers, approved June 3, 1916, and found in Thirty-ninth Statutes, page 213, not only gives the President the power to commandeer any plant needed to supply the Army with necessary equipment, but also empowers the Secretary of War to fix the price of any material of war which the Army may need. Under the terms of the act of 1916, if the President should submit a contract to the head of an industrial organization at a fixed price, and the industry should refuse to accept the contract, not only would the head of the organization be subject to having his property commandeered, but the law goes so far as to say that the head of the industrial organization would be guilty of a felony and be subject to prosecution in the criminal courts. Upon conviction he could be sent to the penitentiary for as long as 3 years and fined as much as $50,000. That law is still upon the statute books today. It was passed in peacetime, not when the country was at war.

I observe that Mr. Willkie quotes approving from a statement which was made by President Woodrow Wilson in relation to this subject. Quoting Mr. Wilson, he says:

> The highest and best form of efficiency is the spontaneous cooperation of a free people.

No one could dispute the quotation from President Wilson; but I point out, Mr. President, that the President whom he uses to illustrate his position was the President who signed the act of June 3, 1916, providing for taking over an industrial plant and sending to the penitentiary the owner who refuses to cooperate with his Government at a time when it is necessary to secure matériel of war.

Mr. President, I wish to read to the Senate the essential portions of the act of June 3, 1916. Upon a reading of the act any person can judge for himself the accuracy or inaccuracy of Mr. Willkie's charge that we are seeking to sovietize this country and that there is anything novel or revolutionary in the amendment adopted by the Senate. I quote the essential part of the statute:

> "SEC. 120. Purchase or procurement of military supplies in time of actual or imminent war (June 3, 1916 (39 Stat. 213), sec. 120):
>
> "The President, in time of war or when war is imminent, is empowered, through the head of any department of the Government, in addition to the present authorized methods of purchase or procurement, to place an order with any individual, firm, or corporation, or organized manufacturing industry for such product or material as may be required, and which is of the nature and kind usually produced or capable of being produced by such individual, firm, or corporation or organized manufacturing industry.
>
> "Compliance with all such orders for products or material shall be obligatory on any individual, firm, or corporation, or organized manufacturing industry or the responsible head or heads thereof and shall take precedence over all other orders and contracts

theretofore placed with such individual, firm, or corporation, or organized manufacturing industry, and any organized manufacturing industry or the responsible head or heads thereof owning or operating any plant equipped for the manufacture of arms or ammunition or parts of ammunition, or any necessary supplies or equipment for the Army, and any organized manufacturing industry or the responsible head or heads thereof owning or operating any manufacturing plant, which, in the opinion of the Secretary of War shall be capable of being readily transformed into a plant for the manufacture of arms or ammunition, or parts thereof, or other necessary supplies or equipment, who shall refuse to give to the United States such preference in the matter of the execution of orders, or who shall refuse to manufacture the kind, quantity, or quality of arms or ammunition, or the parts thereof, or any necessary supplies or equipment, as ordered by the Secretary of War, or who shall refuse to furnish such arms, ammunition, or parts of ammunition, or other supplies or equipment, at a reasonable price as determined by the Secretary of War, then, and in either such case, the President, through the head of any department of the Government, in addition to the present authorized methods of purchase or procurement herein provided for, is hereby authorized to take immediate possession of any such plant or plants, and through the Ordnance Department of the United States Army, to manufacture therein in time of war, or when war shall be imminent, such product or material as may be required—

Listen to the penal section—

and any organized manufacturing industry, or the responsible head or heads thereof, failing to comply with the provisions of this section shall be deemed guilty of a felony, and upon conviction shall be punished by imprisonment for not more than 3 years and by a fine not exceeding $50,000.

The compensation to be paid to any organized manufacturing industry for its products or material, or as rental for use of any manufacturing plant while used by the United States, shall be fair and just.

No such penal section is found in the amendment of which Mr. Willkie complains. Under it the owner of the plant has a right to have the value of his plant fixed in a court of justice and not arbitrarily by the Secretary of War, as in the old law, which has been on the books for over 24 years.

Mr. President, if we may judge the accuracy of all Mr. Willkie's statements in this campaign by the yardstick which he establishes when he states that no such power as that conferred by the modest amendment adopted by the Senate has ever been granted, I fear we shall have to search through other sources for the truth.

The amendment adopted by the Senate merely provides that the power of condemnation, which the Government already has in so many instances, shall, during the life of the bill for the conscription of manpower, a period of 5 years, be extended to industries that are essential in the arming and equipping of those men to perform the duties for which they are called.

The power of eminent domain, by the very nature of things, has resided in the Government since we have had a government. The power of eminent domain is an essential part, an inherent attribute, of sovereignty, and certainly, in this hour, when even Mr. Willkie himself says that we are facing a very great crisis which justifies the conscription of manpower, we cannot do less than provide the power to the Government which may be utilized to see to it that the men called to the colors are armed and equipped.

Mr. McKELLAR. Mr. President——

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

Mr. RUSSELL. I yield.

Mr. McKELLAR. Perhaps the Senator will recall that when this amendment was first proposed it gave the power to the Secretary of War to take over property in the same way as provided in the act from which he has read, but, upon consideration, the committee substituted for that the power of condemnation, as I recall, and it was due to that fact that the power of condemnation was granted by the amendment.

Mr. LEE and Mr. CLARK of Missouri addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Georgia yield; and if so, to whom?

Mr. RUSSELL. I yield first to the Senator from Oklahoma.

Mr. LEE. Under the power of eminent domain the Government in peacetime has taken property for post offices, for customhouses, for postal roads, and, I believe, for military roads and forts.

Mr. RUSSELL. And for forestry roads.

Mr. LEE. Yes; I think there ought to be a new popular song dedicated to Mr. Willkie—"I did not raise my dollar to be a soldier."

This brings the issue right home. Mr. Willkie, in the same interview, expresses his approval again of a selective-draft system to take boys; he is perfectly willing to draft the young men of this country, and, if need be, send them to their death, but he objects to the Government taking property as provided in the Russell amendment. I hope the Senate will indulge me while I read the amendment:

SEC. —. The first and second provisos in section 8 (b) of the act approved June 28, 1940 (Public, No. 671) is amended to read as follows: *"Provided,* That whenever the Secretary of War or the Secretary of the Navy determines that any existing manufacturing plant or facility is necessary for the national defense and is unable to arrive at an agreement with the owner of such plant or facility for its use or operation by the War Department or the Navy Department, as the case may be, the Secretary, under the direction of the President, is authorized to institute condemnation proceedings with respect to such plant or facility and to acquire it under the provisions of the act of February 26, 1931 (46 Stat. 1421), except that, upon the filing of a declaration of taking in accordance with the provisions of such act, the Secretary may take immediate possession of such plant or facility and operate it either by Government personnel or by contract with private firms."

Mr. Willkie is unwilling that such a procedure as that provided in the amendment should be made a part of the same law which would say to the young men, "Even though you started in business, you must quit all your business relations and come serve; even though you are about to get married, you must suspend your plans and come serve; even though you are working for $5 a day you must surrender $4 a day and come to work for $1 a day." In spite of all those temporary suspensions of the guaranties of human liberty under the Constitution, Mr. Willkie has so much love for his property rights that he says that is a sweeping power, and that all the 69 Senators who voted for it are willing to set up a dictatorship.

I should not be surprised if Mr. Willkie should accuse me of wanting to set up a dictatorship; but when he accuses the Senator from Vermont [Mr. AUSTIN], when he accuses the Senator from New Jersey [Mr. BARBOUR], when he accuses the Senator from Kansas [Mr. CAPPER], when he accuses the Senator from Pennsylvania [Mr. DAVIS], when he accuses the Senator from California [Mr. JOHNSON], when he accuses the Senator from Massachusetts [Mr. LODGE], when he accuses the Senator from North Dakota [Mr. NYE], when he accuses the Senator from Minnesota [Mr. SHIPSTEAD], and when he accuses the Senator from New Hampshire [Mr. TOBEY] of wanting to sovietize this country and set up a dictatorship, it seems to me that he is going a long way to protect his dollars which are too sacred to be used to defend this country against aggression.

Mr. RUSSELL. It seems that Mr. Willkie has about divorced himself from the political party he recently married, at least insofar as the members of that party in the Senate are concerned. He disagrees with those of his party who voted against conscription of men, and he disagrees with those of his party who voted for the utilization of the industrial resources of the country. He has therefore placed himself in direct issue with every Republican Member of this body on one or the other of these questions.

Mr. CLARK of Missouri. Mr. President——

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

Mr. CLARK of Missouri. When I read Mr. Willkie's vaporings in the public press this morning, I wondered if he had ever read the record of one of the country's largest munitions companies which, during the crisis of the last war, at a time when men who had been conscripted to fight for a dollar a day, and get killed, in many cases, for a dollar a day, were making the sacrifice necessary for the protection of the Nation, this company haggled with the Government for a period of 5 or 6 months as to the exact compensation the company should receive and the amount of bonus which its officials and laboring men should receive for building a powder plant

which the Government very much needed—the Old Hickory plant in Tennessee?

I wonder if that is why Mr. Willkie is so anxious to protest against the amendment offered the other day by the Senator from Georgia [Mr. RUSSELL] and adopted by nearly a unanimous vote of the Senate. I wonder if he also had in mind to protect such bonuses as were received by Mr. Eugene Grace, president of the Bethlehem Steel Co., and the president of the Bethlehem Shipbuilding Co., who testified before the Munitions Committee in very violent terms against any payment of a bonus to the men who were conscripted or the men who volunteered for service in the last war at a dollar a day, but who, when asked by myself exactly how much he received as a bonus during the 2 years the United States was engaged in the war, testified, as I recall, that he received the very modest bonus of $2,888,000 for his services in making steel, a very safe risk, at Bethlehem, Pa., I wonder if it is such people as that that Mr. Willkie is concerned to protect.

Mr. RUSSELL. Mr. President, Mr. Willkie would not have to look back into the history referred to by the Senator from Missouri. In the present emergency there have been some few illustrations of manufacturing enterprises which refrained from contracting for necessary supplies because those industries were seeking greater profits than those allowed by law. As I stated when this amendment was pending, at least 98 percent of the industries of the Nation have shown a willingness to cooperate wholeheartedly on the rearmament program. This amendment was designed to reach and affect the 2 percent who might wish to exact the last penny of profits from the Federal Treasury.

Mr. OVERTON, Mr. CLARK of Missouri, and Mr. MINTON addressed the Chair.

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

Mr. RUSSELL. I yield next to the co-author of the amendment.

Mr. OVERTON. Mr. President, I do not think we ought to be too critical of Mr. Willkie in his own present emergency. Mr. Willkie's campaign has been lagging. We go to the moving pictures, and we see the likeness of Mr. Willkie thrown upon the screen, and it meets with very faint and scattered applause. Next, we see the picture of President Roosevelt cast upon the screen, and it meets with a spontaneous outburst of loud and prolonged applause.

We look in the newspapers today, and no longer does Mr. Willkie appear in the big headlines. They describe something the President has done. Mr. Willkie is being gradually relegated to the second page, the third page, the fourth page, fifth, or thirteenth page of our big dailies; and, before long, we shall have to look for him in the advertising columns.

Therefore, when this amendment was adopted by the Senate, I dare say that some of Mr. Willkie's eager but misguided friends felt that now at long last he had an issue with which he could go before the people.

In his acceptance speech he presented no issue to the people. On the contrary, his acceptance of the Republican nomination was practically an endorsement of the administration of President Roosevelt. So his friends rushed to the telephone and told Mr. Willkie that now was his opportunity; and so he came out with this blast against the Senator from Louisiana and the very able Senator from Georgia.

I desire to say further, if the Senator from Georgia will permit me to continue, that Mr. Willkie states that this amendment was offered by two New Deal Senators, the inference being that it is an administration measure. I do not know whether the administration approves of this amendment or disapproves of it; but I think I can speak for the Senator from Georgia, and I know I can speak for myself, when I say that we offered this amendment without consulting with the administration or any representative of the administration or the majority leader. We simply consulted among ourselves, and we offered the amendment. Is not that correct?

Mr. RUSSELL. That is correct.

Mr. OVERTON. There is one other matter to which I wish to call the attention of the Senate, and it is this:

Mr. Willkie, although a lawyer and presumably an able lawyer, apparently overlooks the fact that what the Senator from Georgia and the Senator from Louisiana did was to amend a much more drastic act which exists today upon the statute books of the United States. That statute provides:

> That the Secretary of the Navy is further authorized, under the general direction of the President, whenever he deems any existing manufacturing plant or facility necessary for the national defense, and whenever he is unable to arrive at an agreement with the owner of any such plant or facility for its use or operation—

To do what?—

> to take over and operate such plant or facility either by Government personnel or by contract with private firms: *Provided further*, That the Secretary of the Navy is authorized to fix the compensation to the owner of such plant or facility.

That is the law. The Secretary of the Navy under existing law may step in and take over any plant without the owner's consent, without the intervention of any court of justice, and may fix the price for the plant. What the Senator from Georgia and I did was to take that provision of the law and make it constitutional. We provided that there should be due process. We provided that when the Secretary of the Navy—and we added the Secretary of War—desired to take over a plant as being essential and necessary to national defense, after being unable to enter into an agreement as to its use and operation by the owner, they should do what? That the Secretary of War or the Secretary of the Navy, under the direction of the President, should go into the courts of justice and proceed under due process of law by condemnation of the plant or facility needed for national defense.

Instead of undertaking to create a dictatorship, as declared by Mr. Willkie, we are proceeding under the Constitution of the United States.

Is there such a thing as dictatorship to be found in our courts of justice? Is it dictatorship when we say that the Secretary of the Navy may not commandeer a plant without due process of law; that he shall go into court, and that the court shall fix the price, instead of the Secretary of the Navy fixing it?

Mr. President, I desire to say just one other thing, if I may. I do not want to trespass too much upon the generosity of the Senator from Georgia.

Mr. Willkie admits that we are confronted with an emergency. He admits it because he has publicly declared that now is the time to enact the selective training and service bill. He declared that now is the time, by reason of the great emergency confronting the people of this country, that our young men should be drafted from their occupations and their pursuits and for 1 year placed in military training, and, if need be, be prepared to meet the fire of the enemy's guns in case of war. Therefore Mr. Willkie has recognized the existence of a great emergency confronting our people; and yet in that emergency he is perfectly willing to draft these young men, but he is entirely unwilling to draft recalcitrant plants and facilities necessary for national defense and make them subserve the general purpose.

I thank the Senator from Georgia for yielding to me.

Mr. MINTON. Mr. President——

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

Mr. MINTON. As I get the position of Mr. Willkie, as portrayed by the daily press, it is to the effect that drafting factories is a dictatorship, and that the power which the Senator from Georgia [Mr. RUSSELL] and the Senator from Louisiana [Mr. OVERTON] put into the so-called conscription bill is the exercise of an extraordinary power. Is that what the Senator from Georgia understands?

Mr. RUSSELL. I understood that to be Mr. Willkie's mistaken belief. At least, that is what Mr. Willkie said was his belief.

Mr. MINTON. Mr. Willkie says that is an extraordinary power which the Government should not exercise in this time of crisis. I merely want to point out to the Senator from Georgia, who is a good lawyer, the fact that Mr. Willkie is

the head of a holding company which controls and owns a number of companies operating utilities. If one of those utilities wanted your land to run its power line across, if it wanted to get control of a water power or land on which to build a power plant, or if it wanted to take your very home and run its power line right through your home, these utility companies have the same right and power of condemnation and of eminent domain that the Senator from Georgia and the Senator from Louisiana were proposing that their own Government should exercise if it needed the property. Is not that true?

Mr. RUSSELL. The Senator from Indiana is absolutely correct; but, then, according to Mr. Willkie's ideas, it is all right to trust a huge utility empire with the power of eminent domain, with the power to run a man off his own property, with power to move people from their homes where, perhaps, they and their ancestors before them have lived for a hundred years; but if the same power is given to the Government to condemn the utility companies in the public interest, that is an awful outrage and a violation of the Constitution of the United States. I am glad I do not agree with Mr. Willkie's views.

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

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

Mr. MINTON. I do not think we ought to be too hard on my old friend Willkie. He is out in Indiana now. He has transferred his campaign to Indiana.

Mr. RUSSELL. I thought the Senator rose to defend him, and I am surprised to hear his present statement.

Mr. MINTON. I would have to defend my old friend, and I do not think we ought to be too rough on him. He has had to transfer his campaign out to Indiana and run it from Indiana, from the back yard out there. We have seen pictures of him sitting in the back yard, on the grass, with the boys all gathered around him—a very dignified way for a Presidential candidate to be interviewing his visitors—but he is running the campaign from the back yard. The reason why he had to do that, of course, was because his apartment on Fifth Avenue did not have any back yard. But we have had a dry summer in Indiana this year, and there are a good many chiggers in the grass, and I think the chiggers are eating on Willkie a little; so I would not be too hard on him. [Laughter.]

Mr. BARKLEY. Mr. President——

Mr. RUSSELL. I yield to the Senator from Kentucky.

Mr. BARKLEY. In the statement issued yesterday by Mr. Willkie he refers to the fact that in his acceptance speech he challenged the President to a joint debate, face to face, on the issues in the campaign, and he still seems to be hankering for a debate. He says it ought to be conducted because of the issues involved in the campaign, and that the Overton-Russell amendment constitutes such an issue upon which he wants to debate face to face with the President.

Inasmuch as on the yea-and-nay vote last Wednesday in the Senate 10 Republicans voted for this amendment and only 8 Republicans voted against it, I am wondering if I would be guilty of any impropriety in suggesting to Mr. Willkie that when he opens his campaign at Coffeyville, Kans., he debate this issue with the Senator from Kansas [Mr. CAPPER], who voted for the amendment of the Senator from Georgia and the Senator from Louisiana.

Or, if Mr. Willkie is not willing to take on the Senator from Kansas, when he goes up to Vermont I wonder if he will debate it with the senior Senator from Vermont [Mr. AUSTIN], the assistant Republican leader of the United States Senate, or with the junior Senator from Vermont [Mr. GIBSON], who also voted for the amendment.

When Mr. Willkie is up in New Jersey, as I presume he will be, I wonder if he would not be willing to take on the Senator from New Jersey [Mr. BARBOUR], who voted for the amendment.

If none of these satisfy him as to debate, I wonder, when he is out in California, if he would be willing to debate this issue with the Senator from California [Mr. JOHNSON], whose nomination he hailed the other day as a repudiation of the New Deal, but who voted for this amendment which Mr. Willkie describes as an attempt to socialize and sovietize the United States.

Or, if he is not willing to debate with the Senator from California [Mr. JOHNSON] I wonder if when he goes into New Hampshire he would debate with the junior Senator from New Hampshire [Mr. TOBEY]. If he will agree to debate this issue with the junior Senator from New Hampshire, I will go all the way from here to New Hampshire to hear the discussion. [Laughter.]

If Mr. Willkie is anxious for a debate, and still wishes to debate with the President of the United States, who has not said anything about this amendment, there are at least 10 opportunities in 10 different States for Mr. Willkie to debate the issue with members of his own party in the Senate who voted against his convictions, and whom he by inference denounces because they voted for the amendment.

Mr. BYRNES. Mr. President, if the Senator will yield, I only wish to have the RECORD complete. While the Senator from Kentucky says that of the 18 votes Republican Senators cast there were 10 in favor of the Russell amendment and 8 opposed, I should be fair and the Senator from Kentucky should be fair and say that, in addition to the 10 Republicans who voted for the amendment, there were 3 Republican Senators who were paired in favor of it, the Senator from Oregon [Mr. HOLMAN], the Senator from North Dakota [Mr. FRAZIER], and then, last, the Senator from New Hampshire [Mr. BRIDGES]. If the junior Senator from New Hampshire [Mr. TOBEY] happens to be absent when Mr. Willkie goes to New Hampshire, I desire to be present when the debate takes place between the senior Senator from New Hampshire [Mr. BRIDGES] and Mr. Willkie.

Mr. BARKLEY. I thank the Senator for the correction. I might also add that among the Senators listed here as Republicans voting for the amendment is the Senator from Minnesota [Mr. SHIPSTEAD], who has recently remarried the Republican Party in Minnesota in order that he may get into its primary, and probably be nominated by it, and with a better chance of election. So that there were 13 Senators who voted for the amendment who are now listed as Republicans, whereas only 8 voted against it.

Let me also ask the Senator from Georgia if it is not a fact that when we passed the Army appropriation bill some 2 months ago we did not provide authority and an appropriation for the War Department to buy 54,000 acres of farm land to add to Fort Knox, Ky., and if we did not also authorize and appropriate money for the purchase of several thousand acres of land to add to Fort Sill, in Oklahoma, all of which is farm land. Mr. Willkie's righteous indignation did not rise in his bosom because we were trying to socialize and sovietize the farms of the United States which have to be taken over in order to provide military training facilities, but only in case of a munitions factory or some other factory turning out indispensable goods does he rise and protest against an amendment which has been applied to all other kinds of property which the Government wanted to take over, but could not agree on a price.

Mr. RUSSELL. Mr. Willkie has found nothing socialistic and nothing subversive of the institutions of the American Government in the power of eminent domain which has been expressly operating in this Nation since its beginning. He does not come into the picture requesting a repeal of the power of eminent domain exercised by the Power Trust, as was so ably brought forth by the Senator from Indiana, to take from an individual his farm or his home or his factory if necessary for the operation of its power plant. It is only when the proposition is made that we should use the same machinery of law which has always been utilized in condemnation proceedings, in other cases by extending the power to industries which do not cooperate with the preparedness program, that Mr. Willkie gives voice to his outraged indignation.

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

Mr. RUSSELL. I yield.

Mr. McKELLAR. Of course, I agree with the statement the Senator from Georgia has made and the statements of other Senators in reference to this matter. But I wish to suggest to the Senator that perhaps we had better not be too hard on Mr. Willkie. It will be remembered that Mr. Willkie has been a member of the Republican Party but a few weeks, or, at most, a few months, and he has not had time to become acquainted with the Republicans, or acquainted with what they believe, or acquainted with what they stand for. So we might be a little easy on him at this time because of his ignorance of public affairs and his ignorance of legislation.

Mr. RUSSELL. I have no desire to be hard on Mr. Willkie, but why should we be so considerate of him when Mr. Willkie comes into the Senate and, absolutely fair and impartial as between all of the members of his newly adopted party in the Senate, slaps every one of them. He slapped those who voted against conscription of men and he slapped those who voted in favor of this very mild amendment relating to property. Since Mr. Willkie has invaded the Senate and has taken this line as to the members of his party, I see no reason why we should hesitate to point out the inaccuracies and inconsistencies in Mr. Willkie's position.

Mr. BURKE. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield; and I am sure that we will now have Mr. Willkie sufficiently defended.

Mr. BURKE. The question of who is to debate with whom and when and upon what subject seems to arouse a great deal of amused interest in the Senate, and I think that should be carried a little further. Of course, we are discussing this matter now only because there is a Presidential campaign in the offing. As I understand the position of the Senator from Georgia—and I will say that I supported the amendment he offered, and that offered by the Senator from Louisiana [Mr. OVERTON]——

Mr. RUSSELL. I regret that Mr. Willkie also slapped his new-found friend, the Senator from Nebraska. [Laughter.]

Mr. BURKE. What I was saying was that I heartily supported the amendment offered by the two Senators, and made a statement of my reasons for doing so, and I feel that that was the right decision, under all the circumstances which existed at the time. But, as I understand the position of the Senator from Georgia now, it is that for anyone, particularly a candidate for President, to oppose that action is to take a position which is undemocratic, un-American, and "fraught with peril to our free institutions." And, if I may couple that up with this idea of a general debate, it occurs to me that, since Mr. Willkie is not running against himself but is running against a candidate for a third term, it might be very well, when we are arranging for these debates, to have our distinguished leader debate with himself, or the Senator from Tennessee, I believe, or any of the 16 Democratic Senators here who a few short years ago recorded themselves in the Senate as believing firmly that to permit any variation in the tradition that has prevailed against any occupant of the White House staying there more than 8 years would be undemocratic, un-American, "and fraught with peril to our free institutions." If we are to do all this debating, I would like to see some of the Democratic Senators here debate that issue, along with the other. I heartily approve in general of the discussion and the enlightenment which has been offered by the Senator from Georgia this afternoon, but I do not want it limited to that narrow field.

Mr. RUSSELL. Mr. President, Mr. Willkie was the man who suggested the debate, not I. Mr. Willkie is the man who has been clamoring for the debate all over the country. But I wish to say to the Senator from Nebraska that I have not said there was anything un-American in Mr. Willkie's statement. He is entitled to his views on this subject and I defend his right to express them even though I heartily disagree with him. I only hope that no one imposes any restriction on Mr. Willkie's statements, because if Mr. Willkie makes two or three more statements as bad and inaccurate as this one, by November people will be asking who Wendell Willkie is.

Mr. BURKE. If the Senator from Georgia did not denounce the statement of Mr. Willkie as in essence undemocratic, un-American, "and fraught with peril to our free institutions," certainly the Senator from Oklahoma, the Senator from Kentucky, and the Senator from Indiana did so within the last few moments.

Mr. MINTON. Mr. President, I did not make any accusations against Willkie. I defended him. I tried to explain him. [Laughter.]

Mr. RUSSELL. I would be the last to attempt to curb Mr. Willkie's freedom of speech. I think Mr. Willkie's freedom of speech will eliminate him as a national figure. I want him to be absolutely free to make a statement every day.

Mr. McKELLAR. Mr. President, will the Senator yield to me to reply to a statement made by my good friend the Senator from Nebraska?

Mr. RUSSELL. I yield.

Mr. McKELLAR. The Senator from Nebraska spoke of my having signed a statement against a third term.

Mr. BURKE. No; not about the Senator's having signed a statement. I was referring to the 16 Democratic Senators who are still in this body and who voted here, as a matter of record, in favor of the La Follette resolution in 1928. If the Senator from Tennessee was not one of the 16——

Mr. McKELLAR. I was one of the 16, and I am delighted to say to the Senator why I voted for it. I think I have already stated it on the floor of the Senate. I was against that candidate for a first term; I was against him for a second term; and heaven knows I would have been against him for a third term. [Laughter.]

Mr. BURKE. Mr. President, if the Senator from Tennessee would read once more the resolution to which he gave his support in 1928, he would find that it did not say at all what he says now he was voting for, but it declared that any variation from this rule in the case of the then President, or any President at any time, would be undemocratic, un-American, "and fraught with peril to our free institutions." If the Senator wants to qualify that now and say it was only a partisan vote, and cast because of the then particular occupant of the White House, he may salve his own conscience that way, but it will not stand up under scrutiny.

Mr. McKELLAR. I am not bothered about it. I thought I was right then, and I think I am right now. [Laughter.]

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

Mr. RUSSELL. I shall speak only a moment longer and then I shall be glad to yield.

Mr. GURNEY. Will the Senator yield for a question?

Mr. RUSSELL. I yield.

Mr. GURNEY. Does the Senator know of any instances of the Government taking over business places under the law of June 3, 1916?

Mr. RUSSELL. I understand that there were two cases that have been determined by the courts, not by the Supreme Court, which arose under the operation of that act. I have not studied those cases and I do not know just exactly the facts that were involved.

Mr. GURNEY. Does the Senator know of any instance of the Government taking over businesses or factories under the law which has been in effect for a few months this year?

Mr. RUSSELL. I do not.

Mr. GURNEY. Let me predict then, if the Senator will permit, that I believe he will find the businessmen of America backing the defense program 1,000 percent. Therefore, I think the arguments being indulged in this afternoon are, so to speak, "much ado about nothing."

Mr. RUSSELL. I assume the Senator's opinion that it is "much ado about nothing" extends to Mr. Willkie's statement, which covers the same subject matter, so his nominee for President will be included in his remarks that it all is "much ado about nothing."

Mr. President, I think the amendment in question is more important than that. I do not think it is subject to the criticisms Mr. Willkie has made of it, and I know that Mr. Willkie is incorrect in his analysis of the act of 1916. I assume that Mr. Willkie's statements are made in the effort to keep his dying campaign alive, just as all his wild challenges to joint debate.

The Senator from Kentucky has well suggested that these debates might be held on this particular issue to which Mr. Willkie perhaps attaches so much importance, but which the Senator from South Dakota says is worthy of no notice at all, with members of his own party who disagree with him. This is one issue, Mr. President, upon which I feel so keenly that I would not object to meeting Mr. Willkie at any time in a joint discussion of the criticism he made of the amendment. I think I would even be willing to meet him in the forum where meet the board of directors of his power combination to discuss this question with him.

Mr. CONNALLY. Mr. President, will the Senator yield to me for a question?

Mr. RUSSELL. I yield.

Mr. CONNALLY. I understand how the Senator's speech has been misappropriated under the rules of the Senate, and I do not want to make a speech. I would suggest though, that while we are arranging for debates, we might get one of the boys who is to be drafted and does not want to go, and before the election let him debate this subject with Mr. Willkie.

Mr. RUSSELL. The draftees and their families will be among those who render their decision on Mr. Willkie's views in November. They and their families will not debate the question with him on the stump, but they will be in the jury box rendering a decision on his views as to which is most important, the conscription of men or the provision restricting the profits of industry.

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

Mr. RUSSELL. I yield.

Mr. GREEN. In view of the remarks of the Senator from South Dakota [Mr. GURNEY] that all this discussion amounts to "much ado about nothing," and is of no importance, does not the Senator from Georgia think that the statement of Mr. Willkie divides itself along two different lines? First, it discloses his philosophy of government, which seems to be to look after property rather than human life, and, second, it discloses his lack of power of leadership. I believe leadership is most important in any great emergency, and if Mr. Willkie's statement is an illustration of his leadership over members of his party, does it not also illustrate what his leadership will be if he should ever have occasion to lead the whole country?

Mr. RUSSELL. Mr. President, in my opening remarks I said that Mr. Willkie's statement was so replete with misstatements that it would not be worthy of unusual attention did it not embody his philosophy of government and his opinion as to the relative value of human beings and of money. As to the Senator's other proposition, I do not believe there is a single member of Mr. Willkie's party in the Senate whose votes accord with Mr. Willkie's expressed views, and I do not think many people in this country will agree with him all the way.

The vast majority of the American people, Mr. President, are determined that no individual shall seize on the present emergency as an occasion for making millions of dollars of undeserved profits. I do not believe that the American people will agree with Mr. Willkie that it is sacrilegious for the Government to lay its hands on industry in any event, but that it is perfectly proper for the young manhood of America to be drafted without their consent into service when needed in our Armies.

For my part, I supported selective military service, but I propose to do all within my power to prevent any "preparedness millionaires," and to keep anyone from making undue and unusual profits out of the expenditures for defense we are compelled to make.

MOUNTAIN JUDICIAL DISTRICT, TENNESSEE

Mr. WILEY obtained the floor.

The PRESIDING OFFICER. Will the Senator from Wisconsin yield so the Chair may lay before the Senate a message from the House of Representatives?

Mr. WILEY. I have been trying to obtain the floor for a considerable time, and should not like to have any action taken which would cause me to lose the floor.

The PRESIDING OFFICER. So far as the present occupant of the Chair is concerned, the Senator from Wisconsin will not lose the floor if he will yield.

Mr. WILEY. I yield.

The PRESIDING OFFICER (Mr. MILLER in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 1681) to amend section 107 of the Judicial Code to create a mountain district in the State of Tennessee, and for other purposes, which were, to strike out all after the enacting clause and insert:

That section 107 of the Judicial Code, as amended, is amended to read as follows:

"SEC. 107. (a) The State of Tennessee is divided into three districts, to be known as the eastern, middle, and western districts of Tennessee.

"(b) The eastern district shall include the territory embraced on the 1st day of January 1940 in the counties of Bedford, Franklin, Lincoln, Warren, Grundy, Coffee, Van Buren, and Moore, which shall constitute the Winchester division of said district; also the territory embraced on the date last mentioned in the counties of Bledsoe, Bradley, Hamilton, Marion, McMinn, Meigs, Polk, Rhea, and Sequatchie, which shall constitute the southern division of said district; also the territory embraced on the date last mentioned in the counties of Anderson, Blount, Campbell, Claiborne, Grainger, Jefferson, Knox, Loudon, Monroe, Morgan, Roane, Sevier, Scott, and Union, which shall constitute the northern division of said district; also the territory embraced on the date last mentioned in the counties of Carter, Cocke, Greene, Hamblen, Hancock, Hawkins, Johnson, Sullivan, Unicoi, and Washington, which shall constitute the northeastern division of said district. Terms of the district court for the Winchester division shall be held at Winchester on the third Mondays in May and October; for the southern division at Chattanooga on the fourth Monday in April and the second Monday in November; for the northern division at Knoxville on the fourth Monday in May and the first Monday in December; for the northeastern division at Greeneville on the first Monday in March and the third Monday in September: *Provided*, That suitable accommodations for holding court at Winchester shall be provided by the local authorities but only until such time as such accommodations shall be provided upon the recommendation of the Director of the Administrative Office of the United States Courts in a public building or other quarters provided by the Federal Government for such purpose.

"(c) The middle district shall include the territory embraced on the 1st day of January 1940 in the counties of Cannon, Cheatham, Davidson, Dickson, Humphreys, Houston, Montgomery, Robertson, Rutherford, Stewart, Sumner, Trousdale, Williamson, and Wilson, which shall constitute the Nashville division of said district; also the territory on the date last mentioned in the counties of Hickman, Giles, Lawrence, Lewis, Marshall, Wayne, and Maury, which shall constitute the Columbia division of said district; also the territory embraced on the date last mentioned in the counties of Clay, Cumberland, De Kalb, Fentress, Jackson, Macon, Overton, Pickett, Putnam, Smith, and White, which shall constitute the northeastern division of said district. Terms of the district court for the Nashville division of said district shall be held at Nashville on the second Monday in March and the fourth Monday in September; for the Columbia division at Columbia on the third Monday in June and the fourth Monday in November; and for the northeastern division at Cookeville on the third Monday in April and the first Monday in November: *Provided*, That suitable accommodations for holding court at Columbia shall be provided by the local authorities but only until such time as such accommodations shall be provided upon the recommendation of the Director of the Administrative Office of the United States Courts in a public building or other quarters provided by the Federal Government for such purpose.

"(d) The western district shall include the territory embraced on the 1st day of January 1940 in the counties of Dyer, Fayette, Haywood, Lauderdale, Shelby, and Tipton, which shall constitute the western division of said district; also the territory embraced on the date last mentioned in the counties of Benton, Carroll, Chester, Crockett, Decatur, Gibson, Hardeman, Hardin, Henderson, Henry, Lake, McNairy, Madison, Obion, Perry, and Weakley, including the waters of the Tennessee River to low-water mark on the eastern shore thereof wherever such river forms the boundary line between the western and middle districts of Tennessee, from the north line of the State of Alabama, north to the point, Henry County, Tenn., where the south boundary line of the State of Kentucky strikes the east bank of the river, which shall constitute the eastern division of said district. Terms of the district court for the western division of said district shall be held at Memphis on the first Mondays in

April and October; and for the eastern division at Jackson on the fourth Mondays in March and September. An office of the clerk, in charge of the clerk or a deputy, shall be maintained at Memphis and Jackson. The marshal for the western district shall appoint a deputy who shall reside at Jackson. The marshal for the eastern district shall appoint a deputy who shall reside at Chattanooga. An office of the clerk of the court for the eastern district shall be maintained, in charge of the clerk or a deputy, at Knoxville, at Chattanooga, and at Greeneville.

"(e) The district judge for the eastern district of Tennessee in office on the date of the enactment of this act, shall hold regular and special terms of court at Knoxville and Greeneville. The said district judge shall have the power of appointment and removal of all officers and employees of the court in said district, except as herein otherwise provided, whose appointment is vested by law in a district judge or senior district judge.

"(f) The district judge for the eastern and middle districts of Tennessee, appointed under the authority of the act approved May 31, 1938 (52 Stat. 584), whose official residence shall be at Chattanooga, shall be an additional district judge for the eastern district of Tennessee as constituted by this act and shall hold regular and special terms of court at Winchester and Chattanooga. The said judge shall possess the same powers, perform the same duties, and receive the same compensation as other district judges. The said district judge shall have the power of appointment and removal of all those officers and employees of the court for the eastern district of Tennessee whose official headquarters are located in the Winchester division and in the southern division of the eastern district of Tennessee and whose appointment is vested by law in a district judge or a senior district judge. The President is authorized to appoint, by and with the consent of the Senate, a successor or successors to said judge as vacancies may occur. Nothing herein contained shall be construed to prevent said judge or his successors from becoming the senior district judge by succession, or from exercising the powers and rights of senior district judge of said district. The judge designated herein to hold regular and special terms of court at Winchester and Chattanooga shall make all necessary orders for the disposition of business and assignment of cases for trial in said divisions. The district attorneys and marshals for the eastern, middle, and western districts of Tennessee in office immediately prior to the enactment of this act shall be during the remainder of their present terms of office the district attorneys and marshals for such districts as constituted by this act.

"(g) The district judge for the middle district of Tennessee shall be the district judge for the middle district of Tennessee as constituted by this act and shall hold regular and special terms of court at Nashville, Columbia, and Cookeville.

"(h) The district judge for the western district of Tennessee shall hold regular and special terms of court at Memphis and Jackson."

SEC. 2. All provisions of law inconsistent with the provisions of this act are hereby repealed.

And to amend the title so as to read: "A bill to amend section 107 of the Judicial Code, to redistrict the State of Tennessee, to provide the duties and powers of the district judges of the State of Tennessee, and for other purposes."

Mr. McKELLAR. I move that the Senate concur in the amendments of the House.

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

Mr. McKELLAR. I yield.

Mr. BURKE. I am familiar with the bill as it was reported by the Senate Judiciary Committee and passed by the Senate, in reference to this judicial district in Tennessee. Will the Senator from Tennessee explain the difference between the House amendment and the bill as passed by the Senate, so that we may have an understanding? I recall the particular objection raised to the bill as it was reported to the Senate, that it would involve considerable additional expense in the matter of marshals, district attorneys, and so forth. I should like to know what the House amendment provides.

Mr. McKELLAR. I shall be very glad to explain. The Senate bill provided for a district attorney, a marshal, and a clerk of the court. Those provisions were left out by the House, so that the work would be done by deputies, and at the same cost which now pertains to that particular holding of the court.

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

Mr. WILEY. I yield.

Mr. STEWART. The House amendment provides for a roving jurisdiction, which necessarily saves the expense of a new district.

Mr. McKELLAR. That is true.

Mr. GURNEY. Mr. President, I understand that a Senator who is necessarily absent today is much interested in this particular measure. If it will not inconvenience the Senator from Tennessee, I ask that the matter go over until next week.

Mr. McKELLAR. May it go over until tomorrow?

Mr. GURNEY. I am very sorry, but the Senator to whom I refer will not return until next week, relying on the statement that nothing of any importance would be taken up in his absence. I hope the Senator will agree to let the matter go over.

Mr. McKELLAR. Under the circumstances, there is nothing else for us to do but let it go over.

Mr. BURKE. Mr. President——

Mr. WILEY. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Wisconsin will have the floor in just a moment.

Mr. BURKE. Mr. President, the explanation made by the Senators from Tennessee in reference to the House amendment impresses me as bringing before us now a bill which, so far as I can see, is superior to the bill as it passed the Senate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Dakota that the matter go over for the time being?

Mr. McKELLAR. Under the circumstances, I shall not object.

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

UTILIZATION OF INDUSTRIAL RESOURCES—STATEMENT BY WENDELL L. WILLKIE

Mr. WILEY. Mr. President, I have listened for about 2 hours to the discussion relating to a gentleman who heads one of the great parties in this country, and who is absent from this Chamber. I wonder how those sitting in the galleries reacted to such a proceeding, and whether or not such an approach is sportsmanlike, fair, or decent.

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

Mr. WILEY. No; I wish first to have my say, and then I shall be glad to yield for questions.

Mr. BARKLEY. If the Senator will permit me, I should like to suggest——

Mr. WILEY. Mr. President, I have sought for 4 hours to obtain the floor; and I intend to exact my right as a Member of the Senate to be heard without interruption, even by the majority leader.

Mr. BARKLEY. I am not trying to take the Senator from the floor.

Mr. WILEY. Mr. President, I ask that the majority leader be directed to resume his seat.

Mr. BARKLEY. I will say to the Senator——

Mr. WILEY. Mr. President, I ask that my rights be protected.

The PRESIDING OFFICER. If the Senator will give the Chair an opportunity, the Chair thinks there will be no question about the protection of his rights. The Senator declines to yield.

Mr. WILEY. That is correct.

The PRESIDING OFFICER. The Chair will endeavor to protect the Senator in his right to the floor, and Senators will respect that right.

Mr. WILEY. I thank the Presiding Officer.

Mr. President, the Senate is the greatest deliberative body in the world—sometimes, when someone is absent and cannot defend himself. When I heard the discussion, there came to my mind a field day 25 years ago, when a 10-second man was to run a race, and he had one competitor. But when an accident happened and he could not be present, the 15-second fellows came into the race.

Mr. President, the act of 1916, to which reference was made, provides that in time of war, or when war is imminent, the President shall have certain authority. However, the act does not contain authority to take over newspapers. Newspapers would be included within the word "facility." If the Senator who talked so glibly about a great American will read the newspapers of today, and see how the men who think react to what was said in the debate, he will find out how America thinks.

Mr. President, the Democrats have had their "field day" today; but Willkie will have his in November. Then it will be seen that the American people understand what he was

talking about. He was not talking about what Senators have been trying to camouflage. He was not saying to the American people that in a great emergency, when we take manpower, we should not also take wealth. What he was saying was what the Senator from Washington [Mr. SCHWELLENBACH] said yesterday. The Senator from Washington is one of the great Democratic Senators. He was born in my State. The President has honored him by nominating him to one of the high courts of the country. What did the Senator from Washington say? He saw what was implied in this particular provision. He saw that it was not merely a case of delegating authority to the Secretary of War and the Secretary of the Navy to take over, in emergencies, or in time of war, factories needed for the national defense. No; he saw what millions of American see. There are two ways to lose our liberties. One is by the front door—the way of Hitler. The other is by the back door—surrendering powers and rights in this country to a gang of misfits who will see to it that our great values are dissipated.

Mr. President, what did the Senator from Washington say? I ask unanimous consent that there be printed in the RECORD at this point as a part of my remarks an article by Raymond Clapper, entitled "Offside on This One."

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

[From the Washington Daily News]

OFF-SIDE ON THIS ONE

(By Raymond Clapper)

Watch out for this one, you who believe in the necessity of free speech, in the privilege of truth to be heard, who believe that public discussion is the facility through which we test the wisdom of what we are doing.

The charge was made in the Senate that the conscription bill just passed gives the Government power to seize newspapers and radio stations for propaganda use. This point was made by Senator DOWNEY, of California, in objection to the Overton-Russell amendment, later adopted, giving the Government power to commandeer any "existing manufacturing plant or facility" for national defense.

Senator DOWNEY said, "If I read this correctly, if the Secretary of War or the Secretary of Navy should say, 'This newspaper is a facility that I require to spread news or propaganda,' or 'This radio is necessary for public purposes,' that decision would be final and the newspaper or radio would pass out of the hands of the proprietor.

He was not challenged. On the contrary, Senator LEE, of Oklahoma, went into a plea that in wartime everything should be drafted. The Government ought to have power to take over radios and newspapers for propaganda.

"Is it not a fact," asked Senator LEE, "that Hitler is the first military genius in the history of the world to use the propaganda machine? He has used it so effectively that his wars have been won before his legions struck. That is why it is necessary for the Government to have propaganda in case of an acute national crisis such as we should face if we were forced into a war against Hitler."

Senator CHANDLER, of Kentucky, took issue. "I do not believe," he said, "the Government ought to take over newspapers or anything else or to use any situation to try to mislead the people of the United States even if some other country does it. We should tell the people, either in or out of emergencies, the truth and not mislead them."

Senator SCHWELLENBACH, of Washington, joined in: "We in this country inherit as our treasure not merely physical things; the greatest treasure we inherit is the right to think, to speak, to print, to be free. The reason we object so much to dictatorial forms of government throughout the world is that they have undertaken to destroy that concept. What assurance have we that the transfer of these authorities and the surrender of these liberties would be temporary if we follow out the suggestion just made, that the press should be throttled and used for propaganda purposes?"

Senator LEE's come-back: "I prefaced that statement by the proposition, 'if we were in war.' In time of war we impose a censorship on people; and I do not see that that would be any different than the proposal that the press be used for propaganda, if we are fighting a dictator who uses the press for propaganda."

On that basis we should do everything Hitler is doing, not only in wartime but in our peacetime preparations. If Senator LEE is logical he should favor concentration camps in peacetime. That's one way Hitler made Germany strong. Or better still, why not hire Hitler? Surely he could establish his own methods here better than any of us could.

Twenty-four hours late, Senator RUSSELL explained to the press when questioned that he did not think his amendment would include commandeering of the press but only of manufacturing. Then why not make the amendment say so? Make it clear that the facilities subject to commandeering do not include the press, radio, or motion pictures.

The American people can give up a good many things in the interest of national defense, but if they give up the right to discuss their own affairs then they have surrendered completely to the thing they are supposed to be arming against. That would not be national defense. It would be national surrender.

Mr. WILEY. Mr. President, I wish to read a few lines from what was said. First, it will be remembered that even the distinguished and lovable Senator who sits by my side most of the time, the junior Senator from Kentucky [Mr. CHANDLER], when the challenge was thrown in his face, reacted. He saw the danger. What did he say? He said:

I do not believe the Government ought to take over newspapers or anything else or to use any situation to try to mislead the people of the United States even if some other country does it. We should tell the people, either in or out of emergencies, the truth and not mislead them.

That was not the argument of the distinguished Senator from Oklahoma [Mr. LEE]. He argued for the way of Hitler. He argued that the thing to do is to use a club to make the people other than free.

Mr. President, I do not think the Legislature of this country will stand for that sort of doctrine. What we heard the other day is an indication of a frame of mind which is too prevalent among the leaders of this country, who think that they, and they alone, know how to lead.

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

Mr. WILEY. Mr. President, I prefer not to yield at this time, because I wish to follow through with my argument, which is not very coherent, because I have not had time to prepare it.

Mr. SCHWELLENBACH. I understand that the Senator referred to some remarks which I had made. I hope the Senator will not infer from what I said that I said anything which would justify Mr. Willkie's statement. I think the Senator had better read my remarks again.

Mr. WILEY. Mr. President, I have already put the Senator's remarks in the RECORD. They are a part of Mr. Clapper's article. Of course, I expect the distinguished Senator to remain faithful to his leader; but I was proud the other day when he felt that the liberties of the people of this country were endangered, and when he voted against the amendment and against the bill. I give credit to him for what he has done.

Mr. President, something was said about an argument in which the President of the United States was asked to engage with Mr. Willkie. Let me say again that no smoke screen attempted to be thrown in this body today will take the minds of the American people off the issue. What is the issue? War or peace. No such statement as we heard last night by Mr. Wallace will help to clarify the issue.

Mr. President, I ask that there be printed at this point in my remarks a clipping from the Washington Daily News of this day in which Mr. Wallace's acceptance speech is discussed. He followed the practice which was exemplified here this afternoon of using the paint brush effectively. However, the people who listened, and the Democratic editors who commented on that speech, showed clearly that he had not done a constructive thing. What is more, what has happened here today and the statement made in the speech of last night emphasizes again the statement of Mr. Willkie that some folks have the jitters. I think they had better have them, because in November the American people will say that the leadership we have had for 7½ years has not done the job which it promised to do when it took over in March 1933. The job was: Balance the Budget, reduce the expenses of government, cut down bureaucracy, give the farmers a larger income, and reemploy the unemployed, to make America truly a country of industrial, social, and economic health. That ought to be done, Mr. President, but has not been done.

The PRESIDING OFFICER. Is there objection to the inclusion in the RECORD of the document requested? Without objection, it is so ordered.

The matter referred to is as follows:

MR. WALLACE ACCEPTS

Roosevelt was mentioned 28 times in the Wallace acceptance speech and Hitler 23. Wendell Willkie, who is running for President, wasn't mentioned once.

The Wallace address was an ardent reiteration of the doctrine of Rooseveltian indispensability. It took, or attempted to take, the 1940 campaign completely away from the home grounds and planted it squarely in Europe. Hitler was made the issue and Roosevelt, of all the 130,000,000 of our population, the sole salvation.

All opponents of Roosevelt were classified as nothing less than "reason for rejoicing in Berlin." Only Roosevelt understands what it's all about, what the rise of Hitler has meant. All attacks on him have provided aid and comfort to Adolf.

As for democracy, on that Roosevelt holds the patent rights. It is strongly hinted that though democracy is commonly assumed to tolerate opposition to the party in power, opposition in this particular case—opposition that dares raise its voice against Roosevelt—falls little short of treason. For, in the words of Wallace, "Whatever the motive, the effect was the same—these attacks on Roosevelt and his program played into the hands of Hitler."

Only Roosevelt has the knowledge, the experience, and the wisdom to be President. He is indispensability personified—the one and only. Without him Hitler would rejoice and we shall assuredly walk the "path of destruction and lost freedom." That is the theme. Woe is me!

Accepted, there would be but one thing to do. Close the campaign now and elect by acclamation for a third term in one ringing shout—Franklin Delano Roosevelt.

The theme fits the New Deal philosophy—the philosophy which fondles the belief that, in all things, including Presidents, there are no new frontiers.

How many agree will be determined, however, on the first Tuesday after the first Monday in November 1940.

Mr. WILEY. Mr. President, something was said about Mr. Willkie being the head of a power company. Why can we not tell the truth? He is not the head of any power company. He was the head of a billion-dollar organization. First he was a country lawyer in Indiana, a man of integrity and ability, whose experience was of the kind which makes men know how to value other people's money. He graduated from the university of hard knocks. He learned that when he handled other people's money he was a trustee, and he had not the right to spend that money like a drunken sailor. When he was put in charge of this billion-dollar organization, which was on the way to bankruptcy, did he increase rates? No; he cut the rates in half. What else did he do? He made every man who worked for the organization respect and honor and love him. He satisfied stockholders; he satisfied bondholders; and when he left the organization a month or two ago, instead of a bankrupt organization he had made a billion-dollar organization a thing of value, and he had cut the rates so that the farmer and the consumer and the businessman got the benefit of them.

If there is anything that the country needs, it is a general who can do that very thing for the country—not one who knows how to spend but does not know how to balance; not one who can make a thousand promises and fulfill none. Willkie has made good every promise he has made. The job of the present administration has not been done, and the people of the country know it.

The second issue is, war or peace? Mr. President, what do you suppose this additional power means to the people of the country? Have they not a right to infer that the present leadership is getting them close to the volcano? When they talk about giving to the Secretary of War and the Secretary of the Navy the absolute power to condemn, that cannot be camouflaged and called conscription of wealth. What a foolish idea that is.

The third issue is the third term. Should Roosevelt or any other individual be elected to a third term? My answer is, No! This issue involves a great deal, even the life of the Constitution.

The fourth issue is Roosevelt's foreign policy. We know that you Democrats are putting so much heat on this so-called foreign-policy argument that it is hoped the people will overlook the third-term issue, and overlook the fact that the domestic job has not been done.

At this time, Mr. President, I ask that there may be inserted in the RECORD Gen. Hugh Johnson's article of this day entitled "One Man's Opinion." In this article, among other things, General Johnson says:

The debate from which these two quick odors rose was hardly more sanitary. It was on the amendment for permitting the commandeering of manufacturing plants. It was rushed in to permit Senators up for election—

Get that!—

who were politically terrified about voting for necessary selective service to lay the ground for a fake campaign alibi by saying: "I would not vote for conscripting men until I had voted for conscripting wealth. I value a life more highly than a lathe." The latter hypocritical inanity was actually used in the debate.

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

The article is as follows:

ONE MAN'S OPINION

(By Hugh S. Johnson)

Senator PEPPER wants the President to have the power to suspend all statutes in preparing for defense and, imagining that he is Patrick Henry, shouts: "If this be dictatorship, make the most of it." It happens to be Patrick Henry in reverse. Senator JOSH LEE wants the President to have power to take the newspapers and radio for propaganda—in other words, to suppress truth and tell lies to the American people. Josh says, in effect, that we must become Nazis to fight Hitler.

All this was in debate on an amendment to the selective-service law to permit the Government to condemn and take over any existing manufacturing plant when it is unable to arrive at an agreement with the "owner of such plant or facility for its use or operation."

Nobody ought to take Senators LEE and PEPPER seriously. They haven't enough on the ball to be listened to or make the news in orderly debate in ordinary times when they wouldn't dare pull any such nonsense as a screaming proposal to destroy democracy and Hitlerize America in a supposed defense of democracy and Nation-wide rejection of the whole philosophy of the Nazis. These poor boys are underprivileged Senators—publicity-starved. They don't even get any exercise except hurdling the Constitution and jumping at conclusions.

It is niggardly to begrudge them this rare chance to put their names in print by shrieking as war-maddened a lunacy as Chief Crazy Horse in an old-time Sioux sun dance.

If it is important at all, it is only as a warning to what a sane Senate can be incited to do and suffer in growing mania—which is centered mostly on Capitol Hill and not in the country. That feverish atmosphere is a poisonous one in which to plan and legislate our preparation for defense. It has already resulted in a selective-service bill that may be later improved but is now as full of holes as a cane-chair bottom.

The debate from which these two quick odors rose was hardly more sanitary. It was on the amendment for permitting the commandeering of manufacturing plants. It was rushed in to permit Senators up for election, who were politically terrified about voting for necessary selective service, to lay the ground for a fake campaign alibi by saying: "I would not vote for conscripting men until I had voted for conscripting wealth. I value a life more highly than a lathe." The latter hypocritical inanity was actually used in the debate.

The actual amendment was perfectly correct in principle and will be objected to by no informed person although hastily—and, therefore, nonsensically—worded. The fake or fraud in it is that it is no more a conscription of wealth than the usual and frequent peacetime process of condemning a right-of-way for a railroad across a farm is a conscription of wealth. It authorizes the taking of private property for public use exactly as contemplated by the Constitution. But also, as specifically provided by the Constitution, the owner is entitled to just compensation, and if the statute had not provided for that—as it did—it would be waste paper. Just another hunk of hypocritical hokum to impose upon the trust and credulity of a long-suffering people. There are few more discreditable episodes in recent legislative history.

On top of all that, the amendment is perfectly sterile. The Government isn't asking people for their plants. It wouldn't know what to do with them if it got them. It is blunderingly seeking favorable contracts for production. It might use the commandeering of a plant as a threat to get lower prices, but it would be a bluff. It wouldn't get lower costs for the Government to take, pay for, and operate any plant. It would make the final cost of the product much higher.

What this contract situation needs is a statutory power of priority and compulsory orders, but this panicky, politically terrified Congress doesn't seem to have the time or the courage—or something—to study, learn, and attack our real problems of defense head-on.

Mr. WILEY. It is about time that the people of the country recognized that in election years some folks use words and phrases and sentences without thinking what their import is. The amendment we are talking about says that the Government has a right to take over factories and facilities by paying the value thereof. The other day, when I spoke against that amendment, I said there was a nigger in the wood pile. We saw something of that nigger here the other day when we saw that our distinguished friend, Mr. "Chip" Robert, came through with approximately a million dollars' profit on Gov-

ernment contracts. Back in the days when I was district attorney of a little county in the Middle West, when I found that an undertaker who was a member of the county board was burying the pauper dead at $50 each, I stopped the practice, and said that no official or anyone else connected with the county could have a contract with or get money from the county. But in these days people connected with the Democratic campaign can profit from Government contracts. That is a wonderful example to set before the people of the country. I do not say that there is anything about the matter that smells criminally, but, boys, it does smell just the same.

Mr. President, there are other issues. The job that was to be done by this administration has not been done. One of those issues is war or peace. At some other time we shall discuss the other issues before this body.

Mr. President, on arriving in my office yesterday afternoon, after the Senate had adjourned, I found a significant telegram awaiting me. We have not had the privilege for a couple of days to listen to the distinguished Senator from Arizona [Mr. ASHURST] expound, in his wonderful way, bits of philosophy, but this brief telegram caused me to fall into a philosophical mood; it caused a flood of mixed emotions, and made me to think of the past and the present and the future—the past 22 years, just the span of youth.

Twenty-two years ago, Mr. President, we were at war. Our boys were in the Argonne, in France, in England, and in Russia.

Twenty-one years ago the war was over, though some of our boys were in Germany, on the Rhine. Versailles was still to be. The voice of democracy, however, was in the ascendancy everywhere. The great experiment of the League of Nations was under way. Peace, glorious peace, seemed to be an accomplished fact.

Then followed years when nations undertook to repair the damage of the Great War. We had the Washington Treaty limiting armaments. The Kellogg Pact outlawing war followed. Then came the depression years, and now we have the impact upon the world of communism, fascism, and nazi-ism.

Mr. President, what does the future hold? This telegram caused me to think about that. Twenty-one years hence, what will the picture be? How will the youth of 21 in 1961, looking back upon 1940, interpret this period? There are some things he probably will not find in history's pages. He will not be able to see clearly some of the significant facts; so I am stating now, Mr. President, a few conclusions:

First, an awakening America, sensible to the fact that we are a virile people, full of enterprise, vision, and initiative; that the prophets of decay who asserted that America has reached her zenith are being cast off.

Second, an America with an awakening sense of unity—unity between labor, capital, farmer, and professional men, and, thank God, even between Republicans and Democrats; an America alert to any challenge. Awake! Your country and mine, Mr. President, stands in spite of the wasters. She is not bankrupt financially, morally, or in ideas.

Third, realizing her need, America is getting rid not only of the racketeers of her great values but of the fake political magicians. Like a strong man, she is arousing herself from the sleep produced by the mesmeric fakirs. She was almost hamstrung by sonorous phrases, magic formulas, superficial and reckless thinking, and delusive devices. No, America is not dying. She is very much alive, and the day of individualism has not gone.

Fourth, an American awakening to the things of the spirit. Her churches are full of honest seekers after truth. All economic groups, including employer and employee, producer and consumer, are seeking to develop a spirit of confidence and good will—a spiritual democracy where man may find the real meaning of brotherhood, eliminating strife and finding the fellowship of men of good will. There is a growing consciousness that, with God's help we as a nation can stand upright, fearlessly meeting every challenge, and not be entangled in the bondage of slavery.

Fifth, the home, the school, and the church are the front line of defense against the pagan European idea of communism, fascism, and nazi-ism. This line is holding firm, teaching the obligations of self-sacrifice, protection to the weak, faith in God, the triumph of right, love of country, and preparing strong men for the larger duties of the world; that liberty in the social, economic, political, and religious fields are now and ever will be the prize of eternal vigilance, teaching also the greatness of America, the beauty of her mountains and plains and valleys, of her lakes, and rivers, and hills; of the greatness of her cities and hamlets and farmsides; and the strength and vitality of her people; teaching the high adventure of being an American in this age of challenge and dawn. And the Senate of the United States in this period is not hysterical, unbalanced, or panicky. No, it deliberately faces the Nation's problems with faith, hope, and calmness.

Mr. President, what about 21 years from now? Will the youth born today have to be a conscript? Will Europe be aflame again with war, or, Mr. President, will we of this generation have found the way out from the curse of war? I hope we will not have to transmit that problem to the generation to come. I hope we will transmit to the generations that follow the liberties of America unmarred and unimpaired.

Mr. President, the telegram which caused me to philosophize in this manner did not announce, as so many recently received in the Senate have, the renomination of a Senator. What about it, you ask. It announced the birth of a boy child in my own city of Chippewa Falls, Wis. In his veins flows the blood of England, Wales, Norway, Germany, New England, and perhaps Scotland. But he is an American, and he owes allegiance, thank God, only to his Maker and to America.

I congratulate this young soul on coming into the theater of action at this time. I shall expect great things from him. He will be named Alexander, or "Alec," after me. He is my first grandson.

POSTMASTER GENERAL JAMES A. FARLEY

Mr. CHANDLER. Mr. President, I appreciate the generous comments made by the junior Senator from Wisconsin concerning me. I am sorry that I did not have the opportunity of being in Wisconsin yesterday, where I am certain the Senator also would have liked to be, to welcome into the world his new grandson. The Senate would have missed his speech if we had been in Wisconsin yesterday, as well as the one I am now making.

Mr. President, tomorrow one of our most distinguished fellow citizens, affectionately known to the people of the United States as Jim Farley, will retire from the Cabinet of the President of the United States. Recently he retired as chairman of the Democratic National Committee. He has held both positions during the last seven and a half years with credit to himself and with honor and distinction to the country. As he goes back to private life, as one of his warm personal friends during a period of 10 years I desire to speak briefly concerning his activities not only as a member of the party but as an official of the Government of the United States.

I think Senators on both sides of the aisle, whether Democrats or Republicans, will join me in saying that during these 7½ years Jim Farley has been an efficient public servant of the people of the United States. It is a long way from his birthplace at Stony Point, N. Y., to Chicago, where he had the opportunity of having his name placed in nomination for the Presidency of the United States. I told the children of Jim Farley, after Senator CARTER GLASS had spoken in his behalf at that great Democratic convention, that I would rather have had those words said of me by the distinguished Senator from Virginia than to have won the Democratic nomination for the Presidency of the United States.

Yesterday, with some of my colleagues, I had the pleasure of attending a luncheon which was given here for Jim Farley, and we listened to a speech which was in the nature of a valedictory, at least for the present, to his political life.

I wish to say that it is my belief that the country is fortunate in being able to produce in this generation a man with the character, grit, and determination of Jim Farley. I predict for him as he goes out into private enterprise, using the same attributes which have characterized his dealings with men in public life, that he will be just as successful there as he has been in his dealings with the members of his party.

Mr. President, I should like to remind Mr. Farley that triumph and disaster, success and defeat, are seasonable, are temporary, are imposters. We neither suffer one nor enjoy the other except for a season, and sometimes the season is short. But to Jim I say that he has enjoyed, perhaps in larger measure than others, during these seven and a half years, the good will of his fellow citizens, and I heard him say yesterday that he left public office with substantially no regrets, because he realized he had had his chance and that he has done his level best.

I agree with the poet who said—

> The worldly hope men set their hearts upon
> Turns ashes, or it prospers and, anon,
> Like snow upon the desert's dusty face
> Lighting, a little hour or two, is gone.

At 52, Jim Farley is still a young man. Either in politics or business he will have numerous opportunities in the future. Upon this occasion I ask of my fellow Senators, and those who love him as I loved him, who believe in him as I believe in him, who know that he is honest and courageous and that his word is good, to join me in saying, "Good-bye, Jim; take keer of yourself. May God be with you in your future endeavors. May the length of your shadow never grow less."

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 REPORT OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nomination of Doyle Phillips to be postmaster at Philippi, W. Va., in place of L. E. Poling, resigned.

The PRESIDING OFFICER (Mr. MILLER in the chair). If there be no further reports of committees, the clerk will state the nomination on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of Virgil Pettie to be United States marshal for the eastern district of Arkansas.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

That concludes the calendar.

TREATY WITH CANADA—RAINY LAKE

Mr. BARKLEY. Mr. President, I wish to state that there is on the Executive Calendar, Executive A (76 Cong., 1st sess.), a convention between the United States of America and Canada, signed at Ottawa, September 15, 1938, providing for the emergency regulation of the level of Rainy Lake and of other boundary waters in the Rainy Lake watershed. It is very desirable that the convention be ratified. The State Department is very much interested in it and the Dominion of Canada is very much interested in it. The Committee on Foreign Relations favorably reported it unanimously. There is no opposition to it. It is simply a question of having an opportunity to consider the convention and ratify it. In view of the situation, I hope the Senate may take action on the convention now. The Senator from Minnesota [Mr. SHIPSTEAD] is interested in it and has been urging its adoption ever since it has been on the Executive Calendar.

The PRESIDING OFFICER. It is in order to consider the convention at this time.

The Senate, as in Committee of the Whole, proceeded to consider the convention, Executive A (76th Cong., 1st sess.), a convention between the United States of America and Canada, signed at Ottawa September 15, 1938, providing for emergency regulation of the level of Rainy Lake and of other boundary waters in the Rainy Lake watershed, as recommended by the International Joint Commission established pursuant to the provisions of the treaty signed at Washington on January 11, 1909, relating to questions arising between the United States of America and Canada, which was read the second time, as follows:

The United States of America and His Majesty the King of Great Britain, Ireland, and the British dominions beyond the Seas, Emperor of India, in respect of Canada.

Desirous of providing for emergency regulation of the level of Rainy Lake and of the level of other boundary waters in the Rainy Lake watershed, in such a way as to protect the interests of the inhabitants of the United States of America and Canada, and,

Accepting as a basis of agreement the following recommendations made by the International Joint Commission in its final report dated May 1, 1934, on the Reference concerning Rainy Lake and the boundary waters flowing into and from that lake, and particularly in answer to question 2 of that Reference, namely, "that it would be wise and in the public interest that the Commission be clothed with power to determine when unusual or extraordinary conditions exist throughout the watershed, whether by reason of high or low water, and that it be empowered to adopt such measures of control as to it may seem proper with respect to existing dams at Kettle Falls and International Falls, as well as any future dams or works, in the event of the Commission determining that such unusual or extraordinary conditions exist."

Have resolved to conclude a convention for that purpose and have accordingly named as their plenipotentiaries:—

The President of the United States of America:

John Farr Simmons, Charge d'Affaires ad interim of the United States of America at Ottawa;

His Majesty the King of Great Britain, Ireland, and the British dominions beyond the Seas, Emperor of India, for Canada:

The Right Honourable William Lyon Mackenzie King, Prime Minister, President of the Privy Council and Secretary of State for External Affairs;

Who, after having communicated to each other their full powers, found in good and due form, have agreed as follows:

ARTICLE I

The International Joint Commission, established pursuant to the provisions of the treaty signed at Washington on the 11th day of January 1909, relating to questions arising between the United States of America and Canada, is hereby clothed with power to determine when emergency conditions exist in the Rainy Lake watershed, whether by reason of high or low water, and the Commission is hereby empowered to adopt such measures of control as to it may seem proper with respect to existing dams at Kettle Falls and International Falls, as well as with respect to any existing or future dams or works in boundary waters of the Rainy Lake watershed, in the event the Commission shall determine that such emergency conditions exist.

ARTICLE II

This convention shall be ratified in accordance with the constitutional forms of the Contracting Parties and shall take effect immediately upon the exchange of ratifications which shall take place at Ottawa as soon as possible.

In witness whereby the undersigned plenipotentiaries have signed the present convention and have hereunto affixed their seals.

Done in duplicate at Ottawa this fifteenth day of September A. D., 1938.

JOHN FARR SIMMONS. [SEAL]
W. M. MACKENZIE KING. [SEAL]

The PRESIDING OFFICER. The convention is before the Senate and open to amendment. If there be no amendment to be proposed, the convention will be reported to the Senate.

The convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive A, Seventy-sixth Congress, first session, a convention between the United States of America and Canada, signed at Ottawa September 15, 1938, providing for emergency regulation of the level of Rainy Lake and of other boundary waters in the Rainy Lake watershed, as recommended by the International Joint Commission established pursuant to the provisions of the treaty signed at Washington an January 11, 1909, relating to questions arising between the United States of America and Canada.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the convention is ratified.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 22 minutes p. m.) the Senate took a recess until tomorrow, Saturday, August 31, 1940, at 12 o'clock meridian.

CONFIRMATION

Executive nomination confirmed by the Senate August 30 (legislative day of August 5), 1940

UNITED STATES MARSHAL

Virgil Pettie to be United States marshal for the eastern district of Arkansas.

HOUSE OF REPRESENTATIVES

FRIDAY, AUGUST 30, 1940

The House met at 12 o'clock noon.

Rev. Rupert Naney, D. D., pastor, Olivet Baptist Church, Oklahoma City, Okla., offered the following prayer:

Our Father, help us to remember that a nation's fortune lies in its peoples, and that their strength lies in righteousness. Lift the people of our Nation by an inspiration unto all things high and holy. Give unto our institutions the strength that comes from honor, justice, and liberty based upon the leadership of Him who came to bring good will unto all men. God bless the President of this Republic and those who labor with him, the Congress of the United States, and in a special manner the Members of this House and their presiding officer, the Speaker, that righteousness may be preserved and accentuated in all their actions.

"Let the words of our mouth and the meditations of our heart be acceptable in Thy sight, O Lord, our strength and redeemer." In Christ's name. 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 agreed without amendment to a concurrent resolution of the House of the following title:

H. Con. Res. 87. Concurrent resolution authorizing the Committee on Ways and Means of the House of Representatives to have printed additional copies of the hearings held before said committee on proposed legislation relative to excess-profits taxation, 1940.

The message also 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. 10263. An act making supplemental appropriations for the national defense 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 foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ADAMS, Mr. GLASS, Mr. MCKELLAR, Mr. HAYDEN, Mr. BYRNES, Mr. HALE, and Mr. TOWNSEND to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 760. An act for the relief of Mrs. Guy A. McConoha; and

S. 4271. An act to increase the number of midshipmen at the United States Naval Academy.

SUPPLEMENTAL APPROPRIATIONS FOR NATIONAL DEFENSE

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10263) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes, with Senate amendments, disagree to the amendments of the Senate and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

Mr. MICHENER. Mr. Speaker, reserving the right to object, what is the nature of the bill?

Mr. TABER. Mr. Speaker, this is the appropriation bill providing approximately $5,000,000,000. The Senate has added a number of amendments that should have very careful consideration.

Mr. MICHENER. The gentleman from New York thinks it should go to conference?

Mr. TABER. Oh, yes.

The SPEAKER. Is there objection to the request of the gentleman from Virginia? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. TAYLOR, WOODRUM of Virginia, CANNON of Missouri, LUDLOW, SNYDER, O'NEAL, JOHNSON of West Virginia, TABER, WIGGLESWORTH, LAMBERTSON, and DITTER.

EXTENSION OF REMARKS

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address I made before the Roanoke Kiwanis Club.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JACOBSEN. Mr. Speaker, I ask unanimous consent to insert in the Appendix of the RECORD the speeches made in connection with the notification ceremonies of Henry A. Wallace, candidate for Vice President on the Democratic ticket, at Des Moines, Iowa, on August 29; the speech of the gentleman from Texas [Mr. JONES]; and a letter from the Speaker of the House in connection therewith.

The SPEAKER. Without objection it is so ordered.

There was no objection.

THE FOREIGN SERVICE

Mr. BLOOM. Mr. Speaker, by direction of the Committee on Foreign Affairs, I present a privileged resolution and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 576

Resolved, That the Secretary of State is hereby respectfully requested to make and transmit answers to the following questions to the House of Representatives:

1. How many foreigners were on the staffs of the diplomatic and consular offices of the following countries, as of August 1, 1938: Germany, Japan, Italy, Great Britain?
2. How many foreigners were on the staffs of the diplomatic and consular offices of the following countries, as of August 1, 1939: Germany, Japan, Italy, Great Britain?
3. How many foreigners were on the staffs of the diplomatic and consular offices of the following countries, as of August 1, 1940: Germany, Japan, Italy, Great Britain?
4. What is the scope of their duties or activities?
5. What is their compensation?
6. What are the terms or period of their employment?

Mr. BLOOM. Mr. Speaker, I move that the resolution be laid on the table.

The motion was agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter I have sent to certain people in my district.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WARD asked and was given permission to extend his own remarks in the RECORD.

REPORT OF BOARD OF VISITORS TO THE COAST GUARD ACADEMY

Mr. BLAND. Mr. Speaker, on behalf of the 1940 Board of Visitors to the Coast Guard Academy I desire to present their report and ask unanimous consent for its insertion at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The report referred to follows:

UNITED STATES SENATE,
COMMITTEE ON COMMERCE,
July 9, 1940.

The PRESIDENT OF THE SENATE,
The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

GENTLEMEN: Pursuant to the act of July 15, 1939 (Public, No. 183, 76th Cong., 1st sess.), the following Senators and Members of the

House of Representatives were designated in January this year to constitute the 1940 Board of Visitors to the Coast Guard Academy:

Senators: Hon. JOSIAH W. BAILEY, of North Carolina, chairman, Committee on Commerce, United States Senate, ex officio member; Hon. W. WARREN BARBOUR, of New Jersey; Hon. CARL HAYDEN, of Arizona; Hon. JOHN H. OVERTON, of Louisiana.

Members of the House of Representatives: Hon. SCHUYLER O. BLAND, of Virginia, chairman, Committee on Merchant Marine and Fisheries, House of Representatives, ex officio member; Hon. EUGENE B. CROWE, of Indiana; Hon. FRANCIS D. CULKIN, of New York; Hon. LOUIS LUDLOW, of Indiana; Hon. JOHN TABER, of New York; Hon. LINDSAY C. WARREN, of North Carolina.

In accordance with the provisions of section 7 (b) of the act of April 16, 1937 (50 Stat. 67), the Secretary of the Treasury designated 9 a. m., Saturday, May 4, 1940, for convening of the Board at the Coast Guard Academy, New London, Conn.

The following changes in membership were made in accordance with statutory provisions: Hon. ALVA B. ADAMS, of Colorado, vice Hon. CARL HAYDEN, of Arizona; Hon. BENNETT CHAMP CLARK, of Missouri, vice Hon. JOHN H. OVERTON, of Louisiana; Hon. JAMES A. O'LEARY, of New York, vice Hon. LINDSAY C. WARREN, of North Carolina.

Senators BAILEY and ADAMS, accompanied by Representatives CROWE and O'LEARY, left Washington at 9 a. m., May 3, arriving at New London at 3:38 p. m. At 5:33 p. m. Senator BARBOUR arrived. The Superintendent of the Academy, Capt. E. D. Jones, United States Coast Guard, entertained the members present at a dinner at the Mohican Hotel, which was attended by a number of the senior officers from the academy. Later in the evening motion pictures depicting phases of cadet life were shown the Board members in the academy gymnasium.

Representative LUDLOW, who was not able to leave Washington until the evening of May 3, arrived at New London at 3:50 a. m. on the 4th. Representatives BLAND and TABER intended to reach New London early on May 4 by Coast Guard plane. However, it was necessary to cancel this flight on account of unsatisfactory flying conditions, and accordingly these members were unable to attend the New London meeting.

After breakfast at the quarters of the Superintendent, a formal meeting of the Board was held at the academy.

The first act of the Board was the election of Senator JOSIAH W. BAILEY as Chairman. Commander E. Ellis Reed-Hill, United States Coast Guard, continued to act as secretary to the Board.

The Chairman invited Admiral R. R. Waesche, Commandant of the Coast Guard, and Capt. E. D. Jones, Superintendent of the Academy, to be present at the meeting. The session was also attended by the Coast Guard Academy Advisory Committee, consisting of five members prominent in the field of education. The members attending were Prof. H. L. Seward, Yale University, chairman; Dean J. W. Barker, Columbia University; Dean H. E. Clifford, Harvard University; Prof. G. E. Russell, Massachusetts Institute of Technology; Judge T. W. Swan, United States Circuit Court of Appeals.

Capt. E. D. Jones addressed the meeting, dwelling particularly on the need for additional accommodations to take care of the prospective increase in the number of cadets. This includes a new infirmary and ordnance building, extension of cadet barracks, additional boat facilities, and extension of the library to take care of the books now on hand and for future increases, and the urgent need for replacement of the training schooner *Chase*, lost in the hurricane of 1938.

A general discussion of matters affecting the instruction of cadets and methods of obtaining cadet material followed.

Professor Seward, chairman of the advisory committee, described the formation of his committee and told of its accomplishments in laying out the present curriculum as a result of the committee's original recommendation in 1934. He added that the recent inspection of the academy by the Engineering Council for Professional Development had resulted in this body certifying the academy and classifying it in the upper 10 percent of technical colleges in the United States.

The Board then inspected the academy grounds, buildings, and shops and reviewed the battalion of cadets, after which the Board had luncheon with the cadet battalion.

The Board left the academy at 2 p. m., on May 4, arriving at Washington at 8:20 p. m. the same day.

The Board of Visitors is favorably impressed with the administration of the academy, with the type of instruction being given the student body, with the well-planned curriculum due to the untiring efforts of the Coast Guard Academy Advisory Committee, with the splendid personnel of the Cadet Corps, and with the physical plant, except for certain needed additions required because of the expansion of the cadet body to meet present urgent need for additional officers.

The needs apparent at this time are made as recommendations by this body after a thorough study of the problem, after discussion with the Coast Guard administrative officers, and after consideration of the carefully prepared report of the advisory committee, copy of which is appended hereto.

The Board of Visitors therefore recommends appropriations for the following items:

1. Infirmary and ordnance building, $300,000. This will release the second floor in the administration building, Hamilton Hall, for instructors' offices, conference and reading rooms, and will make possible the use of the present offices in the academic building, Satterlee Hall, now used by the instructors, as additional classrooms. It will also permit the use of the present armory space in the gymnasium, Billard Hall, for locker space for the increased number of cadets.

2. Extension of the library, $100,000. Present studies seem to point to the advisability of joining the present library wing of Hamilton Hall to the engineering building, McAllister Hall. This would more than double the size of the present reading room and would open up present unused space over the lobby, with extension over the wings of McAllister Hall for book stacks, all of which would be on one level.

3. Extension of the cadet barracks, Chase Hall to quarter 300 cadets, two in a room, $200,000. This will involve the extension of the north wing of this building to provide the additional cadet rooms and toilets and the extension of the present messroom to join this wing.

4. Boathouse and wharves, $200,000. This would provide a boathouse and additional stowage for boats which are now entirely inadequate for the program of instruction in seamanship and small-boat sailing.

5. Recommendation replacement for schooner *Chase*, $200,000. This recommendation reaffirms a similar one made in the report of the Board of Visitors (1939). This vessel is urgently needed for the instruction of cadets in the handling of sails and is made necessary by the loss of the schooner *Chase* in the hurricane of 1938.

The Board of Visitors wishes to commend very highly the Coast Guard Academy. It is really a very unusual and most useful institution. It is regretted that it is not as well known as it should be to the American public since it is an institution of which our country may well be proud. Its standards are high. It has an able faculty and its curriculum is one of the best in the country. One of the advisory committee, composed of five persons of distinction in the field of education, stated to the board that the Coast Guard, as a school of engineering, ranks among the first 10 in this country. The Congress ought to know that this advisory committee, composed of eminent representatives of our foremost institutions of learning, has prepared an extraordinarily fine curriculum, and the Coast Guard has established it.

We are attaching hereto copy of the report of this advisory committee, as made to the Board of Visitors.

The Board of Visitors would be remiss in its duty if it did not make special mention of the unusual service of Capt. E. D. Jones, who is now retiring. The period of his service has marked a great advance in the institution from every point of view, and he is entitled to the thanks of the Congress and his country for the excellent service which he has rendered as Superintendent.

Respectfully submitted.

JOSIAH W. BAILEY,
Chairman.
BENNETT CHAMP CLARK,
W. WARREN BARBOUR,
S. O. BLAND,
FRANCIS D. CULKIN,
LOUIS LUDLOW,
JAMES A. O'LEARY,
EUGENE B. CROWE,
ELLIS REED-HILL,
Secretary to the Board.

PERMISSION TO ADDRESS THE HOUSE

Mr. MERRITT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. MERRITT addressed the House. His remarks appear in the Appendix of the RECORD.]

NAVAL RESERVE TRAINING CORPS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 4272) to amend the act approved March 4, 1925, entitled "An act providing for sundry matters affecting the naval service, and for other purposes," and ask for immediate consideration.

The Clerk read the title of the bill.

Mr. MICHENER. Mr. Speaker, reserving the right to object, has the bill the unanimous support of the committee?

Mr. VINSON of Georgia. I may state to the gentleman from Michigan that the bill has the unanimous endorsement of the Naval Affairs Committee and has been reported to the House by direction of the Naval Affairs Committee, by the distinguished gentleman from New York [Mr. COLE], a member of the committee.

It is a bill which permits the Navy Department to expand in the various colleges the Naval Reserve Training Corps. Under the law today, 11 universities have 2,400 students composing what is ordinarily referred to as the Naval R. O. T. C. This bill provides for the extension of this corps to include 7,200 students.

The money was made available in the Senate yesterday and there are some 16 more universities which will be permitted to have students in the Naval R. O. T. C.

These 13 universities that have made application are as follows: Holy Cross, Western, Brown, Temple, University of Pennsylvania, University of Virginia, Washington and Jefferson, Duke University, North Carolina State, University of Houston, University of Texas, Texas A. and M., and Carnegie.

Mr. MICHENER. That does not include Wayne University?

Mr. VINSON of Georgia. That university has the right to make application. These are 13 universities only and 4,800 students will permit approximately 16 more universities to establish a Naval R. O. T. C. These universities have not been designated. They are merely applying to be designated just as soon as the Congress passes the authorization act to make it 7,200 instead of 2,400.

Mr. MICHENER. Then the determination has not yet been made?

Mr. VINSON of Georgia. The determination has not yet been made. It is up to the various universities throughout the country to qualify under the method now established by the Navy Department.

Mr. HINSHAW. I may say that I received word that the University of Southern California has also applied.

Mr. RICH. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Pennsylvania.

Mr. RICH. Does not the gentleman believe that this is the best and cheapest way that we can train young men for the service of our country and that we had better give these universities the opportunity to train these young men not only in the Navy but in the Army?

Mr. VINSON of Georgia. The gentleman is absolutely correct, and I call the attention of the Members of the House to the fact that there will be presented to the House in a few days a bill to commission the 2,400 boys who have already entered the R. O. T. C. and who have qualified after 4 years' training. This bill will give them a commission in the line of the Navy and in the Marine Corps instead of taking all of our officers in the Navy from the Naval Academy. It will help the Navy get the viewpoint of students in the line of the Navy and it will enable the students to get the viewpoint of the Naval Academy.

Mr. THOMASON. Does not the gentleman think that also ought to be extended to the Army R. O. T. C., because we have right now about 200 applications pending for R. O. T. C. units, and not only that, but under the Reserve Officers Act there are also a few thousand young Reserve officers who are well qualified in the same way as the naval officers?

Mr. VINSON of Georgia. What the gentleman says is correct, but my committee can only deal with naval matters. The Committee on Military Affairs, of which the gentleman from Texas is a distinguished member, should take that up.

Mr. THOMASON. What assurance has the gentleman that he will get the appropriation?

Mr. VINSON of Georgia. It was put in the bill yesterday.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. VINSON].

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 22 of the act approved March 4, 1925, entitled "An act providing for sundry matters affecting the naval service, and for other purposes" (43 Stat. 1276; U. S. C., title 34, sec. 821), as amended by the act approved August 6, 1927 (50 Stat. 563; U. S. C., supp. V, title 34, sec. 821), is hereby further amended by deleting the words "twenty-four hundred" in the last line of the section, and by inserting in lieu thereof the words "seventy-two hundred."

With the following committee amendment:

Page 1, line 7, strike out "1927" and insert "1937."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. KELLER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

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

There was no objection.

Mr. KELLER. Mr. Speaker, I want to call the attention of the House again to the subject that I took up for 1 minute yesterday and to state that on page 11229 in the RECORD of today you will find that I have worked out the actual statistics in relation to the killings that have been taking place in our coal mines. On that I worked until midnight because I felt the House wanted the facts in the case and not anyone's guesswork. You will find it all set out there. It will show the information, backed up by statistical statement, that every time this House meets in a regular session, during that 2-year period there are 3,600 men, on the average, slaughtered in the coal mines of the United States; it leaves 2,600 widows and 6,000 orphans, and it seems to me that under such bloody conditions as that the House ought to be willing to sign the petition and bring out the bill for open discussion and vote on the floor of the House. I hope you who have any doubt about it will take the time to read this and see whether you will not be able to do what I am asking you to do in this matter.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. HENNINGS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a speech by our colleague the gentleman from Virginia [Mr. ROBERTSON].

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

There was no objection.

Mr. HENNINGS. Mr. Speaker, I also ask unanimous consent to extend my own remarks in the RECORD and to include an editorial by Ernest K. Lindley.

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

There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article from Amerasia.

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

There was no objection.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a brief editorial comment relative to national defense.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

There was no objection.

Mr. HILL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an Associated Press dispatch appearing in the Chattanooga Times of Sunday, August 18.

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

There was no objection.

Mr. PATRICK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD.

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

There was no objection.

RESERVE OFFICERS' TRAINING CORPS

Mr. THOMASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. THOMASON. Mr. Speaker, I very heartily approve of the bill just passed by the gentleman from Georgia [Mr. VINSON], the distinguished chairman of the Committee on Naval Affairs. In that connection, however, I wish to call the attention of the House to the fact that the Army R. O. T. C., in my judgment, is even more important than the Navy R. O. T. C. There are at present approximately 200 applications pending in the War Department for new R. O. T. C. units throughout the country. Universities and colleges are clamoring for senior R. O. T. C. units, and there are a great

many high schools begging for junior R. O. T. C. units. It is my deliberate judgment that that is the finest training the boys and young men of this country can receive. The War Department says that in view of the National Guard training bill and the probable passage of the draft bill they do not have the officers to take care of these new R. O. T. C. units, but I think the necessary officers can and should be provided. This is about the most important training the young men of this country can receive. We should provide the necessary money and instruct the War Department to approve every application that meets the requirements. We should also take steps to give permanent commissions in the Regular Army to all those fine young officers who have qualified under the Thomason Act. They are honor students of R. O. T. C. schools with 4 years' active training and an extra year in the Regular Army. There are none finer, not even West Point. [Applause.]

EXTENSION OF REMARKS

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article from the Washington Daily News of yesterday.

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

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, the Republican candidate for President made a most revealing and disappointing statement which is reported in the press this morning. He says he wants to defend free men and a free Nation. He congratulates the Senate on the passage of a conscription of manpower bill, but he says he is absolutely opposed to any measure which would enable the Government of the United States to conscript, if necessary, the use of plants to make available to those men the necessary weapons with which to defend themselves and their Nation in case of need. In other words, it seems to me that his position is utterly inconsistent, that he stands for a draft of manpower but opposes, even if voluntary negotiations have been tried and failed, a draft of the necessary industrial plant to supply those men with the weapons and military equipment that should be available for their use. I cannot understand it. I think it utterly inconsistent, and I think this position puts human life in one category and property in a more favored one. I believe he has drawn an issue for the campaign in the statement he has made. [Applause.]

[Here the gavel fell.]

RESERVE OFFICERS' TRAINING CORPS

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I take this time simply for the purpose of reemphasizing and endorsing what the gentleman from Texas [Mr. THOMASON] has said about the R. O. T. C. units in the schools. I know from my own experience and from the great popularity of these R. O. T. C. units throughout the country and the demand in my own district that the need is great. I have talked to the War Department, and they gave me the same reason they gave my colleague—that they did not have the officers to take care of these units. However, I believe the R. O. T. C. is one of the finest means on earth to train these boys while they are in school, and this military training will be very helpful. I hope my good friend the gentleman from Texas [Mr. THOMASON] and his Committee on Military Affairs will continue to bombard the War Department until they work out some way whereby these R. O. T. C. units can be established. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD on World War Veteran Wendell L. Willkie.

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

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. RICH. Mr. Speaker, this is a time when we ought to work for national defense. We are trying to do that. However, I cannot see the advisability of the Committee on Naval Affairs or any committees of this House or the Government awarding to the engineering and architectural firm of Lawrence Wood "Chip" Robert, secretary of the Democratic National Committee, eight contracts, totaling $26,859,000, under which they receive a commission of $931,560. We should not give any favoritism to any firm nor more work than they can get out and complete for national defense in the least possible time. Time is the element we need in these national-defense projects.

Mr. Speaker, think of them giving the secretary of the Democratic National Committee eight contracts when there are many architects in the country who would be glad to have one of these jobs so that they could get money enough to handle their business and look after their families. It is wrong to give the secretary of the Democratic National Committee these eight contracts carrying the following fees for the contracts: $45,000, $9,500, $18,300, $9,560, $1,200, $83,000, $315,000, $450,000—some fees! Would not lots of architects be glad to have any one of them? We ought not to give this money to the secretary of the Democratic National Committee for political faithfulness or for political preferment. Out of 66 contracts awarded, why should this servant, as secretary of the Democratic Party, receive 8 contracts, or one-eighth of the total? Are there not other needy architects that want jobs? Are there not other good architects that can do the work in Florida—think of six Florida contracts, one in Puerto Rico, fee $9,560, and the largest one at Corpus Christi, Tex., cost $13,028,000, and a fee of 3.46 percent, or $450,000. Some jobs for the secretary of the Democratic National Committee!

[Here the gavel fell.]

FARM INCOME

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. GROSS. Mr. Speaker, this man Wallace in his speech yesterday said that the President's troubles were multiplied by partisan opposition. I do not know where that partisan opposition is, since he is in such body and soul control of Washington and the whole country as he is. Wallace also goes on to say that the farmers' income for this year is $8,900,000,000; that it includes Government loans, commodity loans, and the amount of food raised and consumed. It is bad enough to count in that figure the amount of money or value of food raised and consumed, but when Wallace is willing to count the farmers' rising debt as income it is adding insult to injury. It is no wonder to me that Roland F. Morris, of Philadelphia, that great American, did just what Jim Farley is going to do tomorrow—walk out on him. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. TABER. Mr. Speaker, I have two requests to submit. First, Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a press release given out by the War Department on August 24, with

reference to additional construction projects for Army shelters.

I also ask unanimous consent, Mr. Speaker, to proceed for 1 minute.

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

There was no objection.

Mr. TABER. Mr. Speaker, the press release which I have secured permission to insert in the RECORD, is one of the most glaring examples of the inability of the Roosevelt administration to govern. They are proposing to place the National Guard, when it is called, in cantonments, 134,000, and in tents for winter training, 183,000. This is the most ridiculous thing I have ever known to be presented to the Congress, putting troops that are called into service in tents for winter training in peacetime.

I hope that this Congress will not permit that operation to go on, but that we will insist upon cantonments being provided for all of them in the wintertime. It is absolutely ridiculous. We can a good deal better afford to pay for the cantonments than we can for compensation to those who will be sick as a result of this incompetence. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include excerpts from Harpers Magazine and from other monthly and weekly publications.

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

There was no objection.

Mr. THORKELSON. My second request, Mr. Speaker, is unanimous consent to extend my remarks in the RECORD and to include excerpts from the Alien Menace, and also from the press.

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

There was no objection.

Mr. WOODRUFF of Michigan asked and was given permission to revise and extend his own remarks in the RECORD.

HARRY BRIDGES

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

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

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I was interested last night in hearing former Secretary of Agriculture Wallace, now a candidate for Vice President of the United States, talk about the "fifth column." I could not reconcile his words with the actions we see here in Washington, namely, Mme. Perkins' refusal to deport Harry Bridges, also Attorney General Jackson's refusal to deport Harry Bridges. I am going to ask the former Secretary why it is that these two officials in the Cabinet of the President of the United States refused to deport Bridges, and actually aid these "fifth columnists." Where do they go to get their real help and aid? They come right here to Washington. I think the Vice Presidential candidate should answer this question, and it is an open question. [Applause.]

EXTENSION OF REMARKS

Mr. SANDAGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter from Walter I. Hird, a fellow townsman.

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

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by including a brief radio address I delivered.

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

There was no objection.

Mr. CARLSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an enclosed table concerning our export trade.

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

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. McDOWELL. Mr. Speaker, I ask unanimous consent that at the conclusion of all legislative business and any prior special orders on Wednesday next I may be permitted to address the House for 20 minutes.

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

There was no objection.

EXTENSION OF REMARKS

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a keynote address of Hon. Paul V. McNutt, before the State Democratic convention of Connecticut.

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

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks and to include therein excerpts from a statement made yesterday by Wendell L. Willkie.

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

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix of the RECORD.]

WOOL PRODUCTS LABELING ACT

Mr. LEWIS of Colorado. Mr. Speaker, I call up House Resolution 528.

House Resolution 528

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 944, a bill to protect producers, manufacturers, distributors, and consumers from the unrevealed presence of substitutes and mixtures in spun, woven, knitted, felted, or otherwise manufactured wool products, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Colorado [Mr. LEWIS] is recognized for 1 hour.

Mr. BOREN. Mr. Speaker, I would like to inquire of the gentleman from Colorado what disposition he expects to make of the time under the rule. Will there be an opportunity for those of us in opposition to the rule to be heard?

Mr. LEWIS of Colorado. I have not been recognized as yet.

The SPEAKER. The gentleman has been recognized.

Mr. RICH. Mr. Speaker, a point of order.

The SPEAKER. Does the gentleman from Colorado yield to the gentleman from Oklahoma for a question?

Mr. LEWIS of Colorado. Yes, I do, Mr. Speaker.

Mr. BOREN. The question I want to ask the gentleman from Colorado is what disposition does he contemplate making of the time under the rule?

Mr. LEWIS of Colorado. Various applications have been made for time. Does the gentleman desire some time?

Mr. BOREN. I do desire 10 minutes' time myself and I want to speak for one or two others on this side who are opposed to it.

Mr. LEWIS of Colorado. Probably we shall divide the 30 minutes, of which I shall retain control, equally among

those who are for and those who are against the rule. This is the first intimation I have had that the gentleman desires any time.

Mr. BOREN. Can the gentleman assure me we will have time under the rule, that is, those who are opposed to the rule?

Mr. LEWIS of Colorado. I think the gentleman can be assured of that. I regret the gentleman did not speak to me before, because I have received many applications.

Mr. Speaker, I yield 30 minutes to the gentleman from Michigan [Mr. MICHENER]. At this time I yield myself 4 minutes.

CALL OF THE HOUSE

Mr. RICH. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. RICH. Mr. Speaker, I make the point of order that a quorum is not present. This is important legislation and we ought to have the Members present to listen to it.

The SPEAKER. The Chair is of the opinion that there is no quorum present.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 204]

Allen, Pa.	Disney	Jennings	Oliver
Andresen, A. H.	Ditter	Johnson, Ind.	Osmers
Andrews	Douglas	Jones, Tex.	O'Toole
Arnold	Drewry	Kee	Pfeifer
Ball	Eaton	Kefauver	Reed, N. Y.
Barton, N. Y.	Elliott	Kelly	Risk
Bates, Mass.	Ellis	Kennedy, Martin	Rockefeller
Beam	Evans	Keogh	Sacks
Bradley, Mich.	Ferguson	Kilburn	Satterfield
Bradley, Pa.	Fernandez	Lambertson	Schaefer, Ill.
Buck	Fish	Larrabee	Schiffler
Buckley, N. Y.	Flaherty	Lemke	Schwert
Bulwinkle	Flannagan	Luce	Scrugham
Byrne, N. Y.	Folger	McGranery	Sheridan
Caldwell	Ford, Miss.	McKeough	Simpson
Celler	Ford, Thomas F.	McLean	Smith, Ill.
Chapman	Garrett	McLeod	Somers, N. Y.
Clason	Gearhart	McMillan, Clara	Starnes, Ala.
Collins	Gifford	McMillan, John	Sullivan
Connery	Gore	Mansfield	Sweeney
Corbett	Green	Martin, Ill.	Thomas, N. J.
Crowther	Guyer, Kans.	Martin, Mass.	Treadway
Culkin	Hall, Edwin A.	Miller	Vreeland
Darrow	Harness	Murdock, Utah	Wadsworth
Delaney	Hart	Myers	Wallgren
Dempsey	Hartley	Nelson	Walter
Dies	Hook	Norrell	White, Ohio
Dingell	Hope	Norton	Wigglesworth
Dirksen	Hunter	O'Day	

The SPEAKER pro tempore [Mr. LANHAM]. Three hundred and fourteen Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

The SPEAKER pro tempore. The gentleman from Colorado [Mr. LEWIS] is recognized.

Mr. LEWIS of Colorado. Mr. Speaker, at this time I yield myself 4 minutes.

Mr. Speaker, this House Resolution 528 is an open rule for the consideration of the bill (H. R. 944) to protect producers, manufacturers, distributors, and consumers from the unrevealed presence of substitutes and mixtures in spun, woven, knitted, felted, or otherwise manufactured wool products, and for other purposes. The rule provides for 2 hours' general debate, after which the bill shall be read for amendment under the 5-minute rule. This bill—H. R. 944—is commonly referred to as the Wool Products Labeling Act of 1939.

Mr. Speaker, this bill was introduced early in this the Seventy-sixth Congress, namely, on January 3, 1939, by the well-beloved, now deceased, Member from our State, Hon. John A. Martin, who so ably for many years represented the Third Congressional District of Colorado until his untimely death last December. If John Martin were here, it would not be necessary for many others to speak on this subject because he was so thoroughly versed in regard to it and supported it with such enthusiasm and intelligent zeal. This bill was one of John Martin's favorite measures. He was the author and sponsor of H. R. 944, the bill that will be brought before the House by this rule.

The report on this bill on behalf of the Committee on Interstate and Foreign Commerce was prepared by John Martin.

Mr. Speaker, I believe it would be fitting that at least extracts from this report, constituting perhaps the greater portion of it, should be inserted in the RECORD at this point in connection with my remarks. I ask unanimous consent for that privilege.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The matter referred to is as follows:

Mr. Martin of Colorada, from the Committee on Interstate and Foreign Commerce, submitted, on June 22, 1939, the following report to accompany H. R. 944:

The Committee on Interstate and Foreign Commerce, to whom was referred the bill (H. R. 944) to protect producers, manufacturers, distributors, and consumers from the unrevealed presence of substitutes and mixtures in spun, woven, knitted, felted, or otherwise manufactured wool products, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill, as amended, do pass.

FOREWORD

Throughout the lengthy consideration of H. R. 944, titled the "Wool Products Labeling Act of 1939," both in the hearings and in the committee's consideration of the bill, it has been the constant aim of the committee to produce practicable and workable regulatory legislation entailing as little burden as possible on the various branches of the industry affected.

A comparison of H. R. 944 as introduced and the bill as reported by way of an amendment, both of which will be before the House for such comparison, will show the marked success resulting from the fair and thorough treatment of the legislation by the committee. Many suggestions and amendments proffered, not only by the industry but by Members opposed to the legislation, no matter how liberal it might be made, were accepted by the committee and are embodied in the pending bill. The committee assures the House that nothing has been left undone to make this a fair, workable, and practicable piece of regulatory legislation.

It is submitted that it may be left to the very able Federal Trade Commission, with its extraordinary record of support by the Federal courts, to fairly administer the act and search out defects and inequities for the further consideration of the Congress.

HISTORY OF THE PROPOSED LEGISLATION

Representatives of numerous large national organizations—the National Federation of Women's Clubs, American Federation of Labor, American Farm Bureau Federation; National Grange; National Farmers' Union, National Farmers Guild, National Wool Growers' Association, home economics and consumers' organizations, and the United Textile Workers of America—stated at the hearings that for the past 20 to 25 years they have been endorsing and urging legislation requiring truth in fabrics or fiber identification, in order that the consumer might know what he was purchasing, and be protected, insofar as law may be able to protect him, against the imposition of shoddy and reused materials, and materials other than wool, being sold under the guise of pure or virgin wool.

The campaign for fiber identification took active and concerted form 3 years ago with the introduction in the Seventy-fifth Congress of wool-labeling bills in both Houses, and extensive hearings were held on such bills. The Senate passed a wool-labeling act near the close of the last Congress and a House subcommittee on interstate commerce favorably reported a House bill, but too late for action.

Bills were again introduced at the incoming of the Seventy-sixth Congress, and extensive hearings have been held by the committees in both bodies. The House hearings occupy 500 pages, added to nearly 300 pages in the preceding Congress. The Senate Committee on Interstate Commerce has favorably reported what is known as the Schwartz bill, S. 162, a companion bill to H. R. 944.

NEED FOR THE LEGISLATION

Heading the list of materials used in the manufacture of garments as in widest use and most subject to the use in manufacture of shoddy, rags, and reclaimed or reused wool fibers, the testimony shows that of some 500,000,000 pounds of wool fabricated into garments annually, nearly one-third of it comes under the heading of reused wool. This percentage threatens to increase through the greatly augmented importation of rags under the trade treaties and a reduction of 50 percent in the tariff. As an example, the volume imported increased from 99,000 pounds in January 1938 to 1,119,000 pounds in January 1939, or an increase of 1,100 percent.

Recent figures obtained from the monthly report of the Bureau of Foreign and Domestic Commerce of rag importation from the United Kingdom for the use of the textile industry in the United States, show the rapid growth of such importation, as follows: First 4 months 1938, 170,261 pounds; first 4 months 1939, 2,817,113 pounds; percentage of increase, 1,554.

The legislation, while strongly endorsed by wool and stock growers and farm organizations generally, is not simply or even mainly

to benefit the wool industry, but to protect the 90 percent of the American people who must, as the hearings disclose, purchase garment suits at a cost of $25 or less. The legislation is not needed for people who can pay $75 or $100 for a suit of clothes. It is the workingman, the farmer, the millions of clerks and office workers, and the great miscellany of employment in the lower income brackets who need protection.

The movement originated, not with the groups pressing for this legislation, but with unfair and deceptive acts and practices originating in the industry. The legislation is a logical and necessary part of the growing body of legislation to protect the consuming public in the field of food, drugs, meat inspection, honest weights and measures, and only recently by the passage by the House of a seed-labeling act much more drastic than the pending bill.

NEED FOR THE LEGISLATION AFFIRMED BY THE FEDERAL TRADE COMMISSION

It is objected to the legislation that the Federal Trade Commission now has ample power under existing law to deal with the unfair competition and deceptive acts and practices aimed at in the bill and that therefore it is not needed. The committee's answer is that a representative of the Commission appeared before the committee on all these bills, including the pending bill, in support of the legislation. Letters from the Chief Counsel and the Chairman of the Commission will be found on pages 6 and 7 of the hearings, and on pages 11 to 23 the testimony of Mr. Henry Miller, assistant director, trade practice conferences of the Commission.

In answer to a question from the committee as to the need for the legislation, Mr. Miller, on page 17 of the hearings, said:

"The present power of the Federal Trade Commission does not go to the extent, nor is it implemented to the extent, that this present bill will implement it, and which it is believed is necessary in order to cure the evil resulting in nondisclosure, as distinguished from the evil resulting from an actionable disclosure or a false disclosure."

Mr. W. T. Kelley, chief counsel, in his memorandum for the Commission (hearings, p. 6), states:

"The bill is designed to protect producers, manufacturers, distributors, and consumers from the unrevealed presence of shoddy, substitutes, and mixtures in spun, woven, knitted, felted, or otherwise manufactured wool products. The evils which it is the purpose of this bill to correct occur in connection with "wool" and "part wool" products and in relation to fabrics and articles which simulate wool or part-wool products. The evils to be corrected by the bill also relate to the unrevealed use or presence of reclaimed wool or shoddy in fabrics. In my opinion the bill, if enacted into law, will accomplish the desired purpose."

Hon. R. E. Freer, Chairman, in answer to a letter of inquiry for Mr. Lea, chairman of the committee, as to the cost of the legislation, among other things (hearings, p. 7), states:

"By way of partial explanation, I may point out that matters covered by the measure are the source of many complaints coming to the Commission from the public and from businessmen; and a substantial part of our regular personnel and funds is necessarily required for handling these matters in the work of effecting as much relief as is possible under existing law. It appears that the bill, if enacted, would so clarify the situation in respect to destructive or harmful practices in the marketing of wool products as to simplify and facilitate the administration of the laws relating to transactions in interstate commerce. A larger proportion of voluntary compliance may also be expected, and a consequent diminution of the types of complaints now required to be handled by the Commission would probably result. A more effective utilization of the Commission's present facilities for protecting the public interest could no doubt be accomplished."

Such statements from the authority charged with the administration of the law should dispose of the contention that it is not needed.

IMPROVEMENT OF THE LEGISLATION

As the result of the successive hearings, and close analytical study of the proposed legislation, several revisions of prior bills have been made, and it is the opinion of your committee that the result is a greatly improved bill, more definite, workable and liberal than the original bills. Many liberalizing and clarifying amendments were made in the pending bill, H. R. 944, and on all of them the committee agreed.

If the Congress is to enact fiber identification legislation under the principle laid down in the bill, it is agreed that the pending bill fairly achieves the objective. The division in the committee occurs over the question whether any such legislation should be enacted. The Federal Trade Commission approves it. A majority of the committees of both Houses approve it. Organizations representing practically all the workers', farmers', women's, and consumers' organizations of the country testify that it should be enacted. No such organizations have appeared against it.

ANALYSIS OF THE LEGISLATION

Section 1 titles the legislation the "Wool Products Labeling Act of 1939."

Section 2 deals with definitions. The major controversy over the legislation centered on the proposed definition of wool, and the crux of the controversy was over the use of the word "virgin" wool, and the classification of wool as "virgin wool" and "reclaimed wool." The objection of certain manufacturers and distributors to the use of the term "virgin" wool, is significant. It is not in dispute that the manufacturer and dealer likes to have his product known as "virgin" wool, as "pure" wool, as "all" wool, or as "100-percent" wool. They want it on the label but some do not want it in the law. It is conceded that the fiber of wool has no satisfactory substitute. It was claimed, among other things, that the virginity of the wool was not a true test of its superiority; that there were many grades of virgin wool, the lowest of which were inferior to the better grades of reclaimed or reused wool.

Section 2 eliminates the terms "virgin wool" and "reclaimed wool." The section defines three classifications of wool, to wit: "Wool," "reprocessed wool," and "reused wool."

"Wool" is defined as the fiber from the fleece of the sheep or lamb or hair of the Angora or cashmere goat (and may include the so-called specialty fibers from the hair of the camel, alpaca, llama, and vicuna), which has never been reclaimed from any woven or felted wool product.

In prior bills wool which had been spun or knitted was excluded from the definition of wool, but in the pending bill, spun and knitted wools are included in the definition, as are the various forms of wool waste which have never been woven or felted.

The term "reprocessed wool" means wool which has been woven or felted into a wool product and subsequently reduced to a fibrous state without having been used by the ultimate consumer.

The term "reused wool" means the resulting fiber when wool or reprocessed wool has been spun, woven, knitted, or felted into a wool product and subsequently reduced to a fibrous state after having been used by the ultimate consumer.

The committee especially stresses as an achievement in definiteness and simplification the three classifications of wool, reprocessed wool, and reused wool, and the requirement of the percentage of each classification on the label. All bills which have been introduced, and all endorsements of the legislation, aim at fiber identification by some formula distinguishing between the original wool fiber and reclaimed or reused wool fiber. The committee is in agreement that the definitions in this bill achieve fiber identification as far as practicable without encumbering the label with refinements which would make it burdensome to the industry and meaningless to the purchaser. The purchaser will at least know whether the garment came off the backs of animals or of humans.

MISBRANDING DECLARED UNLAWFUL

Section 3 declares unlawful, and an unfair and deceptive act or practice, the introduction, or manufacture for introduction, or the sale, transportation, or distribution, in interstate commerce, of any misbranded wool product.

The section excludes common and contract carriers, and exportation to foreign countries of wool products branded in accordance with the laws of such countries.

WHAT CONSTITUTES MISBRANDING

Section 4 deals with the label and declares a wool product misbranded if it is falsely or deceptively labeled, and if the label does not show—

(a) The percentage of the total fiber weight of the wool product, exclusive of ornamentation not exceeding 5 percent of said total fiber weight, of (1) wool; (2) reprocessed wool; (3) reused wool; (4) each fiber other than wool if said percentage by weight of such fiber is 5 percent or more; and (5) the aggregate of all other fibers. Unavoidable variations are permitted where due care has been taken. The percentages must be shown on the label in words and figures plainly legible;

(b) The maximum percentage of the total weight of nonfibrous loading, filling, or adulterating matter;

(c) The name of the manufacturer of the wool product or the name of one or more persons subject to section 3, the section which prohibits misbranding.

The section carries a provision that it shall not be construed as requiring designation on garments or articles of apparel, of fiber content of any linings, paddings, stiffening, trimmings, or facings, or inconsequential fiber contents, provided they are not represented as containing wool. Section 14, at the end of the bill, excludes from the act, carpets, rugs, mats, or upholsteries.

ENFORCEMENT RESTS ON LABEL

Enforcement of the act rests on the label, attached in the first instance by the manufacturer, and backed by the manufacturer's records. It is agreed that the manufacturer knows the identity and quality of the fibers going into his product, and keeps a record. Very considerable efforts were made by the opposition during the hearings to shift enforcement from the label to laboratory tests, which tests they claimed to be inadequate to detect reworked or reused fiber in the fabric, therefore enforcement will fail.

A witness from the Bureau of Animal Industry stated that the percentages of virgin wool and reworked wool in the fabric may be measurably determined by the laboratory test (hearings, pp. 407–408). A witness from the Bureau of Standards stated that this cannot be done (hearings, pp. 48–49).

If the reused fiber can be integrated in a garment beyond detection by the laboratory test, it is all the more reason for the legislation, with enforcement placed on the label, backed by the records of the manufacturer, under penalty for falsification.

In the case of numerous products required to be labeled under the Pure Food and Drugs Act and similar legislation, chemical analyses cannot determine, or cannot determine accurately, certain differences or the presence of certain adulterants. But in all these cases the maker knows his composition, and the law makes it an offense to falsely or incorrectly label the product.

PROTECTION TO DISTRIBUTORS, WHOLESALERS, RETAILERS

The provision permitting substitute labels in lieu of that of the manufacturer eliminated from the bill the controversy ranking next in importance to that of the definition of wool. It is highly desired by the wool trade that distributors, wholesalers, and retailers shall have the right to use their own label, and this they may do, provided it carries the required fiber identification under the law.

Much attention was given to the question of retailer protection and this was accomplished by eliminating—

"persons who receive any wool product from or through interstate commerce, and having so received, sell or deliver for pay, or offer to resell or so deliver to any other person."

RETAILER AMENDMENTS ADOPTED

Six amendments suggested for the protection of retailers by Mr. David R. Craig, president of the American Retail Federation, were incorporated in substance and effect in the bill. In offering the six amendments, Mr. Craig said:

"Retailers do not oppose the bill, but offer these amendments which they believe would make the bill more workable and practical (hearings, p. 359)."

Mr. Craig also suggested the classifications of "reprocessed wool" and "reused wool", instead of "reclaimed wool" (hearings, p. 360).

Objections raised by the Retailers National Council are completely cured by amendments.

AFFIXING OF LABEL

Section 5 relates to the affixing of stamp, tag, label, or other identification.

The person manufacturing, or first introducing into commerce a wool product, shall affix the label, and the same, or substitutes containing identical information, must remain affixed to the product until it is sold to the consumer. The name of the manufacturer need not appear on the substitute label. Removal, except for lawful substitution, or mutilation of the label, is declared an unfair method of competition, and an unfair and deceptive act or practice under the Federal Trade laws.

ENFORCEMENT OF THE ACT

Section 6 invests the Federal Trade Commission with jurisdiction of the act, and the power to make rules and regulations and prescribe procedure; authorizes and directs the Commission to prevent violations of the act in the same manner, by the same means, and with the same powers it possesses under the Federal Trade Commission Act; and subjects persons violating the act to the penalties, and entitles them to the privileges and immunities of the Federal Trade Commission Act.

The Commission is authorized to cause inspections, analyses, tests, and examinations to be made of any wool products subject to the act; and to cooperate with any department or agency of the Government in the enforcement of the law.

The manufacturer is required to maintain proper records showing the fiber content of all wool products and to preserve such records for at least 3 years. It was stated repeatedly to the committee that manufacturers now regularly keep such records.

CONDEMNATION AND INJUNCTION PROCEEDINGS

Section 7 provides for condemnation and injunction proceedings, and for seizure for confiscation by process of libel, but the person affected is given the opportunity after notice to comply with the provisions of the act.

Condemned wool products are to be disposed of, in the discretion of the court, by destruction, by sale, by delivery to the owner upon payment of costs and charges and the giving of bond to observe the provisions of the act in the further handling of the products, or by charitable disposition.

The Commission may bring suit in the district court of the United States or any territory for the district where the accused person resides or transacts business, to enjoin such violation, and on proper showing a temporary injunction or restraining order may be granted.

IMPORTED WOOL PRODUCTS

Section 8 provides for the exclusion of misbranded wool products from the United States, except products made 20 years prior to such importation, unless stamped, tagged, labeled, or otherwise identified in accordance with the provisions of this act; and all invoices of such wool products are required to set forth the information required under this act and under the act of June 17, 1930.

The section also deals appropriately with falsification of invoices, or failure to furnish the required information, or perjury in the consignee's declaration, and such persons may be prohibited from importing any wool products, except upon filing, with the Secretary of the Treasury, bond in double the sum of the value of the products and duty thereon. A verified statement from the manufacturer or producer of the products showing their fiber content may be required by the Secretary of the Treasury.

GUARANTY

Section 9 relates to guaranty, a subject to which much consideration was given. The section provides that no person shall be guilty under section 3 (misbranding) if he establishes a guaranty received in good faith, signed by the manufacturer or person from whom the wool product was received.

The guaranty may be either a separate guaranty specifically designating the wool product guaranteed, or a continuing guaranty may be filed with the Commission applicable to all wool products handled by a guarantor.

CRIMINAL PENALTIES

Section 10 provides that any person who willfully violates section 3, 5, 8, or 9 (b) of the act shall be guilty of a misdemeanor and on conviction subject to a fine of not more than $5,000 or imprisonment of not more than 1 year, or both.

Whenever the Commission has reason to believe a violation exists it shall certify all pertinent facts to the Attorney General for appropriate proceedings.

Section 11 provides that the act shall be in addition to and not in substitution for or limitation of other acts.

Section 12 fixes the effective date as 6 months after the date of passage.

Section 13 is the usual separability clause.

Section 14 exempts carpets, rugs, mats, or upholsteries, as heretofore noted.

STATEMENTS OF ENDORSERS SUPPORTING THE LEGISLATION

The need and the demand for fiber-identification legislation, as well as the history of the movement to secure such legislation, are touched upon in the various group statements made at the hearings. It is considered of value to Members to subjoin excerpts from a few of these statements.

Mrs. Ernest William Howard, department chairman of the legislative committee of the District of Columbia Federation of Women's Clubs (hearings, p. 297):

"I wish to record the support of the District Federation of Women's Clubs for the Martin wool-labeling bill, in accordance with the action, February 17, 1939, of the legislative committee, composed of representatives from 31 individual clubs in the District of Columbia.

"This support is in line with the past declarations of the General Federation of Women's Clubs, with which the District federation is affiliated.

"The general federation, however, did not approve this particular bill, H. R. 944, which is now before you, because the federation does not endorse bills by name nor number because that would be committing the general federation to the support of amendments and changes in the bill. Its policy is to endorse principles of legislation. Thus, it endorsed the principle of fiber identification at the convention at Kansas City in May 1938. Every woman at that convention understood from the discussion that differentiation of virgin wool and reclaimed wool, shoddy, was involved in that resolution. In support of this I quote from the statement made on July 9, 1938, before the House committee holding hearings on the Schwartz-Martin bill, page 103, of Mrs. Roberta Lawson, at that time president of the General Federation of Women's Clubs [reading]:

" 'We women are deeply concerned over knowing the truth about fabric content, whether it be virgin wool or substitutes for virgin wool, and this concern extends to all other fabrics.'

"Furthermore, the delegates to the Kansas City convention came authorized by their individual organizations to vote on this resolution. Every one of the 14,500 affiliated clubs voted on the fiber identification resolution. Every one of the 2,000,000 women received a copy of this resolution for fiber identification and had an opportunity to vote on it in connection with the instructions to the delegates to the Kansas City convention. And the Kansas City convention voted in favor of this resolution by a vote of 106 to 1. Mrs. Ketterer, chairman of the legislative committee of the General Federation of Women's Clubs, has sent me a copy of the resolution, which I wish to insert in the record.

" 'RESOLUTION NO. 9. FIBER IDENTIFICATION

" '*Resolved*, That the General Federation of Women's Clubs in convention assembled, May 1938, commend the Federal Trade Commission for the protection which it has afforded to consumers and urge its continuance of this work until fibers in common use are accurately identified; and be it further

" '*Resolved*, That Congress be urged to supplement the powers of the Federal Trade Commission so that the Commission may extend further protection to the consumer by bringing about fuller informative labeling.' "

Hon. John M. Baer, former Member of Congress, publicity director of the Union Label Trades Department, American Federation of Labor:

"The union label trades department of the American Federation of Labor urges the passage of this measure, as it has supported previous bills aimed at protection of the consumer, especially the provisions that would force disclosure of the reclaimed wool or shoddy content of wool products.

"Our department represents 51 directly affiliated international unions of the American Federation of Labor, with a membership of over 1,000,000. In addition, our department's activities have the loyal support of the 4,500,000 members of the American Federation of Labor. Furthermore, the American Federation of Women's Auxiliaries of Labor, representing 2,000,000 women, is organized under our department" (hearings, pp. 295–296).

Miss Julia K. Jaffray, chairman, Department of Economic Adjustment, New York City Federation of Women's Clubs, Inc.:

"On behalf of the New York City Federation of Women's Clubs, which includes over 200,000 women living in Greater New York and the majority of whom purchase supplies for their households, we submit the following resolution which was adopted at a convention of the federation held at the Hotel Astor, New York City, on February 3, 1939. The resolution is as follows:

" 'Whereas the Schwartz bill which was passed by the United States Senate last June and the Martin bill which is the corresponding House of Representatives bill and which was favorably reported by the committee to which it was referred, have been reintroduced in the present Congress, and,

" 'Whereas these bills provide for the identification of virgin and reclaimed wool and instruct the Federal Trade Commission to require the accurate labeling of all wool products which provisions are in harmony with the principle endorsed by the New York City Federation of Women's Clubs that all fibers in common use must be accurately identified: Therefore be it

" '*Resolved*, That the New York City Federation of Women's Clubs in convention assembled endorses the principles of these bills; and be it further

" '*Resolved*, That copies of this resolution be sent to Senator Harry H. Schwartz and Representative John A. Martin' " (hearings, p. 265).

Mrs. Katharine McFarland Ansley, executive secretary, American Home Economics Association:

"For some 15 years the association has stood for the general principle of fiber identification. To confirm this stand the following resolution was passed at the 1937 annual meeting of the association:

" 'Wheras various agencies are engaged in efforts to secure identification of fibers in fabrics and garments: Therefore, be it

" '*Resolved*, That the American Home Economics Association endorse this movement and that its members lend their assistance in every way possible.

" '*Resolved*, That a copy of this resolution be sent to the Federal Trade Commission' " (hearings, p. 249).

Mr. W. R. Ogg, in charge of the Washington office of the American Farm Bureau Federation:

"The American Farm Bureau Federation is a national organization of farmers, supported by membership dues of farmers, composed of members in State organizations located in 40 of the 48 States. The American Farm Bureau Federation has been advocating legislation such as is now involved in the Schwartz-Martin bill since 1920. I have here a resolution adopted at the annual meeting of the American Farm Bureau Federation in 1920, which resolution is as follows:

" 'We urge the prompt enactment by Congress of a law which will compel garments or fabrics containing shoddy or other substitute for fiber to be plainly marked as such' " (hearings, p. 437).

Mr. Edward A. O'Neal, president, American Farm Bureau Federation, in a lengthy and informative statement (hearings, pp. 496, 497, 499), says:

"For nearly 20 years the American Farm Bureau Federation has consistently urged action by Congress to protect wool growers and consumers against misrepresentation and deception in the sale of woolen goods. In 1920 the annual meeting of the American Farm Bureau Federation adopted the following resolution:

" 'We demand of Congress the prompt enactment of a law which will compel clothing and fabrics containing shoddy or other substitutes for virgin wool to be plainly marked as such.'

"The American Farm Bureau Federation strongly supports the Schwartz-Martin bill and urges its speedy enactment by this Congress. We oppose amendments that will weaken and injure the effectiveness of this measure. We likewise oppose inadequate substitutes such as S. 1496."

Mr. Fred Brenckman, Washington representative of the National Grange:

"For more than 20 years the National Grange has advocated and strongly supported truth-in-fabric legislation which would require woolen manufacturers to disclose the fibers used in their products, including the use of virgin wool and of substitutes including reclaimed wool, or, as it is more generally known, shoddy.

"Records of past hearings on previous bills similar in purpose to H. R. 944 now before this committee show that authorized representatives of the Grange appeared before House and Senate committees as early as 1919, 1920, 1921, and in 1924, and in subsequent years, including 1938. In each instance the National Grange advocated strongly the enactment of this legislation because it believes that once it becomes a law it will result in the same benefits to the consuming public that followed the passage of the Pure Food and Drug Acts, meat-inspection, and other laws, all of which the Grange has actively sponsored and supported" (hearing, p. 157).

Mr. Edward E. Kennedy, representing the National Farmers' Guild:

"I am here representing the National Farmers' Guild. This national organization was formed in February 1939, and is made up of the 10 Farmers' Union State organizations which I have represented here for the past 2½ years.

"I wish to also say, by way of further identification, that for 5 years prior to that I was secretary of the National Farmers' Union and represented that organization here in Washington.

"Mr. Chairman, we have for these many years favored the adoption of wool-labeling legislation, and we are in favor of the passage of Congressman MARTIN'S bill, H. R. 944, not only from the standpoint of our people as producers, but from the standpoint of our people as consumers of wool and woolen products (hearings, p. 447)."

Mr. G. F. Holsinger, president, Virginia Farm Bureau Federation:

"HARRISONBURG, VA., *April 8, 1939*.

"Hon. CLARENCE F. LEA,

"*Chairman, House Interstate and Foreign Commerce Committee, House of Representatives, Washington, D. C.*

"DEAR CONGRESSMAN LEA: I am enclosing you a copy of a resolution passed by the delegate body of the Virginia Farm Bureau Federation at their annual convention in Staunton, Va., on March 17, endorsing the Martin bill (H. R. 944) which is before the House Interstate and Foreign Commerce Committee.

"We hope you will report favorably and the bill will be passed at this session of Congress" (hearing, p. 501).

Mr. J. B. Wilson, legislative representative, National Wool Growers' Association:

"I want at this time to present the resolutions passed by the National Wool Growers' Association at their seventy-fourth annual convention in San Angelo, Tex., on January 26 of this year. This is resolution No. 36 [reading]:

" '36. We urge the prompt enactment of S. 162, introduced by Senator SCHWARTZ, and H. R. 944, introduced by Representative MARTIN, known as the truth-in-fabrics bill.

" 'We especially urge that fabrics containing reworked wool be labeled to show the exact amount of such reworked wool" (hearing, pp. 418–419).

Mr. Francis J. Gorman, president, United Textile Workers of America:

"I have supported the principles of this legislation for 20 years. Our organization first became interested in the problem of truth in fabrics many years ago. It has been part of our legislative program for a long time, and our officers have repeatedly appeared before legislative committees and the Federal Trade Commission in favor of the same" (hearings, pp. 404–405).

MANY MANUFACTURERS FAVOR

The Senate subcommittee hearings on S. 162, companion bill to H. R. 944, lists by name 29 woolen manufacturers as having written letters favorable to wool-labeling legislation in answer to inquiries sent out by the New York City Federation of Women's Clubs. The list does not contain the name of the Forstmann Woolen Co., Passaic, N. J., whose assistant to the president, Mr. Glen Gardiner, testified at length in behalf of the legislation (hearings, pp. 466–481). Mr. Kirt E. Forstmann, executive vice president of the Forstmann Co., testified before the subcommittee in behalf of the wool-labeling bills in the Seventy-fifth Congress (hearings, pp. 108–138), as did Mr. Charles F. H. Johnson, president of the Botany Worsted Mills of New Jersey (hearings, pp. 387–404). These manufacturers recognize that wool labeling will protect their industry against the shoddyists and sweatshoppers.

COST OF ADMINISTRATION

The cost to the Treasury Department is estimated by Mr. John W. Hanes, Acting Secretary, at $55,200 annually. The Federal Trade Commission states that no additional cost will be entailed on that agency.

Mr. LEWIS of Colorado. Mr. Speaker, at this time I reserve the balance of my time, and I yield 5 minutes to the gentleman from Alabama [Mr. PATRICK].

Mr. PATRICK. Mr. Speaker, it is interesting to me to find any opposition to this bill, especially from anybody who comes from any cotton-producing section of the country. Roughly, I suppose every Member knows exactly what the law is about and what it purports to do. It has passed the Senate three or four times—the last time by a vote of more than 2 to 1, if that is any matter of interest to this body.

It might be regarded as an expansion of the Federal Trades Act.

If there is anything that America as a country wants to see established as a national principle, in my opinion, it is that general situation in which dealings can be had man to man, straight, open, and aboveboard. I do not think any legislation has come along that is so plainly a part of such a system of doing business in America since the Pure Food and Drugs Act.

As to the rule, I think there should be no difficulty in adopting it; for the Commission to handle the work made necessary by the bill that is made in order by the rule is already in existence; it is already organized for the carrying on of this very sort of work, the Federal Trade Commission.

The object of the bill which the rule makes in order is simply to label that which goes to the public so that when Mr. and Mrs. America walk into the open market to buy a piece of cloth or a suit of clothes they can know whether it is virgin wool or reworked wool, or what its real wool content is.

The hearings show some appalling things. It is astounding to realize that approximately one out of every three suits of clothes labeled as made of woolen fabric may be made in whole or in part of wool that has been used before and recarded or reworked. If you were to buy an automobile, how would you like to know that every third car on the market was a used car, nothing but an old car run under a good hood and sold as a new one? Only this morning I was talking to officials of the Federal Trade Commission, and learned that in 80 percent of the cases it can be determined precisely whether a fabric has been used before or not, a

very high mark. On the other side of the picture I believe some of the testimony was to the effect that in about 2 percent of the cases used wool, seconds, recarded, refabricated wool was better than virgin wool. Even though this be true, the bill is justified on sentimental grounds, if the other reasons were absent; for Mr. and Mrs. America, when they walk in to buy a piece of fabric or a suit of clothes of virgin wool, should be able to know that they are getting virgin wool.

It is disconcerting that this situation has gone along as far as it has without there being a law in the United States whereby all business dealings of this nature are open and aboveboard, setting up standards and practices so we can know what we are getting in all the embraced commodities. Here is another step in that direction. The bill may not be perfect, but it goes a long way in protecting the public. [Applause.]

How would the young man feel who steps out proudly in a suit represented to him as being made of wool imported from Australia, to know that the suit was made of recarded wool that somebody had worn before?

I regret that time does not permit me to develop further facts along this line.

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, I yield myself 2 minutes.

The SPEAKER pro tempore. The gentleman from Michigan is recognized for 2 minutes.

Mr. MICHENER. Mr. Speaker, this rule makes in order the bill (H. R. 944) commonly known as the truth in fabrics or the virgin-wool bill.

This bill is an old acquaintance of most Members of Congress. Personally I have known of it in Congress for 20 years. Extensive hearings have been held on this bill and its predecessors extending over this long period of time. I believe all Members have a general idea as to what the bill is intended to accomplish. I shall not attempt to explain the details but will leave that to the committee reporting the bill.

I shall support the bill. I doubt, however, whether it will ever render to the farmer or the wool grower the benefit they think they are going to get. The following large national organizations: The National Federation of Women's Clubs, American Federation of Labor, American Farm Bureau Federation, National Grange, National Farmers' Union, National Farmers Guild, National Wool Growers' Association, home economics and consumers' organizations, and the United Textile Workers of America are urging this legislation.

This legislation, while strongly endorsed by wool and stock growers and farm organizations generally, is not simply or even mainly to benefit the wool industry, but to protect the 90 percent of the American people who must, as the hearings disclose, purchase garment suits at a cost of $25 or less. The legislation is not needed for people who can pay $75 or $100 for a suit of clothes. It is the workingman, the farmer, the millions of clerks and office workers, and the great miscellany of employment in the lower income brackets who need protection.

The movement originated not with the groups pressing for this legislation, but with unfair and deceptive acts and practices originating in the industry. The legislation is a logical and necessary part of the growing body of legislation to protect the consuming public in the field of food, drugs, meat inspection, honest weights and measures, and only recently by the passage by the House of a seed-labeling act much more drastic than the pending bill.

Mr. Speaker, I reserve the balance of my time and yield 7 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Speaker, this measure, known as the Truth in Fabrics Act or the wool-labeling bill, in my judgment, is legislation that should have been enacted a long time ago. Efforts to obtain the enactment of legislation requiring woolen manufacturers to label their products with a statement of fiber content, have been made for a period of over 30 years. When this legislation was first introduced, it was supported chiefly by the American wool growers, and opposed by woolen manufacturers. At that time, adulteration of wool products was limited in scope. The constantly increasing use in recent years of substitute fibers by the wool industry has occasioned a Nation-wide demand for remedial legislation. This demand is supported by millions of consumers, womens' clubs, civic groups, farm and labor groups, retail merchants; also woolen-garment manufacturers who realize the ethical and economic importance of giving consumers truthful information regarding the products they buy.

I believe there are at least two particular and definite reasons why this bill should pass. First, for the protection of the consumers of this country, and in fairness to the producers who are engaged in the wool industry, as well as to those manufacturers who compete with unfair competition from those who use substitute and inferior products.

There was a time when such legislation may not have been so important. In view of modern inventions and considering all kinds of substitutes which are now being used in the manufacture of textile goods it has become necessary that the people who buy goods purporting to contain wool, have assurance they are getting the quality and kind of goods for which they pay. This measure, mind you, does not prevent any manufacturer, wholesaler or retailer from selling used wool, shoddy wool, or even substitutes of any kind if he chooses to do so. It simply says that if he is going to sell such products he must put it right on the label.

This kind of legislation is not an innovation. We have the Pure Seed Act, and the meat inspection law. We also have the Pure Food and Drug Act, designed to help protect consumers in their selection and purchase of food and drugs by requiring that the content be properly described on the label. It was enacted some years ago. It has been amended within the last 3 or 4 years. There was considerable objection to that measure when it was being considered by Congress, but do you think the people of this country want that law repealed? Not for a minute.

This bill is designed to help protect the consuming public against an abuse that has been going on for many years whereby people are led to believe they are buying woolen merchandise, or merchandise containing pure or virgin wool, when in truth and in fact, in many cases, such goods contain only a small amount, if any, wool at all; and where shoddy and second-hand wool has been worked over and made up into clothing and other products and sold as ordinary woolen material. Right here let me call your attention to a report released by the chairman of our committee, wherein he stated that the evidence before the committee disclosed that about 50 percent of the fiber used by wool-manufacturing industries in this country is other than virgin wool. In other words, one-half of the so-called woolen products is composed of shoddy and second-hand wool.

Let me direct your attention to some rather enlightening information compiled by the United States Tariff Commission covering the period from 1919 to 1935. In 1919, out of a total of 433,000,000 pounds of all fibers consumed in the woolen industry, 264,000,000 pounds consisted of raw or virgin wool; 28,000,000 pounds of animal hair; 17,000,000 pounds of cotton; recovered wool fiber, rags, and clippings, 80,000,000 pounds; and wool waste, 43,000,000 pounds.

Now, here is what happened by 1935: Out of approximately 449,000,000 pounds consumed in the woolen industry, the percentage of raw wool used declined from 61 percent in 1919 to 49 percent. The amount of wool fiber, rags, clippings, and so forth, had increased from 80,000,000 pounds to 111,000,000 pounds. In other words, the evil has grown progressively worse and nothing is being done to check it.

While we are on this subject, I would like to call your attention to some additional figures that I think are quite informative. In the last 6 months of 1938, we imported from foreign countries 574,870 pounds of wool waste. That was bad enough. Then we cut the tariff on wool rags in half and reduced the tariff on wool waste by 40 percent. So that during 1939 the business was found to be so profitable to certain importers in this country that during the last 6 months of 1939 the imports had jumped from a little over a half million pounds to 4,439,255 pounds, with a value of approximately $1,500,000. In the last half of 1939

we imported seven and one-half times as much wool waste and wool rags as in the last half of 1938. In 1939 we imported a total of 8,417,818 pounds, with a value of about $3,000,000. Even in the first 6 months of 1940, in spite of war conditions, we imported 750,000 pounds of this stuff. Is it not about time a situation of this kind should at least be regulated?

I think Mr. Brenckman propounds a rather pointed question in an article in the National Grange Monthly when he asks whether the American people ought to be clothed in European rags and not even know it. He called attention to the phenomenal increase in the amount of discarded woolen rags and products being imported in this country to be processed, made into clothing and sold as woolen products in competition with our own woolen goods. In view of this situation the American consumer is certainly entitled to the protection that is afforded under the terms of this bill.

But that is not the whole story. Through inventive genius manufacturing concerns have been able to produce goods in competition with woolen articles, inferior in quality, but not discernible to the average individual. Let me say again that I am not objecting to the manufacture or sale of such goods, but when sold in competition with woolen goods, then the consumer has a right to know whether or not he is actually buying goods that contain wool, and if so, the amount and kind.

This measure is supported not only by the wool industry of this country; it has the endorsement of all other farm organizations, including the National Grange, American Farm Bureau Federation, National Cooperative Council, National Farmers' Guild, as well as the American Federation of Labor, and the Union Labels Trade Department, together with the United Textile Workers of America, that are also part of the American Federation of Labor. In addition, this legislation has the active support of the Federation of Women's Clubs and a large number of other women's organizations and consumers' groups. Many responsible manufacturers, interested in truthful labeling, are also endorsing this bill. High-class retail merchandisers favor this legislation. I should state right here that retailers, in many cases, are the victims of irresponsible wholesalers, and they, too, are entitled to this protection.

Mr. Speaker, I am informed that opponents of this measure call attention to the difficulties of enforcing it, because they say it will be difficult to determine the presence of shoddy goods in a mixture of new wool. This is all the more reason why the law should be passed. Furthermore, I am informed that laboratory technicians have developed methods whereby the percentage of shoddy can be determined in woolen goods.

People who are probably more victimized than any other class are those who can least afford to pay their hard-earned money for fictitious values. Lower-income groups who, for the most part, are purchasers of shoddy mixtures, stand, I think, to benefit most by a labeling law which will to some extent get rid of a lot of misrepresentation that has been a blot on the textile and garment industry for many years.

CALL OF THE HOUSE

Mr. BOREN. Mr. Speaker, I think the gentleman is entitled to be heard and I raise the point of order that there is not a quorum present to hear the gentleman.

The SPEAKER pro tempore. Obviously there is not a quorum present.

Mr. LEWIS of Colorado. 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. 205]

Allen, Pa.	Bates, Mass.	Buckley, N. Y.	Chapman
Andresen, A. H.	Boehne	Bulwinkle	Collins
Andrews	Bolton	Byrne, N. Y.	Connery
Arnold	Bradley, Mich.	Caldwell	Corbett
Ball	Bradley, Pa.	Cannon, Fla.	Costello
Barton, N. Y.	Buck	Celler	Culkin
Cullen	Garrett	Larrabee	Sacks
Darrow	Gifford	Lemke	Satterfield
Delaney	Gore	Luce	Schaefer, Ill.
Dempsey	Guyer, Kans.	McGranery	Schiffler
Dies	Hall, Edwin A.	McLean	Schwert
Dingell	Halleck	McMillan, Clara	Sheridan
Dirksen	Harness	McMillan, John L.	Short
Disney	Hart	Marcantonio	Simpson
Ditter	Harter, Ohio	Martin, Ill.	Smith, Ill.
Douglas	Hartley	Martin, Mass.	Somers, N. Y.
Drewry	Healey	Mason	Starnes, Ala.
Duncan	Hook	Miller	Sullivan
Eaton	Hope	Mitchell	Sweeney
Elliott	Hunter	Murdock, Utah	Terry
Ellis	Jennings	Myers	Thomas, N. J.
Engel	Johnson, Ind.	Nelson	Treadway
Evans	Johnson, Okla.	Norton	Vinson, Ga.
Ferguson	Jones, Tex.	O'Day	Vreeland
Fernandez	Kee	Oliver	Wadsworth
Fish	Keller	Osmers	Wallgren
Flaherty	Kelly	Pfeifer	White, Ohio
Flannagan	Kennedy, Martin	Plumley	Winter
Ford, Miss.	Keogh	Reed, N. Y.	Wolfenden, Pa.
Ford, Thomas F.	Kilburn	Risk	Wood
Fulmer	Lambertson	Rockefeller	

The SPEAKER pro tempore. On this roll call 306 Members have answered to their names. A quorum is present.

On motion of Mr. LEWIS of Colorado, further proceedings under the call were dispensed with.

WOOL FABRICS LABELING

Mr. REES of Kansas. Mr. Speaker, continuing where I left off, do you not think that the large and substantial group of men and women engaged in the great industry of producing wool in this country is entitled to the fair protection afforded under the terms of this legislation? They are willing to meet competition when that competition is fair and square, open, and aboveboard. But they should not be required to meet competition of any individual or group of individuals who sell imitations and substitutes of their own products in the name of the genuine article. In fairness and decency to the great wool-producing industry of this country this measure ought to be enacted into law.

Labor wants this measure. Unfair competition by reason of the importations have been described. Furthermore, dependable merchandise manufactured by organized labor, is sold in unfair competition with shoddy products, made by cheap labor.

Mr. J. R. Mohler, Chief of the Bureau of Animal Industry of the United States Department of Agriculture, testified that his department can determine the presence of reworked wool or shoddy in fabrics and garments, and that the percentage of virgin wool can be pretty closely determined. He also testified they can detect the percentage of rayon or other synthetic fibers.

Not only that, Mr. Speaker, but is it not rather absurd to say that the manufacturer who works up the raw product into clothing and other material, cannot label that merchandise and tell the buyer what is in it? As a matter of fact, many of our responsible clothing manufacturers require this information now. Why not pass that information on to the consumer?

Mr. Speaker, this law is enforceable. To say that it is not, because of technical reasons, is in my judgment without factual foundation. The objectives of this law are right. The provisions for its operation are sound and practical. When any law is fundamentally right in principle, and has for its objective the protection of our people, we should not postpone its enactment because of unfounded arguments that it cannot be enforced. [Applause.]

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH.]

Mr. RICH. Mr. Speaker, when I first came to Congress in 1930 my aim and object was to introduce what has been termed heretofore a "truth in fabrics" act. I want to preface these remarks by stating that I am a woolen manufacturer. I have been in the business all my business life. That is the principal business in which I am interested. I say this because anything I may have to say on this bill does not come about because of the fact that I wish to protect my own particular business in any way. I have been sent here to look after the business of the people of this country and have

tried to do that fearlessly ever since I have been here. I expect to do it on this particular bill.

Mr. WOLVERTON of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from New Jersey.

Mr. WOLVERTON of New Jersey. Is it the intention of the gentleman to make clear that he manufactures virgin wool?

Mr. RICH. We have two plants. In one plant we are now using 100-percent virgin wool. In the other plant we use wool and wool substitutes, which are all-wool products.

Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point the minority views on this bill.

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

There was no objection.

The matter referred to follows:

MINORITY VIEWS TO ACCOMPANY H. R. 944

The undersigned members of the Committee on Interstate and Foreign Commerce of the House of Representatives believe that H. R. 944 should not be recommended to the House, holding that it is unnecessary and undesirable regulatory legislation which cannot possibly achieve its avowed objectives. The folly of the label provisions of this bill are evident. A label on your socks carrying the percentage of each different fiber that goes into it, on your tie, your underwear, your hat; garments such as a suit would require a minimum of 7 labels. All of these labels would start out with the manufacturer and would have to be replaced in turn by every subsequent handler of the product, and the percentages would vary according to the weight of the various materials that were combined into a finished product. The sponsors of the measure would saddle this great burden on the industries to give the ultimate purchaser a label which would be meaningless and misleading. The label does not tell how long the garment will last. It does not tell the abrasion strength, the color fastness, the shrinkage, the tensile strength of the fiber, the length or quality of the fiber, the insulation value of the fabric against heat or cold, the workmanship in the garment, the strength in the weave of the cloth, or any of the many things which would be helpful to a purchaser. Instead, it arbitrarily divides wool fiber into two classes and places a label of apparent superiority on seedy wool, burry wool, dead wool, vat wool, shank wool, tags, etc., which range in price from 3 to 15 cents a pound, which utterly refutes their labeled claim of superiority. At the same time, the bill compels the labeling of slubbing, laps, rovings, thread waste, and card fly wool as reworked (they are all new wool in the process of manufacture) though they are today selling on the market at 10 times the price per pound as the virgin wool previously listed.

The sponsors of this bill maintain that it is designed to cure the manifest evils of misrepresentation which exist in the sale of articles of apparel. These evils are being curbed and gradually cured by the Federal Trade Commission, which is issuing "cease and desist orders" in all cases of misrepresentation brought to its attention. The sponsors of this bill, however, insist that there are other misrepresentation practices with which the Federal Trade Commission is not able to deal. It is obvious that if such further misrepresentation does exist the Federal Trade Commission is fully able to deal with it, since it is specifically given such power. But it is further obvious from a study of the record of the hearings that the sole type of misrepresentation which has been shown to exist is the type with which the Commission is already dealing, namely, the substitution of cotton or rayon fiber for wool or silk without proper disclosure of the fact. The essence of this bill lies in the fact that it attempts to make a distinction between wool fiber which has never been previously processed and fiber which has been subjected to certain manufacturing operations or, in some cases, to a certain amount of service. There can be no question of misrepresentation here, since there is not and cannot be a representation of the extent to which any particular fiber has been subjected to various manufacturing processes. Insofar as any such representation is in part made or implied the Federal Trade Commission is adequately empowered to compel truthful representation.

The question, then, is in no sense one of fraud or misrepresentation but one of possible benefit to the consumer. The alleged benefit to the consumer lies in the attempt to confine the use of the term "wool" to wool fiber which has never before reached the fabric stage, hitherto referred to as "virgin wool." The promulgation of such a distinction in wool products—as distinguished from the fibers from which they are made—immediately gives an undeserved quality status to products made of "wool" (if that term is to be understood to mean "virgin wool") and a connotation of definite inferiority to products made in part of "reprocessed" or "reused" wool. The testimony indicates that the highest priced products are usually made of new wool but likewise indicates quite clearly that many poor products are made of new wool and many superior products are made of reprocessed or reused wool. Were it possible to apply the superior sounding term only to superior products there might be something to be said for the distinction, but the bill proposes the application of the term "wool" or "virgin wool" not only to quality fabrics and other quality products but also to very inferior fabrics which happen to be made of new wool no matter how inferior or unsuitable that wool may be or how carelessly or improperly it may be processed.

It is obvious from the testimony presented that propaganda which the proponents of the bill admit they have disseminated has already influenced consumers to such an extent that [if this bill is enacted into law] we can expect that those consumers will be victimized by poorly constructed and carelessly processed materials made from new wool of an inferior grade which, however, could technically qualify as entitled to use a label supposedly indicating quality. Certainly the Government should not be a party to establishing a quality distinction between wool fibers unless the distinction is of such a nature that those products enjoying the quality designation are in reality quality products. In this connection it is a matter of prime importance to appreciate that not only is there no absolute relation between the newness of a wool fiber and its quality but the bill does not propose to apply the distinction to such fibers but to fabrics manufactured therefrom. Even if all new fibers were always superior to all reprocessed or reused fibers the same relationship would not of necessity hold as to fabrics made from both types. Both proponents and opponents have testified that the processes of manufacture are of greater import in the determination of fabric quality than is the selection of the raw material. The raw material is naturally of substantial import, but to imply that it is the sole element in determining quality as is done by this bill is deception of the very type the Federal Trade Commission is seeking diligently to prevent.

Thus the bill not only does not prevent the only type of misrepresentation which various witnesses have alleged to exist, but the bill actually provides Government sanction of a more subtle and misleading type of misrepresentation by giving a quality designation to products which do not of necessity merit such a quality rating.

This conclusion seems inescapable from an unbiased reading of the record. Nevertheless, even if it could be shown that there were valid arguments for making a distinction between new wool, reprocessed wool, and reused wool, there are compelling arguments against the passage of this bill.

Foremost among these is the fact that there is no physical or chemical test by which the newness of fibers can be ascertained after they have been processed and intermingled in a fabric. No expert could analyze within reasonable limits the wool-fiber content of finished wool-textile fabrics. If there is no discernible physical or chemical difference between a new and a remanufactured fiber in a fabric, there can be no possible advantage to the consumer in stating the percentage of either which may be present.

The second administrative objection to the bill lies in the impossibility of enforcement except by the establishment of a policing and enforcement agency of burdensome proportions. Since analysis of products would not indicate compliance or lack of it, there could be no enforcement except through a comprehensive supervision of records. There are some 400 wool-textile mills and perhaps 400 additional establishments classified as cotton mills, hosiery, underwear, upholstery manufacturers, etc., who use wool fiber. This, however, is only a beginning since the product of these mills goes to thousands of manufacturers who make the articles into which these wool products go. These again are distributed through hundreds of thousands of separate retail establishments. To check and follow the multitudinous products of these hundreds of mills through these outlets would be an undertaking of the first magnitude requiring a field force which would certainly aggregate several thousands. Not even the exaggerated benefits claimed by the most ardent supporters of this bill would justify the creation of such a body of inspectors and investigators. This bill would in fact encourage the "bootlegging" of inferior fibers.

Another administrative difficulty lies in the fact that we would have no control over imported cloth and could not check the accuracy of the representations made by the manufacturers of imported cloth. The records of foreign manufacturers are not available to our agents, and it is obvious that foreign manufacturers, secure in the knowledge that their misrepresentations could not be detected, would claim that all their products were entitled to be labeled as composed exclusively of new wool. This would result in unfair and destructive competition for our own manufacturers if enforcement here were attempted on a scale which constituted a threat to a nonconforming domestic manufacturer or would force our own manufacturers to misrepresent in order to meet the importer on his own ground if enforcement proved to be the farce which we believe it would soon become. It is most unfair to place American manufacturers in a position where they must either cheat or see their own markets won by foreign manufacturers who are not obliged to observe the same standards.

The wool growers apparently desire this legislation because of their sincere belief that it would raise the price of wool and will thus add to their income. We are convinced this hope would not be realized if this bill were enacted, but that the public would be required to pay more for their clothing or rather compelled to buy less clothing because the quantity of wool bought depends on the consumer's ability to buy. If a man now buys a $20 suit because that is what he can afford to pay, you cannot legislate him into buying $30 suits.

This bill would be injurious to the cotton producer because 100,000,000 pounds of lint cotton is used annually in the manufacturing of mixed fabrics. This bill would lose that market to the cotton farmer.

We cannot conscientiously recommend the disruption of large and important industries, the arbitrary destruction of employers, the consequent unemployment of labor, and the harmful misleading of consumers on the doubtful chance that the price of wool might fractionally increase thereby.

Mr. RICH. Mr. Speaker, I believe that the minority views as expressed on this particular bill express my views about as well or probably better than if I tried to express them myself. But let us get down to the real meat of the coconut.

What is the object of this legislation? Is it to try to let the American people know the difference between virgin wool and reworked wool? Is that all this bill implies? Is that the principal motive? If it is, then we are shortsighted in what we are trying to do in this legislation. We should amend the bill to give all the material contained in the fabric.

As I said before, I tried to work out a bill of this nature, and spent at least 3 months, working day and night, trying to find a way to determine so that the public would know, when a piece of fabric was manufactured, just exactly what was in that piece of cloth. That was my object. My object was to try to let the American people know what was the best kind of fabric for them to buy, so that when they bought an article they would get one that would give them the greatest warmth, because it contained wool, and, because of its long-wearing qualities, and its heat-contained properties, a fabric that would have real quality and merit for the consumer. This was the thought I had in mind in trying to write such a bill. But what did I find? I found the complications in drawing such a bill so perplexing, and the bill so difficult of administration, that I had to give it up in despair. It was not practical nor feasible. I went back over the records of bills that had been introduced in years gone by in Congress and reports that had been filed here 20, 30, and 40 years back on similar legislation that was proposed to the Congress. They gave up in despair.

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

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

Mr. SOUTH. It is a fact, however, that many of the leading woolen manufacturers of the country, including Botany, Forstmann, and dozens of others, are for this particular bill.

Mr. RICH. There are a few worsted manufacturers for a labeling bill, and I do not know whether they are for this particular bill or not; but let me tell you about the woolen manufacturing business. We have the worsted business: Anyone who manufactures worsted has to use the virgin wool to get the roving in order that they may manufacture the worsted fabric. They have to take virgin wool. There is going to be an advantage to the worsted manufacturers over the woolen manufacturers in this particular bill, and if it is going to be for the benefit of the American public, then I would want to see the bill passed. It will be hard to administer and may take an army to police, and it probably will give advantage to foreign manufacturers. [Applause.]

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Speaker, first, I wish to say that I am very much in favor of the adoption of this rule. If we succeed in adopting the rule and getting a decent bill ready for passage, I will be glad to support the bill. I hesitate to say I will support this bill because the rule is wide open, and with the division that exists here today, geographically and as between consumers and processors, and with some 10 members of the committee, both Republicans and Democrats, having signed a minority report, and with the principle involved in this bill having been more or less before the Congress for some 15 or 20 years, I have no idea what kind of amendments will be offered to the bill for the specific purpose of destroying it. Therefore I hesitate to say that I will vote for the bill, as it may be amended, when I do not know what amendments will be adopted.

There is plenty of evidence to show that there are great forces here today which will oppose the adoption of the rule and the passage of the bill. I can see that. I can see that many roll calls will be called for, perhaps.

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

Mr. CRAWFORD. I yield to the gentleman from Pennsylvania.

Mr. RICH. I asked for one roll call, but I did so because there were only 30, 40, or 50 Members of the House here. This is important legislation and I want the Members here. I did not do it because I am going to vote against this bill, because the gentleman does not know how I am going to vote.

Mr. CRAWFORD. I certainly said nothing about how the gentleman is going to vote.

Mr. RICH. I have not talked to any Members about how I am going to vote. I am going to do what I think is right when the time comes.

Mr. CRAWFORD. I certainly said nothing about how the gentleman is going to vote, and I am sure he will use his own good judgment, as he always does.

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

Mr. CRAWFORD. The gentleman from Oklahoma, I know, is very much opposed to the bill because I have been studying very meticulously the hearings which were made available to us many months ago, and in the hearings you will find some very, very fine educational matter, and you will also find out from the gentleman from Oklahoma just how he stands on the bill.

I do not disagree with the gentleman having the right to stand on the bill any way he pleases, so long as I can assert my right to state my position on the bill. However, there is a little document here that is an education on this problem. I have had it on my desk for months, not studying it all the time, but from day to day or week to week I read this book and find something new every time I read it, because this bill has to do with the technique of manufacturing and placing goods on the market for the consumer, and in every case to the advantage of the primary producer or the advantage of the processor or the advantage of the consumer. I suggest that you keep these hearings and study them as consumers or as primary producers of wool or processors of wool or cotton or rayon or other types of goods, because the information contained in these hearings is to me thrilling. It shows further romance in American industry.

I hope this bill will remain substantially in its present form, and I hope the rule will be adopted and that in due course we will pass this bill in the form here presented and that it will become the law of the land. [Applause.]

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

Mr. LEWIS of Colorado. Mr. Speaker, I yield 6 minutes to the gentleman from Oklahoma [Mr. BOREN].

Mr. BOREN. Mr. Speaker, let me say at the outset that I am determined that this bill will not go through without some consideration by the House. There is only one reason that this bill will ever be enacted, if it is enacted, and that is because there is a lack of understanding and a dearth of information about it.

Let me give you, in brief, the history of this bill. You have heard already that it has been in Congress some 20 years with a lot of strong-arm pressure behind it. I am sure there is not anyone on this floor but what recalls vividly the reprehensible lobbying tactics that have been used on this bill for the last 10 or 12 months, women at every door of the House buttonholing most of the Members of the Congress as they left here.

I want to say to you that this bill was carefully considered for a long time by a subcommittee of seven Members, and when it was reported from that subcommittee it was reported by a 1-vote majority. The bill then was reported by the Committee on Interstate and Foreign Commerce of 25 members, with 2 members absent, and a vote of 11 against the bill and 12 for it.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. BOREN. I have not time to yield.

There is a great deal of misapprehension on the part of those who speak here. The gentleman from Kansas [Mr. REES], for whose judgment I have the greatest respect and admiration, has fallen into the misapprehension of calling

this a bill to prevent misrepresentation of fibers. This is not a bill about truth in fabrics. This bill is about wool, and wool only, and any other fiber substituted for wool could not come under the classifications of this bill.

Mr. SOUTH. The gentleman does not want to make an incorrect statement?

Mr. BOREN. Mr. Speaker, I hope I can proceed without interruption and that these interruptions will not be taken out of my time. The gentleman knows very well that I refer to the fundamental issue, the one issue in this bill—virginity in wool.

Mr. SOUTH. Mr. Speaker, will the gentleman yield for a correction?

Mr. BOREN. The truth of the matter is that the present law says that if anybody puts a label on goods it must tell the truth. This bill is to force people to put a label on goods that would be misleading to the consumer. They want to force on the retailer a label that he does not want to put on there because it does not tell the full truth about his goods, and because it would not be practicable to tell the whole story on a label.

I intend to talk but 1 more minute here. I am going to illustrate to you pointedly the real facts of this bill. This little chart that I hold, divides all woolens into two groups. The prices marked on these woolens are the current prices on the market. This bill divides all woolen goods perpendicularly and says that all wool over here [indicating] is to be labeled virgin wool and all wool over here [indicating] is to be labeled wool waste.

CHART No. 1.—*Comparative values*

"Virgin" wool	Current price	Wool "wastes"
	$1.00	Slubbing.
Top sort	.90	Broken laps.
	.85	Rovings.
Stained wool	.80	
Grey wool	.75	Ring wastes.
Paint wool	.70	Thread waste.
Britch	.60	Noils.
Seedy wool	.50	
Dead wool	.50	
	.45	Sweepings.
Shearlings	.40	Card waste or card fly.
Burry wool	.35	
Vat wool	.30	
	.25-.50	New rags.
	.20	Burr and brush wastes.
Tanner's wool	.15	
Shank wool	.07	Flocks.
	.07-.20	Card strips.
Tags	.05	
	.05-.25	Old rags.

Based, June 25, 1940, on 64s/70s; clean value, 90 cents top sort.

We know that the word "virgin" is wanted by these manufacturers, because it is supposed to connote something that is worth while. Well, no doubt, virginity does connote something of value some places, but if the definition of virginity in wool is to be made by this bill, I want you to have a look at it.

Under this bill slubbing is defined as a wool waste. It has never been in a garment, it has never been worn by anybody and it has never got any further than the early stage of wool manufacture.

And so on down the line. But notice that tags and shank wool, burry wool, and seedy wool, the poorest grades of dirty, filthy wool that can be gathered together, under this label, will be "virgin" wool and will carry a connotation of value to the consumer. This bill is not a bill for truth in fabrics. It is only represented as a bill for truth in woolens, but this chart vividly points out the real facts, that it is not even a half truth in relation to woolen, and at that a misleading half truth. If you pass this bill you will make the retailer put a label on his goods which will tell a lie to the consumer about the value of the goods.

I would not object to a bill of this character at all if it divided woolen goods into classifications that would be just to the consumer. Instead of dividing this line perpendicularly, as it does, if it would divide it horizontally, so that burry wool and seedy wool and tag wool should not be sold to the consumer as something of value, then you would find me up here working for the bill instead of against it.

This is the greatest monstrosity that has been presented to this Congress in the time I have been here. This is a highly technical matter. Nobody can fully go into this thing and understand the difference between these things unless they study it thoroughly and deliberately. Yet it is brought in here to be pushed over because of indifference and lassitude.

Just one other statement. The American Bureau of Standards testified before our committee that once this material was in a garment it would be absolutely impossible to tell whether the wool would be virgin wool or wool waste. Later speakers will testify that somebody from the Department of Agriculture said it could be told, but I leave you the choice. You choose between a man from the Department of Agriculture, who, when I asked him if he would stake his reputation on that statement, broke down, begged to be excused, and refused to answer my question, or whether you will go along with the scientific Bureau of Standards and admit what they say is true, that you cannot tell the difference when it is in a garment.

One hundred and thirty million consumers will be cheated, robbed, lied to, and mislead by this if you let it pass. [Applause.]

[Here the gavel fell.]

Mr. LEWIS of Colorado. Mr. Speaker, I yield 5 minutes to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Speaker, we have heard a lot of conversation about sheep growers on this bill, but I believe we ought to give some little thought to the man who will be the goat. That is going to be the American retailer.

Retailing has been my business for 10 years. I know nothing of law, but I do know retailing. I want to say that the full brunt of this bill will be placed on the back of the overloaded retailer today.

I am surprised today at the gentlemen on the other side of the aisle who I have heard talk for 18 months against Federal regimentation, insisting against the Government reaching its long arm into everybody's business and then get up here and advocate a bill like this, that would reach the long arm of the Federal marshal into every corner grocery store. It would reach into every clothing and department store of this land.

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

Mr. MONRONEY. Yes; I yield.

Mr. MICHENER. The gentleman refers to the gentlemen over here, to the Republicans. Does he realize that this is a Democratic bill, introduced by a Democrat, in charge of a Democrat on the floor, brought up by a Democratic committee? If it is good or bad, why bring any politics into it?

Mr. MONRONEY. I am going by the number of men who have spoken in favor of the bill on the other side of the aisle. I say this is regulation of the worst kind.

Mr. SOUTH. Will the gentleman yield?

Mr. MONRONEY. I am sorry I do not have time to yield to the gentleman from Texas, whose great ability and personal charm has done so much to advance this bill. Without him it would not even be considered by the committee. [Laughter and applause.]

Now, I am a retailer. I am used to buying merchandise for years from a certain factory, relying on their integrity and on my experience with that merchandise that it is good merchandise. But now we come along with a Wool Labeling Act. So I go to some man with a hole-in-the-wall establishment and I buy a large quantity of merchandise from this man. It comes to me with the guaranty graciously provided in the bill. Then, lo and behold, they find that this man is a chiseler. What happens? My store is raided and I am subjected to publicity that will drive me out of the retail business. That is the actual fact. That is what you will find when this bill gets into actual working practice back home.

Mr. SOUTH. Will the gentleman yield now?

Mr. MONRONEY. I am sorry. I only have 5 minutes.

I want to say that this bill is not supported by the retail federation, comprising 250,000 members. They offered some suggestions in an effort to make the bill less objectionable, but I tell you now that every retailer in this country would like to be relieved of the dangers that this bill will entail.

One point I would like to drive home especially, nothing in this bill provides for the hundreds of millions of dollars' worth of woolen stocks now on the shelves of the retailers of this country.

Do you realize what that will mean when this law is passed? Every bit of this million dollars' worth of woolens immediately becomes obsolete. These men will have to sell it at a markdown of at least 50 percent. Why? Because we wanted to help a small group of wool raisers increase the price of their product.

Remember this, too; pass this bill and it establishes wool in preference to cotton, for we put on wool the hallmark of character, the word "sterling." When we do that what will happen? You now buy a pair of lisle socks that may contain 10 percent wool and 90 percent cotton, but once this wool labeling law is placed into effect you immediately place a preference on wool. The public will be urged to buy woolens of increasing wool content at the prejudice of cotton.

Then, too, in the matter of palm-beach suits which today contain perhaps only 10 percent wool. The public buys them because the public knows that a palm-beach suit is a cotton suit. The buyer cares nothing about the wool content. But wait until you pass this bill, then you will find on the label "This garment contains 10-percent wool." The clever salesman will say, "Let me show you a light tropical-worsted suit, that contains 100-percent wool. Which do you prefer, one that contains only 10-percent wool, or one that contains 100-percent wool?" And the public will wind up buying the 100-percent tropical worsted, where they had originally wanted cotton.

How any Member from the cotton-growing South can vote to give this preference to wool over the product that means so much to their section of the country is beyond my comprehension. How they can vote for this proposition, I do not know. [Applause.]

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, I yield such time as he may desire to the gentleman from Minnesota [Mr. PITTENGER].

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to extend and revise my remarks and to include therein excerpts from the hearings on this measure.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. PITTENGER. Mr. Speaker, I hope this legislation is adopted. The consuming public has had no more important issue before the Congress in the last 20 or 25 years than this measure made in order by this rule. I want to see the rule adopted.

I take exception to some of the remarks that have been made in reference to the merits of the measure. Let us adopt the rule and discuss the bill this afternoon.

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

Mr. PITTENGER. I yield.

Mr. SOUTH. While our eloquent friend from Oklahoma expressed surprise that any southerner would be for this bill is it not a fact that the bill passed the Senate by a vote of 48 to 23, and that his own Senator LEE voted for it?

Mr. PITTENGER. I thank the gentleman for his contribution.

Mr. Speaker, the passage of this legislation will enable people who buy cloth and other woolen products to know just what they are getting for their money. It requires that the woolen products be labeled.

If this legislation is adopted everyone engaged in the manufacture of garments will have to indicate on the finished products just what goes into those various articles of clothing. This bill is in the interests of labor and of the farmer and the clerks and office workers and of everyone who has to pay the price when it comes to the purchase of clothing for the family.

I am glad to know that a former Member of Congress, John M. Baer, publicity director of the Union Label Trades Department of the American Federation of Labor, appeared before the committee and urged passage of this legislation.

We have known Mr. Baer for many years and his outstanding work in favor of the labor people is well known. In testifying before the committee, he says:

> The union-label trades department of the American Federation of Labor urges the passage of this measure, as it has supported previous bills aimed at protection of the consumer, especially the provisions that would force disclosure of the reclaimed wool or shoddy content of wool products.
>
> Our department represents 51 directly affiliated international unions of the American Federation of Labor with a membership of over 1,000,000. In addition, our department's activities have the loyal support of the 4,500,000 members of the American Federation of Labor. Furthermore, the American Federation of Women's Auxiliaries of Labor, representing 2,000,000 women, is organized under our department (hearings, pp. 295–296).

Many other prominent people also testified before the committee and pointed out that this bill was intended to protect the consumer and indicated the favorable attitude of their various organizations in support of this measure. The long-delayed action on this measure and other similar measures in past years ought to come to an end, and I believe that the House will adopt this rule and pass this measure by an overwhelming vote.

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Speaker, my good friend, the gentlemen from Oklahoma, said that the proponents of this bill come from the Republican side. The minority report contains the signatures of 10 opponents of the bill, 5 of whom are from the Republican side of the House, my name among them.

I have no wool manufacturers in my district. I have a few people who might raise some sheep in the mountains, but I do have a great many consumers of woolen products in my district, something like 400,000, in whom I am greatly interested in spite of the lobbies to the contrary, and the lobbies are extremely strong on this bill. I do not know where this lobby originated but I have been told that one manufacturer has spent something like $1,000,000 to lobby the bill through for his own benefit.

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

Mr. HINSHAW. I must decline to yield, as I have only a few minutes.

I understand that other people have been paid large sums of money to lobby in favor of this bill.

For the protection of my own consumers I have to be against it after an examination of its terms. If this bill were to provide for the labeling of a garment differentiating between the fiber content, as between wool, cotton, rayon, or any loading that might be present in the fibers, I would favor the bill, but as it is, it differentiates between certain kinds of wool. I would be glad to be able to differentiate between those grades myself, but here is what Mr. Emley, Chief of the Division of Organic and Fibrous Materials, of the National Bureau of Standards, has to say about it. Now, listen to this. In response to a question by the gentleman from Texas [Mr. SOUTH], Mr. Emley said:

> When the Bureau of Standards is called upon to forward a report as to whether or not we can determine the content of reclaimed wool, we just cannot give any report, because we cannot tell.

Let me point out to you that new wool sells from a few cents a pound up to perhaps 90 cents a pound. Reworked wool, reprocessed wool, sells from a few cents a pound to as high as 90 cents and in one case a dollar. Can you tell the real utility value of the wool when it is marked as new wool or reprocessed wool? Certainly not.

You simply cannot do it. Will anybody tell me that new wool valued at 10 cents a pound, when worked into cloth, is equal in value, in abrasive strength, color fastness, wear or

anything else, with a reprocessed wool valued at 60 cents a pound? It is ridiculous. It would be a fraud upon the American public to so make them think that just because a product is labeled "wool" it has a higher value than if it was labeled "reprocessed wool" or "reused wool."

Mr. Speaker, I do not need to protect the intelligentsia of my district in this matter. They are able to protect themselves from their own knowledge of the fabrics, and their ability to pay high prices and buy from the most responsible merchants. I am interested in protecting the poor people who do not understand these terms, who do not know the value of the wool that goes into manufacture and do not have the money to pay fancy prices for their clothes. I could go on and read testimony that was given to the committee, but it is all contained in the hearings which were printed in March of 1939. They are available for you to study. Let us not work any fraud on the American public by putting into this bill a differentiation in terms which would indicate to the public that a real differentiation in value existed when that differentiation in value may not be there. As I said before, if this thing would really define wool and leave it up to the people who sold the goods in the stores, to the people who manufacture the goods into clothing or whatever it may be, on their responsibility to tell the public that this is a good product, then I think it would be safe for the public. As it is, it is going to give every cheap shyster gyp artist in the United States a chance to cheat the American people. There is no possibility of anybody telling within 15 percent after final analysis and wear of the product as to whether or not it contains a certain percentage of this or a certain percentage of that kind of wool.

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, I yield the remainder of our time to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, the opposition to this bill is hard-pressed and confused. Most of the arguments advanced by one speaker destroy the arguments advanced by another. Indeed, in the report by a minority of the committee, most of the objections raised are entirely answered by other arguments in the same statement.

The first argument set forth is that the label proposed will not tell everything that can be told about clothing. It will not tell the tensile strength of the fabric, they say, the length of the fiber, the workmanship that goes into the garment, or a lot of things. If it did they would then argue that it tells too much. They already complain there is too much labeling. Now, this bill does not purport to tack an encyclopedia on every piece of fabric. It does not purport to tell what the man who buys a suit should wear when he eats breakfast. It only purports to say that when the label says, "This is all wool," it is all wool. It simply requires that when you say, "This is all wool and a yard wide" you mean what you say.

The second argument advanced is that the evils of false labeling are being curbed and gradually cured by the Federal Trade Commission. If that were so the Federal Trade Commission itself would not be on record in favor of the passage of the bill and the Federal Trade Commission did testify in favor of the bill. It testified that something like this was needed to put teeth into their recommendations to the trade.

The third objection claimed is that it is practically impossible to test the accuracy of a label. I wish these gentlemen might have been with me when recently I had the privilege of going through the testing laboratories in the Army clothing depot over at Philadelphia. The question had come up during our hearings on appropriations for clothing and equipage in the Army appropriation bill as to whether or not the Army actually could tell when it was getting real wool in its blankets and in its uniforms. One member of the committee wondered if the Army did not get cheated. But we were told by General Gregory that the Army could tell. I was in Philadelphia not so long ago and I took occasion to spend a couple of hours in the great clothing depot up there. I went into the laboratories and I saw the men making their tests. They showed me the results when they took a piece of true wool and when they took a piece of fabric that carried shoddy and other fillers, and they told me the kind of tests they made. Any man here could see the difference in color, feel the difference in weight, and sense the difference in quality after he saw the effect of the tests applied. Vegetable fibers would disappear when certain acids were applied. Shoddy goods would break under tests of tensile strength.

This argument that tests are ineffective is ridiculous. If it were true that you could not tell by making these tests, why should you object to the passage of the legislation? If the thing was not going to be effective, if it was not going to accomplish anything, why should you object? The fact is that laboratory tests can check the accuracy of the labels, and check tests are all that is needed to police the trade.

A related argument advanced is that the bill would require an army of inspectors and send United States deputy marshals into every store in the country is nonsense. When you have a law against murder, it does not mean that you suspect every man, and investigate to see whether or not he is going to commit a murder. Just because we have some counterfeiting does not mean a law against counterfeiting requires you to subject every dollar bill to a test to determine whether it is a counterfeit bill or not. The value of laws against these things is when you have a violation you have an effective method of dealing with the situation, and that is why we ask for the passage of this legislation. You will not have to check every piece of goods, but when you do check and find misrepresentation you will have the weapon to punish the fraud.

The final argument advanced in the statement against this bill is that it would raise the cost of the goods and would do nothing for the wool grower because the consumer would be unable to buy woolen goods. That argument is destroyed by the argument that appears directly above it where it is contended that the bill would be injurious to the cotton producer because instead of buying goods containing some cotton, the consumer would demand all woolen goods. In the same paragraph, it is also contended that the consumer buys according to his means. Well, if he can only buy mixed goods, what harm is done? Indeed, is not good done by giving this innocent purchaser the guarantee that the label on the goods tells the truth? This bill does not make it a crime to use mixed materials; it only requires that the truth be told about them and provides penalties for lying. The practical effect of all these arguments advanced against the bill is that one destroys the other.

The bill will hurt some place and it will hurt in the spot it should hurt—the pocketbook of the chiseler who has paraded in sheep's clothing. It will help where it should help by giving protection to the consumer who cannot protect himself.

A great deal is being said about national defense these days. Probably you will remember the shoddy scandal during the war. In his Memoirs, volume I, page 316, General Pershing writes:

> Much of the clothing that we received for our troops was reported to be shoddy. I saw numbers of our men wearing uniforms which were light and thin and which, of course, offered insufficient protection. The lack of clothing had been met in part by purchases from the British. Our troops did not take kindly to the idea of wearing the uniform of another nation, and it was with considerable protest and chagrin that they did so.

I hope that will not happen again. [Applause.]

[Here the gavel fell.]

Mr. LEWIS of Colorado. Mr. Speaker, I yield 6 minutes to the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Speaker, I hope not to cover any ground that has already been gone over. This proposed legislation is far more important than its effect upon the articles with which it is dealing. In my examination of the development of governmental policies, I have become thoroughly convinced that many of the things—many of the dangerous, extreme things—which government has to do are due to the fact that government has not done the relatively few things which government ought to do when it

ought to do them, and which only a government can do. You examine that. From time immemorial, until the last 75 or 100 years, it has been recognized as the business of government to establish and supervise the market place, to create the possibilities of honest contact commercially, to give the little man the same opportunity of trade contact with the market which the big man has. When that custom was established the community was the industrial organization and the individual was the industrial unit. Local production accommodated itself to local demand, and local demand in the main had to be satisfied with local production. Now the field of production and the field of consumption have moved so far apart under the influence of cheap and rapid transportation that it is impossible for the small manufacturer to reach the general market. He does not have the money to advertise in the general market. He cannot support a selling organization that can span the distance between seller and buyer. Buyers in the general market cannot know of his honesty or the quality of his goods, if, in fact, of good quality, or the bad quality of his competitor's goods, if of bad quality. What we need if we are going to preserve a democracy of opportunity in America is to have an intermediary agency of inspection and supervision that will give to those who have never seen the commodity even confidence in buying that which they have not seen or cannot judge of if they have seen it. In order to do that, there must be an intermediary agency of supervision.

Whether or not this is a perfect bill, it is a bill in the right direction. It is an important thing, if we are going to preserve a democracy of opportunity, that government apply to modern conditions the philosophy of the open market place in the day when the community was the industrial organization, the individual the commercial unit, and people had an opportunity to know the character of the producer and the quality of his product. This bill proposes to go as far as legislative ingenuity is now able to go in seeing to it that the manufacturer, who alone can know, may advise the purchasing public of what goes into his materials that he sells. What is wrong about that?

One of my distinguished friends wants to protect the poor people by denying them information which poor people cannot possibly have.

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

Mr. SUMNERS of Texas. I yield to the gentleman from South Dakota.

Mr. MUNDT. May I say I am very happy that the distinguished gentleman from Texas is supporting this bill. I have been an admirer of the gentleman for a long time and would value his support.

Following the line of argument that has been developed, is this not simply giving to the poor people of America, who have to depend upon a family budget and get the most they can possibly get for their dollar, the same protection when they buy fabrics that the purchaser of foodstuffs has had for 40 or more years under the Pure Food and Drug Act?

Mr. SUMNERS of Texas. The business of government is to begin at the limit of what human beings can do, and if government would do those few things, government would not be now messing in a whole lot of things that private people can do.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield? The gentleman referred to me a moment ago.

Mr. SUMNERS of Texas. I yield to the gentleman from California.

Mr. HINSHAW. If this bill merely distinguished between the fibers I would be for it, but when you distinguish between the different kinds of wool that is a very difficult thing to decide.

Mr. SUMNERS of Texas. At the moment we are discussing whether or not we shall vote for a rule that will bring this whole subject matter before the House for consideration. If the gentleman has some bright notions that would help the bill he can offer them by proper amendment. [Applause.] The sole question we are now about to vote on is, Will the House of Representatives take under consideration making the best provision it can to protect the general public against some smart guy's slipping something into the cloth which the man who wears it does not know about, and which, if he did know about it, he would not buy, and selling that cloth in competition with the honest man—if that is the test of honesty—who puts 100 percent real wool in his cloth? I say there is no higher duty that government owes than to protect the merchant, the manufacturer, and the people against unfair competition. It is unfair competition to put into a commodity cheaper commodities which the people who buy can know nothing about.

I do not want to take up any more time. That is all there is to it.

Mr. LEWIS of Colorado. Mr. Speaker, I yield the gentleman from Texas 1 additional minute.

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

Mr. SUMNERS of Texas. I yield to the gentleman from Pennsylvania.

Mr. RICH. Does not the gentleman believe that if you are trying to give the people the information they ought to have with regard to the quality of the product that is being manufactured you ought to stipulate not only the amount of wool and the reworked content, but the amount of cotton, rayon, celanese, and silks that go into that product, if you are going to give them an honest evaluation of what they are getting?

Mr. BROWN of Ohio rose.

Mr. RICH. Let him answer that.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. No; I want to answer the question, and I have just a minute. This is my answer. In this bill they have undertaken to do a definite, specific thing. Because this bill does not cover the whole field is no reason this bill is not a good one. The chances are that this bill will not work as the author hopes it will. It is only by trial, only by experiment, that we can ascertain. What I am insisting upon in this closing sentence is that this is a field into which Government must go if we are to preserve honesty in commerce and democracy of commercial opportunity. If Government will do this, then it will not have to be doing these hundreds of other things it is doing and messing with everybody's business. [Applause.]

[Here the gavel fell.]

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent that in the consideration of the bill, H. R. 944, it shall be in order to consider the substitute committee amendment recommended by the Committee on Interstate and Foreign Commerce, and now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to ask the gentleman why they substituted this amendment for the original bill. What was the object of that?

Mr. LEWIS of Colorado. That was done by the Committee on Interstate and Foreign Commerce. If the request I have made is granted we would simply save time.

Mr. MICHENER. Reserving the right to object, Mr. Speaker——

Mr. RICH. What was their real purpose in substituting one bill for the other?

Mr. LEWIS of Colorado. I yield to the gentleman from Michigan.

Mr. RICH. I would like to have the gentleman answer that question.

Mr. MICHENER. I think I can answer the gentleman from Pennsylvania. The Interstate and Foreign Commerce Committee asked the Rules Committee for a rule, and they requested that the rule provide that the amendment written by the Interstate and Foreign Commerce Committee be the bill to be considered. The Rules Committee intended to grant such a rule, and presumed that they had granted such

a rule, but they find now that in the rule as brought up here today we consider the Senate bill as amended by the House bill. This means that the House will have to read the Senate bill that the committee has stricken out, and it will take more time, and it will simply be confusing. I hope the consent will be granted.

Mr. BOREN. If the gentleman will yield for a question, the bill you propose to substitute for the original bill, H. R. 944, is the bill which our committee agreed on finally?

Mr. LEWIS of Colorado. It is; yes.

Mr. BOREN. Is it reported as a House bill with House amendments, or is it reported as an amendment?

Mr. LEWIS of Colorado. The gentleman refers to my request?

Mr. BOREN. Yes; the gentleman said something about an amendment.

Mr. LEWIS of Colorado. It seems to me that instead of reading the bill which the Interstate and Foreign Commerce Committee amended and then taking this other bill up, which is the committee amendment, it would be a time-saving procedure to follow the plan I have suggested.

Mr. BOREN. To read the later bill for amendments?

Mr. LEWIS of Colorado. The unanimous-consent request provides that the bill as reported by the Interstate and Foreign Commerce Committee shall be read for amendment.

Mr. MICHENER. In other words, we consider the House committee bill just the same as if it were an original bill.

Mr. LEWIS of Colorado. That is correct.

Mr. RICH. Reserving the right to object further, Mr. Speaker, there will be no objection to the amendment of this bill under this request?

Mr. LEWIS of Colorado. Oh, no; the request facilitates that.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. LEWIS of Colorado. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the adoption of the rule.

The question was taken; and on a division (demanded by Mr. BOREN) there were—ayes 138, noes 5.

Mr. HOLMES. Mr. Speaker, I object to the vote on the ground there is no quorum present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, and the Sergeant at Arms will notify the absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 288, nays 18, answered "present" 1, not voting 122, as follows:

[Roll No. 206]

YEAS—288

Alexander	Burdick	Costello	Elston
Allen, Ill.	Burgin	Courtney	Engel
Allen, La.	Byrns, Tenn.	Cox	Englebright
Andersen, H. Carl	Byron	Cravens	Fay
Anderson, Calif.	Camp	Crawford	Fenton
Anderson, Mo.	Cannon, Fla.	Creal	Fitzpatrick
Angell	Cannon, Mo.	Crosser	Flannagan
Arends	Carlson	Crowe	Flannery
Austin	Carter	Crowther	Folger
Barden, N. C.	Cartwright	Cullen	Ford, Leland M.
Barnes	Case, S. Dak.	Cummings	Fries
Barry	Casey, Mass.	Curtis	Fulmer
Bates, Ky.	Chiperfield	D'Alesandro	Gamble
Beam	Church	Darden, Va.	Gartner
Beckworth	Clark	Davis	Gathings
Bell	Clason	DeRouen	Gavagan
Blackney	Claypool	Dickstein	Gearhart
Bloom	Clevenger	Ditter	Gehrmann
Boland	Cluett	Dondero	Gerlach
Bolles	Cochran	Doxey	Geyer, Calif.
Boykin	Coffee, Nebr.	Duncan	Gilchrist
Brewster	Coffee, Wash.	Dunn	Gillie
Brooks	Cole, Md.	Durham	Goodwin
Brown, Ga.	Cole, N. Y.	Dworshak	Gossett
Brown, Ohio	Collins	Eberharter	Graham
Bryson	Colmer	Edelstein	Grant, Ala.
Buckler, Minn.	Cooley	Edmiston	Grant, Ind.
Burch	Cooper	Elliott	Green
Gregory	Kitchens	O'Leary	Smith, Ohio
Griffith	Kleberg	O'Neal	Smith, Va.
Gross	Knutson	Pace	Smith, Wash.
Gwynne	Kocialkowski	Parsons	South
Hancock	Kramer	Patman	Sparkman
Hare	Kunkel	Patrick	Spence
Harness	Landis	Patton	Springer
Harrington	Lanham	Pearson	Steagall
Harter, N. Y.	Lea	Peterson, Fla.	Stefan
Havenner	Leavy	Peterson, Ga.	Sumner, Ill.
Hawks	LeCompte	Pierce	Sumners, Tex.
Hendricks	Lewis, Colo.	Pittenger	Sutphin
Hennings	Lewis, Ohio	Plumley	Sweet
Hess	Ludlow	Poage	Taber
Hill	Lynch	Powers	Talle
Hinshaw	McAndrews	Rabaut	Taylor
Hoffman	McArdle	Ramspeck	Terry
Horton	McCormack	Randolph	Thill
Houston	McDowell	Rankin	Thomas, Tex.
Hull	McGregor	Rayburn	Thomason
Izac	McKeough	Reece, Tenn.	Thorkelson
Jacobsen	McLaughlin	Reed, Ill.	Tibbott
Jarman	Maas	Rees, Kans.	Van Zandt
Jarrett	Maciejewski	Rich	Vincent, Ky.
Jeffries	Magnuson	Richards	Vinson, Ga.
Jenkins, Ohio	Mahon	Robinson, Utah	Voorhis, Calif.
Jenks, N. H.	Maloney	Robsion, Ky.	Vorys, Ohio
Jensen	Mansfield	Rodgers, Pa.	Walter
Johns	Marshall	Romjue	Ward
Johnson, Ill.	Martin, Iowa	Routzohn	Weaver
Johnson, Luther A.	Mason	Rutherford	Welch
Johnson, Lyndon	May	Ryan	West
Johnson, Okla.	Merritt	Sasscer	Wheat
Johnson, W. Va.	Michener	Schafer, Wis.	Whelchel
Jones, Ohio	Mills, Ark.	Schulte	White, Idaho
Jonkman	Mills, La.	Scrugham	Whittington
Kean	Moser	Seccombe	Williams, Del.
Keefe	Mott	Secrest	Williams, Mo.
Kefauver	Mouton	Shafer, Mich.	Winter
Kennedy, Md.	Mundt	Shanley	Wolverton, N. J.
Kennedy, Michael	Murdock, Ariz.	Shannon	Wood
Kilday	Murray	Sheppard	Woodrum, Va.
Kinzer	Norrell	Short	Youngdahl
Kirwan	O'Connor	Smith, Maine	Zimmerman

NAYS—18

Ball	McGehee	O'Toole	Tarver
Boren	Massingale	Rogers, Mass.	Tinkham
Disney	Monkiewicz	Rogers, Okla.	Wigglesworth
Hall, Leonard W.	Monroney	Sandager	
Holmes	Nichols	Smith, Conn.	

ANSWERED "PRESENT"—1

O'Brien

NOT VOTING—122

Allen, Pa.	Eaton	Keogh	Sabath
Andresen, A. H.	Ellis	Kerr	Sacks
Andrews	Evans	Kilburn	Satterfield
Arnold	Faddis	Lambertson	Schaefer, Ill.
Barton, N. Y.	Ferguson	Larrabee	Schiffler
Bates, Mass.	Fernandez	Lemke	Schuetz
Bender	Fish	Lesinski	Schwert
Bland	Flaherty	Luce	Sheridan
Boehne	Ford, Miss.	McGranery	Simpson
Bolton	Ford, Thomas F.	McLean	Smith, Ill.
Bradley, Mich.	Garrett	McLeod	Smith, W. Va.
Bradley, Pa.	Gifford	McMillan, Clara	Snyder
Buck	Gore	McMillan, John L.	Somers, N. Y.
Buckley, N. Y.	Guyer, Kans.	Marcantonio	Starnes, Ala.
Bulwinkle	Hall, Edwin A.	Martin, Ill.	Stearns, N. H.
Byrne, N. Y.	Halleck	Martin, Mass.	Sullivan
Caldwell	Hart	Miller	Sweeney
Celler	Harter, Ohio	Mitchell	Tenerowicz
Chapman	Hartley	Murdock, Utah	Thomas, N. J.
Connery	Healey	Myers	Tolan
Corbett	Hobbs	Nelson	Treadway
Culkin	Hook	Norton	Vreeland
Darrow	Hope	O'Day	Wadsworth
Delaney	Hunter	Oliver	Wallgren
Dempsey	Jennings	Osmers	Warren
Dies	Johnson, Ind.	Pfeifer	White, Ohio
Dingell	Jones, Tex.	Polk	Wolcott
Dirksen	Kee	Reed, N. Y.	Wolfenden, Pa.
Doughton	Keller	Risk	Woodruff, Mich.
Douglas	Kelly	Robertson	
Drewry	Kennedy, Martin	Rockefeller	

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Halleck (for) with Mr. Wolfenden of Pennsylvania (against).
Mr. Woodruff of Michigan (for) with Mr. O'Brien (against).

Until further notice:

Mr. Warren with Mr. Martin of Massachusetts.
Mr. Doughton with Mr. Treadway.
Mr. Ford of Mississippi with Mr. Schiffler.
Mr. Bland with Mr. Thomas of New Jersey.
Mr. Larrabee with Mr. Kilburn.
Mr. Schuetz with Mr. Gifford.

Mrs. O'Day with Mr. Bradley of Michigan.
Mr. Bulwinkle with Mr. Reed of New York.
Mr. Pfeifer with Mr. Fish.
Mr. Ellis with Mr. Stearns of New Hampshire.
Mr. Boehne with Mr. McLean.
Mrs. Clara G. McMillan with Mr. Barton of New York.
Mr. Connery with Mr. Eaton.
Mr. Martin of Illinois with Mr. Bender.
Mr. Polk with Mr. Wadsworth.
Mr. Drewry with Mr. Jennings.
Mr. Robertson with Mr. August H. Andresen.
Mr. Hunter with Mr. White of Ohio.
Mr. Satterfield with Mr. Hartley.
Mr. Evans with Mr. Corbett.
Mr. Arnold with Mr. Simpson.
Mr. Faddis with Mrs. Bolton.
Mr. Wallgren with Mr. Hope.
Mr. Kerr with Mr. Wolcott.
Mr. Hart with Mr. Dirksen.
Mr. Murdock of Utah with Mr. Bates of Massachusetts.
Mr. Kee with Mr. Rockefeller.
Mr. Nelson with Mr. Luce.
Mr. Schwert with Mr. Andrews.
Mr. Chapman with Mr. Oliver.
Mr. Keogh with Mr. Lambertson.
Mr. Flaherty with Mr. Culkin.
Mr. Sullivan with Mr. Risk.
Mr. Ferguson with Mr. Vreeland.
Mr. Hook with Mr. Douglas.
Mr. Martin J. Kennedy with Mr. Edwin A. Hall.
Mr. Gore with Mr. Osmers.
Mr. Schaefer of Illinois with Mr. McLeod.
Mr. Healey with Mr. Guyer of Kansas.
Mr. Starnes of Alabama with Mr. Johnson of Indiana.
Mr. John L. McMillan with Mr. Miller.
Mr. Dempsey with Mr. Lemke.
Mr. Harter of Ohio with Mr. Marcantonio.

Mr. IZAC changed his vote from "no" to "aye."

Mr. HARNESS. Mr. Speaker, I had a pair with the gentleman from New York, Mr. HARTER. I thought the pair was on the passage of the bill and not the rule, so I voted "aye" on the rule.

The SPEAKER. Does the gentleman from New York desire to be recorded as voting on the rule?

Mr. HARTER of New York. I do, Mr. Speaker.

The SPEAKER. How does the gentleman vote?

Mr. HARTER of New York. I vote "aye."

Mr. O'BRIEN. Mr. Speaker, I have a pair with my colleague, the gentleman from Michigan, Mr. WOODRUFF. I voted "no" on this resolution. Had the gentleman been present, he would have voted "aye." I wish to withdraw my vote and answer "present."

Mr. McCORMACK. Mr. Speaker, my colleagues from Massachusetts [Mr. HEALEY and Mr. FLAHERTY] are absent. If present, they would have voted "aye."

The result of the vote was announced as above recorded.

The doors were opened.

SELECTIVE COMPULSORY MILITARY TRAINING

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 586) which was referred to the House Calendar and ordered to be printed:

House Resolution 586

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 10132) to protect the integrity and institutions of the United States through a system of selective compulsory military training and service. That after general debate, which shall be confined to the bill and continue not to exceed 2 days, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Military Affairs, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Military Affairs now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. It shall also be in order to consider without the intervention of any point of order any amendment offered by the direction of the Committee on Military Affairs to the bill or committee substitute. At the conclusion of such consideration the committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of the bill H. R. 10132 it shall be in order in the House to take from the Speaker's table the bill S. 4164 and to move to strike out all after the enacting clause of said Senate bill and to insert in lieu thereof the provisions contained in H. R. 10132.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 30 seconds?

The SPEAKER. Is there objection?

There was no objection.

Mr. SABATH. Mr. Speaker, this rule will make in order the so-called draft bill. Realizing the interest of the membership in this legislation, I desire to say that the report has been printed and is now available, so that you may examine and familiarize yourself with it.

Mr. MAY. Will the gentleman yield to me?

Mr. SABATH. I yield.

Mr. MAY. I would like to add to the gentleman's statement that I directed the messenger of the House Military Affairs Committee to deliver to the office of every Member of this House on yesterday, and I understand it was done, copies of the hearings; and a copy of the bill and report are now available.

Mr. CASEY of Massachusetts. When will this come before the House?

Mr. SABATH. I think the rule will be called up on Tuesday next, if I am correctly informed.

Mr. DITTER. Will the gentleman yield for an inquiry?

Mr. SABATH. I yield.

Mr. DITTER. Can the gentleman tell us what time will be allowed under the rule?

Mr. SABATH. Two full days of general debate. Then the bill will be taken up under the 5-minute rule.

Mr. DITTER. Will that be by hours of debate?

Mr. SABATH. Two full days. If gentlemen desire time and it is necessary to remain in session late, we can sit until 7, 8, or 9 o'clock the second day.

Mr. DITTER. Will the gentleman yield further for a question?

The SPEAKER. The time of the gentleman has expired.

Mr. MICHENER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MICHENER. The gentleman from Illinois has stated that the rule provides for 2 days of debate. Is not 2 days in the House, every minute in the House, after the reading of the Journal?

The SPEAKER. The Chair has not had an opportunity to examine the rule. The Chair would construe it that it would include 2 legislative days, which would cover all business until adjournment.

Mr. MICHENER. Now, Mr. Speaker, assuming, for instance, that this matter should be called up and that a conference report, which is privileged, should be called up, or a number of conference reports or other privileged matters were called up, then with a rule of this kind, where 2 days for debate are provided there might not be even 2 hours. It is just a matter of discretion on the part of the leadership as to how much time we will get for debate.

The SPEAKER. The Chair cannot anticipate, of course, what may develop during the 2 legislative days.

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

Mr. MICHENER. I yield.

Mr. RAYBURN. There was a great deal of conversation with reference to how many hours. Some Members wanted a certain number of hours and some others more. It was a decision between 8 hours and 2 days, as written in the resolution, the thought being that in all probability 2 days would be more liberal than 8 hours.

The rule will be called up Tuesday certainly. There is an hour on the rule. Then we are willing to sit here Tuesday evening just as long as anybody wants to speak. We are willing to sit Wednesday evening just as long as anybody wants to speak, and when the Committee rises general debate will be concluded.

Mr. MICHENER. But this conscription bill is of such importance, permitting as it does the long arm of the Government to reach out into every home in the land, that it does seem that there should be at least 12 hours for general

debate. This is not unreasonable time. There are 435 Members in the House. If we had but 5 minutes each that would require 36 hours; should not every Representative have at least 5 minutes in general debate?

Mr. RAYBURN. We have nothing to do next week except to pass this bill, and we intend if necessary to devote 5 days to it.

Mr. MICHENER. A rule is brought in here purporting to provide 2 days of debate, but it may turn out to mean only 3 or 4 hours.

Mr. RAYBURN. We generally have the real debate on a bill when it is being read under the 5-minute rule; but that is neither here nor there. The rule has been filed.

Mr. HOFFMAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN. If after the calling up of the rule a Member claims the floor on the ground of personal privilege, or 3 or 4 Members claim it on the ground of privilege, would that time come out of the 2 days?

The SPEAKER. The Chair does not feel called upon in anticipation to make rulings with reference to the rule. The resolution speaks for itself. It is up to the House whether it desires to adopt it. The House has the power to amend it or alter it as the majority of the House desires.

Mr. HOFFMAN. May I submit my question in a different way?

The SPEAKER. If the gentleman desires to submit another parliamentary inquiry the Chair will entertain it.

Mr. HOFFMAN. Let me put it this way, whether, the rule granting 2 days of general debate, the 2 days would be shortened if there were for instance 2 hours consumed on the matter of personal privilege?

The SPEAKER. The question of the continuation of the debate on the 2 days is entirely in the hands of the House when we arrive at that stage of the proceedings.

Mr. DITTER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute in order to address an inquiry to the majority leader.

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

There was no objection.

Mr. DITTER. I wonder whether the majority leader would agree with me that it has been the ordinary procedure at all times in connection with legislative matters that the rule fixes by hours the time allotted for debate of the controversial question incident to the rule that is presented, and whether he in his wisdom does not feel that we are resorting to a rather dangerous practice in establishing a precedent such as this rule suggests?

Mr. RAYBURN. I take exactly the opposite view. I think it is an effort to be generous, to have in all probability more than 4 hours of general debate a day. Under this rule we could meet at 11 o'clock and stay until 7 or 8. We could have 8 hours of debate in 1 day.

Mr. DITTER. May we not suggest that the generosity of the majority leader would permit 12 hours of debate instead of 2 days?

Mr. RAYBURN. No; I do not think we can complete the bill next week if we do that because that would mean 3 days, and the gentleman knows that frequently it happens that the Committee finds itself without a quorum at 4:30 in the afternoon, and if that happened we would have to quit. I think this is a generous rule. It is possible under it to have from 7 to 8 hours of debate each of the 2 days.

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

Mr. SABATH. Mr. Speaker, permit me to state that there is no desire on anybody's part to stop any Member from speaking on this important legislation.

EXTENSION OF REMARKS

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent that all Members who spoke on the rule for the wool labeling bill may be permitted to revise and extend their remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SHANNON. Mr. Speaker, I ask unanimous consent that I may be given the privilege of extending my remarks in the RECORD and to include therein an editorial from the New York Times of this morning.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

WOOL FABRICS LABELING

Mr. LEA. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 944) to protect producers, manufacturers, distributors, and consumers from the unrevealed presence of substitutes and mixtures in spun, woven, knitted, felted, or otherwise manufactured wool products, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 944, the wool fabrics labeling bill, with Mr. MCLAUGHLIN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the time is equally divided between the gentleman from California [Mr. LEA], who is recognized for 1 hour, and the gentleman from New Jersey, Mr. WOLVERTON, who is recognized for 1 hour.

Mr. LEA. Mr. Chairman, I yield myself 3 minutes.

The CHAIRMAN. The gentleman from California is recognized for 3 minutes.

Mr. LEA. Mr. Chairman, this bill was filed by a beloved deceased member of our committee and of this House, John A. Martin. In substance, this bill requires woolen products, in interstate commerce, to bear a label showing the percentage of wool they contain, and to what extent, if at all, their wool content is reprocessed or reused wool. Mr. Martin was a zealous advocate of this legislation. If you will study carefully the provisions of this bill, which will be explained to you in detail by those who are to follow, I believe you will find that it illustrates a very strong feature of the character of Mr. Martin. In many years of work in our committee I often saw the fact demonstrated that Mr. Martin, however zealous he might be for a particular piece of legislation, always had the generosity to be just to those on the other side. If you will listen to the explanation of this bill today by those who are to follow, I believe you will reach the conclusion that extreme care has been taken in an effort to be just to the businessmen and the manufacturers who may be affected by its provisions.

For many years millions of people in this country have demanded legislation such as is embodied in this bill. A number of bills have been presented on this subject in the years past, but I think I can say with absolute confidence that no other bill presented to Congress was as fair and practical as the bill now before us.

In the last 6 months of 1939, 4,300,000 pounds of wool rags were imported into this country to be made into various reused wool products to be sold in the United States.

Mr. RICH. Will the gentleman yield?

Mr. LEA. I yield to the gentleman from Pennsylvania.

Mr. RICH. The reason there has been such a great amount of rags imported into this country is because of the fact that when you made the reciprocal-trade agreement with Great Britain you reduced the tariff on rags 50 percent. It is the fault of the administration in reducing those tariffs which were placed there to keep these rags out, yet the administration let them in by reduction of the tariff.

Mr. LEA. I would not quarrel with the contention of the gentleman in that respect. Doubtless the lower tariff was a feature contributing to these large importations. Here we deal with the practical situation which confronts the American people today.

For a good many years it has been true that substantially half of the material sold to the American people as wool was

composed of reworked wool or reused wool. These sales have been made without any necessity on the manufacturer or the dealer to inform the American consumers of the fact that they were buying reworked wool. A large percentage of those wool products had been used, sold as rags, reworked into cloth, and sold as new material or garments.

[Here the gavel fell.]

Mr. LEA. Mr. Chairman, I yield myself 2 additional minutes.

Mr. Chairman, the provisions in reference to enforcement grant a tolerance and also exempt from enforcement of the law as to padding, lining, ornaments, and so forth not represented to be wool. Inconsequential amounts of fibers are also exempted.

I believe there are three reasons why this bill should be enacted from the standpoint of fairness to those concerned. In the first place, I believe it should be enacted in fairness to the wool industry of the United States. It is not fair to the growers who furnish wool to the market in the United States, that reworked and reused wool, as well as imported rags, should be placed in competition with their product without giving the public the right to know what it is buying. This bill does not attempt to prevent the sale of such reworked products to those who care to buy them. The purchaser should have a right to exercise his own judgment as to whether or not he wants to buy reworked wool products. A practice that conceals facts of such importance to the buyer should not be permitted. The buyer ordinarily has no method of learning the facts for himself.

Mr. Chairman, I believe the present practice is unjust to consumers. My attention some time ago was called to a case where a sale of 2,000 or 3,000 cloaks were advertised by a great merchandising company. An examination of those two or three thousand garments offered to the women as a "wool sale" developed that not 50 percent of the contents of those garments was wool and that a very large percentage of that was reworked wool. Very little virgin or original wool was in those garments. The law should not be so written as to justify or permit such a practice.

The third reason why I think this legislation is justified is because it is a matter of fairness to the dealers in this country. If a manufacturer or a dealer wants to give to his customers bona fide wool products, he ought to be able to do that without being put in competition with the unscrupulous dealers who offer their inferior products of seemingly equal quality.

That situation tends to drive the conscientious dealer into the practice followed by his competitor for his own self-defense. The conscientious dealer deserves protection against such competition at least to the modest extent provided by this bill.

[Here the gavel fell.]

Mr. LEA. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. SOUTH.]

Mr. SOUTH. Mr. Chairman, this bill has been talked about quite extensively. In the first place, let us see what the bill does.

It requires the manufacturer to place a stamp, tag, or label on a fabric which is or which purports to be of woolen content, setting forth the percentage of every fiber that goes into that product. For instance, in my coat or in the coat that you have on there is already a tag or label, and upon that tag or label, as some manufacturers already do, they will simply write 90-percent wool, 5-percent rayon, 5-percent reused wool, if it happens to be of that combination, in which event the law will be complied with.

Why is that necessary? It is necessary because certain manufacturers have for a long time been palming off on the consuming public of this country inferior fibers and representing them as being pure wool. What are those fibers? As the chairman of the Committee on Interstate and Foreign Commerce has already stated, for every 2 pounds of pure, unused wool in use today there is 1 pound of shoddy or used wool, and Mr. Webster defines the term "shoddy" as being an imitation or an inferior article or person. I think that is a good description of shoddy as applied to woolen goods.

There is a certain amount of cotton and a certain amount of rayon that goes into the so-called woolen goods, but I want to impress upon those who have not had an opportunity to study this bill that it does not prevent, it does not discourage, and it places no tax upon the continued use of every fiber that can be used under the law today. In other words, it does not say to the manufacturer, "You shall no longer place shoddy in a so-called woolen article," or "You shall no longer use rayon or cotton." But it does say to him in the interest of honest merchandizing, "You shall tell the public on a label attached to that piece of merchandise the fiber content of the goods." Now, that is nothing to get excited about. In the minority report someone, in his enthusiasm, said that it would require seven labels on each pair of socks.

Let us see what the Federal Trade Commission says, and this is the organization that will enforce the law if this bill becomes law. In a letter received from the Federal Trade Commission under this date, which I will be glad to show anyone who wants to see it, the Secretary of that Commission says that in the opinion of the Commission there will be no use for more labels than are now used on the average garment and that one label, insofar as they know, will serve the purpose for most garments, and I am sure that is true.

The bill itself specifically provides that linings, facings, stiffenings, and trimmings shall not be included in the provisions of this law unless such linings or trimmings are represented as being wool. For instance, in your coat, one label will cover the whole coat. Why? Because the linings, the facings, the stiffenings, and so forth, are not included.

I was amazed at my delightful friend the gentleman from Oklahoma [Mr. MONRONEY], who spoke so enthusiastically. He is in the furniture business. I have talked with him many times, and he says that this is going to ruin his business. Well, if my friend would take the time to read the bill, he would find on the very last page, in the very last words, a provision that this bill does not apply to any carpets, rugs, mats, or upholsteries; so he is just as incorrect in thinking it will hurt his business as he was when he said every retail merchant in the country would be embarrassed.

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

Mr. SOUTH. I yield to the gentleman from Oklahoma.

Mr. MONRONEY. I was merely speaking in behalf of the retailers with whom I have had very, very familiar acquaintance in different organizations.

Mr. SOUTH. But it will not apply to the gentleman's business?

Mr. MONRONEY. It does not apply to the furniture business. I was not referring to my own business, because the gentleman's committee ruled it out.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. SOUTH. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. Does this apply to a garment on which there is no representation made as to whether it is wool or anything else?

Mr. SOUTH. If it is in fact wool, or part wool, or represented as being so, it would apply, but it would not apply to his shirt, for instance, which contains no wool.

Mr. ROBSION of Kentucky. If they do not put any tag on it, is what I mean. Take for instance, a suit of clothes. Mine does not have any tag on it.

Mr. SOUTH. It did have. The gentleman just lost the tag.

Mr. ROBSION of Kentucky. That brings me to the next question. Does it apply to tailors? Supposing a man has to have his clothing tailor-made. I am so out of line I have to have my suits tailor-made.

Mr. SOUTH. It will apply to the manufacturer and the men who handle it until it reaches the hands of the ultimate consumer. The gentleman purchased the suit for his own use. Unless he offers it for sale again, which I know the gentleman will not do, he will not be affected by this bill.

Mr. ROBSION of Kentucky. How about the tailor who makes up the cloth?

Mr. SOUTH. The tailor who makes it up would be required to place a tag on it, and the tailor can rely, I may say, upon the representation made by the person who sold the cloth to him.

There is this interesting feature of the bill. It provides that the seller may either guarantee each garment or he may place a continuing guaranty in the hands of the Federal Trade Commission, which will cover any and all merchandise which that seller offers for sale.

Mr. ROBSION of Kentucky. I am sorry, but I do not just understand the answer, perhaps. What about where you get a suit of clothes, and there is no tag on it, or no representation?

Mr. SOUTH. That man violates the law. The seller must put a tag on it.

Mr. ROBSION of Kentucky. He must put a tag on it whether there has been one there or not?

Mr. SOUTH. That is exactly right. He cannot offer it for sale until he has one on it.

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

Mr. SOUTH. I yield to the gentleman from Alabama.

Mr. PATRICK. It will be 6 months after this act is passed until it goes into effect?

Mr. SOUTH. That is correct.

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

Mr. SOUTH. I yield to the gentleman from Arkansas.

Mr. TERRY. It has been stated by some that this might have an injurious effect upon the cotton industry. Will the gentleman discuss that feature of the bill?

Mr. SOUTH. I am glad to have that matter called to my attention. I may say to the gentleman that the Department of Agriculture, in a letter which I received today, signed by Grover Hill, Acting Secretary, states that the Department has studied this bill and is of the opinion that it will in no manner reduce the consumption of cotton. I may say also that Mr. Ogg, of the American Farm Bureau Federation, states that, in his opinion, it will stimulate the use of cotton.

I would not urge the passage of this bill if that were the only thing it would do, because it would be a small amount, at the most. This bill will be of more benefit to the woman who goes in to buy a garment for herself or for her child or for other members of her family than it will to the producers of any fiber. Why is that so? Under existing prices the manufacturer can buy more than 3 pounds of shoddy for what he will have to pay for 1 pound of new wool. If he is not required to give the contents of the fabric that he sells, he can—and in many instances does—sell that inferior product—that is, the fiber that has already been used—for the same price as the new wool would bring. Cotton will not be hurt by this bill, because cotton comes more nearly competing with shoddy than either one of them does with wool.

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

Mr. SOUTH. I yield to the gentleman from South Carolina.

Mr. HARE. Does this bill have any application to imported wool or imported woolen goods?

Mr. SOUTH. Yes. This bill fully covers the question of importations. It provides that in addition to the label which the foreign manufacturer must place on the goods there must be a statement accompanying the invoice giving the fiber content.

[Here the gavel fell.]

Mr. LEA. Mr. Chairman, I yield 2 additional minutes to the gentleman from Texas.

Mr. SOUTH. While we are on that point, if the importer fails to comply with the law his goods can be seized and held until he does comply, and he is not permitted to import additional goods until he puts up bond in double the amount of the value of such additional goods, plus any import duties that may be due thereon.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. SOUTH. I yield to the gentleman.

Mr. O'CONNOR. I have received a number of inquiries about the operation of this bill respecting stocks on hand. Would the stock of goods on hand have to be relabeled?

Mr. SOUTH. My understanding is that goods already on the shelves are no longer in interstate commerce and therefore the Federal Government would not have jurisdiction.

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

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

Mr. CRAWFORD. With reference to the injurious effects this bill might have on the use of cotton, the gentleman comes from a State which is the largest cotton-producing State in the Union, does he not?

Mr. SOUTH. That is right.

Mr. CRAWFORD. As a matter of fact, the largest in the world, so far as a single government unit is concerned.

Mr. SOUTH. And much of it is in my district.

Mr. CRAWFORD. And the gentleman is thoroughly satisfied that the bill will not cut down the use of cotton?

Mr. SOUTH. I believe it will increase the use of cotton slightly, because, as I have said, a purchaser would rather buy the new cotton at the same price than old rags; and let me say, as the Chairman has so ably pointed out, there are now coming into this country millions of pounds of rags. In January 1939, there were more than 1,000,000 pounds of rags imported. What are we doing with them? These rags are being torn apart and made into fibers and sold to the American consumer as woolen goods, and often a price is charged that ought to be charged for new wool, and I believe that the purchaser, if he knows what he is buying, will demand new fiber rather than the old rags or shoddy; and, by the way, that does not stop at one operation. They can tear the same garment down two or three times and continue to reuse the worn fiber. It is no wonder that women purchasers are demanding the passage of this legislation.

Mr. Chairman, under leave to revise and extend my remarks, I ask that the following self-explanatory letters be placed in the RECORD at this point:

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., July 22, 1939.

Hon. H. H. SCHWARTZ,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I note in the debate on the truth-in-fabric bill in the Senate a question was raised as to whether this bill would result in decreasing the consumption of cotton.

Such a fear is entirely unwarranted. From my investigation of this matter I am convinced that it will probably result in increasing the consumption of cotton, rather than decreasing it, if it has any effect at all in this respect.

Without this legislation manufacturers of woolen goods can purchase rags and other second-hand materials, tear apart these fabrics, and use them in the manufacture of clothing which is sold to the public as all wool. Thus the public gets an inferior article under the false impression that this is made of new wool. This bill merely requires the manufacturers of woolen goods to tell the truth as to the content of such goods. They can no longer sell goods made of second-hand wool as virgin-wool articles. The manufacturers can still use shoddy, or cotton, or silk, or rayon, or any other materials in mixture with wool, provided they tell the consumer the truth about what the article contains.

While no one can predict with certainty changes in consumer demand, it seems reasonable to conclude that if the manufacturers have to tell the truth about mixtures with wool, the consumer will be more likely to prefer a garment composed of all new materials, such as wool and cotton, to a garment made out of wool rags and other second-hand materials, whose fibers have been damaged by pulling and tearing apart of the fabric in the process of remanufacture.

The American Farm Bureau Federation has supported such legistion since 1920. Its policies are determined by voting delegates from State farm bureaus in 40 States, representing approximately one and one-half million individual farm people. We are just as vitally interested in the welfare of the cotton farmer as the welfare of the wool grower. We see nothing in this legislation to injure in any way the welfare of the cotton grower, but, on the contrary, it may have some indirect benefit to the cotton industry.

Again may I emphasize that all the bill does is to require manufacturers of woolen goods to tell the truth concerning the content of their goods. They are at perfect liberty to use any kind of materials they desire, but they can no longer deceive the public concerning such goods. This is a fundamental principle of common honesty comparable to what has already been accomplished in other fields through the Pure Food and Drugs Act.

It carries out the fundamental principle of fair competition as stated by the late Justice Cardozo in the case of the *Federal Trade*

Commission v. *Algoma Lumber Co.* (291 U. S. Supreme Court 67), "Fair competition is not obtained by balancing a gain in money against a misrepresentation of the thing supplied. The courts must set their faces against a conception of business standards so corrupting in its tendency. The consumer is prejudiced if upon giving an order for one thing he is supplied with something else * * *. In such matters the public is entitled to get what it chooses, though by choice may be dictated by caprice or by fashion or perhaps by ignorance. Nor is the prejudice only to the consumer. Dealers and manufacturers are prejudiced when orders that would have come to them if (they) had been rightly named are diverted to others whose methods are less scrupulous."

The Senate is to be commended for its decisive vote in approving this bill yesterday. We sincerely hope that this action will not be reconsidered. It is too bad such legislation was not passed long ago to end the flagrant abuses in the sale of woolen goods.

Sincerely yours,

W. R. OGG, *Director.*

NATIONAL COOPERATIVE COUNCIL,
Washington, D. C., July 24, 1939.

Hon. ELMER THOMAS,
United States Senate, Washington, D. C.

MY DEAR SENATOR THOMAS: The CONGRESSIONAL RECORD of July 21 indicated that you had moved to reconsider the vote on the truth-in-fabrics bill which had passed the Senate by a vote of 48 to 23.

We know of your long service to agriculture and your cooperation in matters of vital interest to the farmers of the United States. It is because of this fact that we appeal to you on behalf of the 1,700,000 farmers that are members of the National Cooperative Council that you do not request a reconsideration of this matter.

The council is made up of some 4,000 farmers' cooperative marketing and purchasing organizations with membership in every State in the Union. For a number of years our organization has been interested in truth-in-fabrics legislation and at the 1939 annual meeting held in January reaffirmed its position by passing the following resolution:

"The National Cooperative Council at its meeting in January 1938 endorsed the fabric-labeling bill, and the bill, though passed by the Senate, failed to be reported in time to get on the House Calendar. The council, therefore, reaffirms its position and urges the passage of new fabric labeling bills, S. 162 and H. R. 944."

You raised the question whether the Schwartz bill, S. 162, would injure the cotton farmers. We are unable to see how this type of legislation would injure the producers of cotton. We feel that truth-in-fabrics legislation would tend to benefit the entire cotton industry. As a matter of fact, one of the strong federations that make up the membership of this council is the American Cotton Cooperative Association with headquarters at New Orleans. This organization is made up of some 12 State cooperative associations of cotton growers. The American Cotton Cooperative Association is supporting this truth-in-fabrics legislation and were represented at our annual meetings when resolutions favoring this legislation were adopted.

Our council operates on a unanimous-consent basis, and for that reason never passes any resolutions that are not approved by all of its member associations.

We respectfully urge that you lend your support to the passage of this important measure and assure you that we will greatly appreciate your efforts.

With every good wish,

Sincerely yours,

EZRA T. BENSON,
Secretary-Treasurer, National Cooperative Council.

FEDERAL TRADE COMMISSION,
Washington, July 28, 1939.

Hon. H. H. SCHWARTZ,
United States Senate, Washington, D. C.

MY DEAR SENATOR SCHWARTZ: I have received and presented to the Commission your letter of July 27, 1939, referring to the wool-products labeling bill—S. 162—and propounding two questions: First, as to whether the bill adversely affects cotton; and, second, whether the provisions of the bill will be effective with respect to imports from foreign countries.

The Commission has considered the matter in the light of its many years of experience respecting commercial practices in the sale and distribution in commerce of fabrics and fabric merchandise; and, responding to your first question, it is the opinion of the Commission that the legislation under consideration will have no adverse effect upon the sale or use of cotton.

As a textile fiber, cotton has distinctive qualities and intrinsic merits, and the bill, requiring truthful disclosure, would undoubtedly tend toward having these meritorious qualities of cotton brought to the attention of the buying public. Moreover, in mixed fabrics, those not composed wholly of virgin wool, cotton may reasonably be expected to be employed in place of cheap shoddy or low-grade second-hand wool fibers which are at present used in such mixed products without disclosure of such fact to the consuming public. Under all the circumstances, it appears quite possible that as a result of the legislation the trend will be toward a greater use of cotton in mixed goods in lieu of certain types of shoddy.

The bill does not prohibit the us of any fiber, but is aimed at having the respective products marketed under nondeceptive conditions of truthful disclosure in the interest of maintaining fair competition and consumer protection. Experience has demonstrated that honest disclosure of a meritorious fiber does not hurt, but on the contrary helps its sale. Cotton with its many distinctive and desirable properties could not, in our opinion, be adversely affected in such situation.

Respecting your second question as to whether the bill will be effective in the matter of imports from foreign countries, the measure is applicable to such foreign imports as well as to domestic wool products. In addition, the bill provides means for excluding from the country foreign merchandise misbranded under its terms. It also provides for sworn declaration of contents on so-called consular invoices as required in the act of June 17, 1930; also the falsification of or the failure to set forth such information in such invoices is made an unfair method of competition under the Federal Trade Commission Act. If done with willful intent, it is also punishable as a misdemeanor. Moreover, the guilty party may be prohibited from importing or participating in importations of wool products into the United States except upon filing bond with the Secretary of the Treasury in the sum double the value of the wool products and the duty thereof, conditioned upon compliance with the provisions of the act. Upon general administrative procedures through treaty arrangements, information may be obtained from the original sources in the country of origin of the goods. Likewise, through scientific tests, the presence of the most objectionable types of shoddy in the fabric can be sufficiently detected for purposes of enforcement.

Upon consideration of the matter as a whole and in answering your question specifically, it is the opinion of the Commission that the provisions of the bill will be effective with respect to imports from foreign countries.

By direction of the Commission.

Yours very sincerely,

R. E. FREER, *Chairman.*

Materials	1914	1919	1929	1931	1935
Cotton:					
Quantity in pounds	28, 387, 022	17, 375, 403	20, 167, 197	14, 580, 036	12, 511, 687
Percentage of total	6	4	5	4	3
Recovered wool fiber, rags, clippings, etc.:					
Quantity in pounds	85, 702, 073	79, 616, 805	93, 003, 428	51, 840, 520	111, 404, 715
Percentage of total	19	18	20	16	25
Raw wool and animal hair:					
Quantity in pounds	286, 569, 705	292, 117, 556	276, 321, 490	223, 373, 213	248, 581, 735
Percentage of total	65	68	62	68	55
Waste, noils, and rayon:					
Quantity in pounds	42, 411, 874	43, 738, 241	58, 622, 746	41, 273, 485	76, 357, 370
Percentage of total	10	10	13	12	17
Total fiber	443, 070, 674	432, 848, 005	448, 114, 861	331, 067, 254	448, 855, 507

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I expect to support this bill, not because I have any cotton in my district or any wool or any large manufacturers of cotton or wool cloth. I am going to support it because, as a result of some study of this problem, I feel that this bill is definitely in the interest of the consuming public of this country. I am convinced that the consumer should be protected and have the final voice in the questions as to whether or not this bill is right or wrong.

Now, some very ingenious arguments against this measure have been made this afternoon, especially during the discussion of the rule. One of the gentlemen who spoke against this measure stated that it was not a good bill because science is not able to detect, to the minutest degree, adulteration of fabrics. He concluded his argument by the statement, however, that they could, perhaps, detect adulteration within a 15-percent limitation, but because they are not able to detect in its entirety the adulteration of wool fabric in this country, he says this is not a good bill. I want to make the statement, however, that if I, as a member of the consuming public, can be protected 85 percent, I am a whole lot better off than I am today when I go in to buy a suit of clothes in stores in this Nation and they place before me three garments which I, with the limited facilities I have for knowing, am unable to tell whether they are 100 percent shoddy, 50 percent shoddy, and 50 percent wool, or 100 percent wool. The sellers of those articles in many, many instances are selling all three of those articles to an unsuspecting public as being 100 percent wool. I, as a member of the consuming public, simply

want to be protected so that when I walk into a store, regardless of the character of the individual who may run that store, and I ask to buy a suit of clothes, I may have clearly presented to me that the garment which I am buying is exactly what it is branded to be.

Now, the gentleman says, "Why, there will be chiselers, and there will be cheaters who will sell goods branded as all wool when, in fact, there will be adulterations in the article." Well, human nature is human nature, but my understanding of human nature is that there will be people who will effectively police the situation outside of the Federal Trade Commission.

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

Mr. KEEFE. In just a second, I will yield.

I know if I am a decent, honest retailer or manufacturer of goods and my competitor is a cheater, I will see to it that the goods which he is putting out on the market are going to be called to the attention of the proper authorities, and my experience has been that that is absolutely the greatest source of the enforcement of this law in itself.

I now yield to the gentleman from Texas.

Mr. SOUTH. Is it not necessary for the purchaser to know what is in a piece of goods in order to know how to have it cleaned properly, and so forth?

Mr. KEEFE. Yes; and I will develop that thought. I used to be interested in the dry-cleaning business in rather a large way, back in 1917, 1918, and up until 1930, and I want to tell the Members of this House that I have had thousands of claims presented to our company by people who claimed that garments were injured in the cleaning process. When we would explain to them that the garment which they had purchased as being all wool was a highly adulterated article and that perhaps the injury which came about, came as the result of the adulteration of that article, they raised their hands in horror and said, "Why, I bought that article as a 100-percent-wool article." As a matter of fact, it turned out to be perhaps 100-percent shoddy.

[Here the gavel fell.]

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. KEEFE. I want to say also that in the dyeing processes we find immeasurable difficulties because of the inability, upon casual examination, to disclose whether or not an article was 100-percent wool, whether it was 50-percent wool and 50-percent shoddy, or 20-percent shoddy, or celanese, or something else. In the dyeing processes we were confronted with such a serious problem that back in those days we had to establish in the Bureau of Standards in Washington a bureau to deal with that problem, so as to try to give that industry some protection.

Now we are asking that that same protection be given to the general public, so that it will have the same protection when they buy these products. [Applause.]

[Here the gavel fell.]

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, in speaking of the value of reworked wool in comparison with virgin wool, let me call the attention of the Members of the House to the fact that there are seven or eight hundred different grades of wool in the country—not in the United States, but in all the world. We have the China ball wool; we have the Iceland coarse wool; we have innumerable grades of wool right within our own country. Then there are the South American wools, Mexican, and the Australian wools.

In trying to get a bill that will be for the ultimate good of the consumer, this bill is evidently going to be misleading on the terms "wool" and "reworked wool," or "reprocessed wool," "reused wool," and "wool products." Who are those who are interested more in the virgin wool proposal? It is the people who are interested in sheep raising in this country. What do we do for the sheep raisers? We give them a 34-percent duty on all wools that come into this country. That is a good tariff. When they made the reciprocal-trade agreement with Great Britain they did not reduce the tariff on wool. Wool growers still get that advantage. But what did they do insofar as the tariffs on byproducts, wool substitutes, rags, shoddies were concerned? They reduced them. Why would they lower the tariff on those commodities? Did that help the American farmer or American consumer? Well, let me show you what they did.

On top, slubbing, roving, and ring wastes, before the reciprocal-trade agreement we had 37 cents, and they reduced it to 34.

Garnetted waste, 36 cents; they reduced the tariff to 18.

Noils, carbonized, 26 cents; they reduced the tariff to 21 cents.

Noils, not carbonized, 23 cents; they reduced the tariff to 16 cents.

I will insert this table in the record by unanimous consent. I ask that permission now, Mr. Chairman.

The CHAIRMAN. The gentleman must obtain that permission in the House.

Mr. RICH. Very well. Then I will read it:

Wool waste, not specially provided for, 24 cents; they reduced the tariff to 14 cents.

Shoddy and wool extract, 24 cents; they reduced the tariff to 14 cents.

Wool rags, they had a tariff of 18 cents a pound and they reduced the tariff to 9 cents; a 50-percent reduction.

If this administration wanted to give the people of this country good merchandise, why did they reduce the tariff 50 percent and let all these rags worn by foreigners in our country to be made into clothing. I think it is terrible.

Let me call your attention to this fact: As a manufacturer I can take virgin wools and I can make a fabric. Then I can take reworked wools under the classification of this act and call it "reworked merchandise." For sake of argument I can make twice as good a piece of goods out of good reworked wool than I can out of the poor grade of virgin wool. Then am I going to give the people of this country better merchandise under the terms of this bill? It cannot be done under this bill.

Mr. KEEFE. Will the gentleman yield?

Mr. RICH. I yield.

Mr. KEEFE. Are not the people of this country, however, entitled to know and to be able to buy what they want? If they want virgin wool, should they not be entitled to buy it?

Mr. RICH. There is nothing wrong with that, but what is the object of this bill? It is to give the customer a better piece of merchandise. You are trying to manufacture something and give them better merchandise.

Mr. KEEFE. No; no. I do not say that at all.

Mr. RICH. What is the object, then? You are trying to fool them. You are trying to call it virgin wool, causing them to think because it contains the word "wool" it is better than if you use the term "reworked wool."

Mr. KEEFE. The object is to enable a customer to go into a store and be able to buy without fear the thing that he wants to buy; not get something else foisted onto him because you claim it is better than virgin wool.

Mr. RICH. Any manufacturer that makes a piece of goods and says it is all wool when it is not all wool, do you know what should happen to him? He should be placed right behind the bars. I am in favor of putting that fellow right there. But the technicality of the wool itself, and because there are many grades of virgin wool, the people can easily be misled. What are we trying to do in this bill? We are putting a premium on ruthless manufacturers who, unless the Government is going to have an inspector in every plant in the country right where they put the lots on, watching the material that goes into the fabric, will continue their old practices. An unscrupulous manufacturer can put reworked wool into a fabric and no one on God's earth can tell from the cloth whether it is virgin wool or reworked wool or shoddy. So a dishonest manufacturer can ruin honest manufacturers unless the Government maintains plant inspectors, because you cannot detect after manufacturing has taken place.

What is the objecton to a bill of this kind? We are trying to define something, trying to make the consumer believe that because we require a product to be labeled "virgin wool" he is getting a better product; but that may not be the case, it

just is not possible. If we mix virgin wool with reworked wool in the manufacture of a piece of fabric, there is not a man, a chemist, or anybody under the sun who can examine that fabric and tell whether it is made of virgin wool or reworked wool. This is borne out by the testimony given in the hearings, as shown on pages 48 and 49 of the hearings in the statement of Mr. Emley, of the Bureau of Standards.

Mr. SOUTH. Mr. Chairman, will the gentleman yield briefly for a correction?

Mr. RICH. I yield.

Mr. SOUTH. There is nothing in this bill that mentions virgin wool. The gentleman says we are trying to compel somebody to use the term "virgin wool." The gentleman cannot find that term in the bill.

Mr. RICH. The language of the bill is such, however, as to leave the impression that it is supposed to be virgin wool.

Mr. SOUTH. Nothing is said about virgin wool. The gentleman himself is the first one to mention virgin wool.

Mr. RICH. The term "virgin wool" figured very largely in the arguments of the committee; then toward the end you tried to change it and instead of calling it virgin wool you called it wool.

Mr. SOUTH. Wool, and that is what it is.

Mr. RICH. Well, yes; wool from the sheep's back is virgin wool.

Mr. SOUTH. What does the gentleman call it?

Mr. RICH. The bill defines the term "reprocessed wool"; it defines reused wool. By that is not the implication left that wool which comes off the back of sheep before any use is made of it in manufacture is virgin wool? What does the gentleman call wool that has just been taken off the sheep's back?

Mr. SOUTH. I call it new wool. The gentleman may call it what he wants to, but I call it new wool.

Mr. RICH. And I call it virgin wool. Virgin wool is just the same as unused wool or new wool. Is not that a fact? Will the gentleman answer me "yes" or "no," that virgin wool is the same as wool that has never been used?

Mr. SOUTH. That does not apply, because the gentleman said we were trying to mislead the public by using the term "virgin wool." I call his attention to the fact that it is his expression and not ours. Now, will the gentleman yield further?

Mr. RICH. Will the gentleman give me more time?

Mr. SOUTH. I do not have it.

Mr. RICH. Then I cannot yield. The gentleman has plenty of time from the committee.

Mr. Chairman, I shall offer an amendment to this bill, on page 20, line 11, after the word "product", to add "or any other product contained therein in an amount of 5 percent or more by weight."

It may be said that this is already covered by the terms of the previous paragraph, but let us put it in at this particular place also in order that the American people may know exactly what is contained in any piece of fabric that contains any part of wool. Let us give them the whole thing, let us tell them that it contains so much wool, so much reworked wool, so much cotton, so much celanese, so much silk, and so forth.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. RICH. I will yield if the gentleman will get me more time.

Mr. BROWN of Ohio. If the gentleman will read the bill he will find that the bill provides for that very thing.

Mr. RICH. We do not want the bill to have any loopholes. I shall offer this amendment so there can be no loopholes in that part of the construction of a so-called wool fabric.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. ROBSION of Kentucky. In connection with this question of new wool, or virgin wool, whatever you want to call it, if it is mixed with wool that has been used would the life of the garment or the service of the garment be affected in any way?

Mr. RICH. Reworked wool that has not been injured in the process of manufacture will give just about as good service and be just as warm as wool that has just come off the sheep's back.

[Here the gavel fell.]

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield 3 additional minutes to the gentleman from Pennsylvania.

Mr. RICH. Now, let us contrast the situation of the American manufacturer with that of his European competitor. A great amount of fabrics are imported into this country. They say the importers of these fabrics will have to comply with this labeling law, but the only penalty they face is that their goods may be confiscated.

Mr. SOUTH. That is not correct. Will the gentleman yield?

Mr. RICH. I cannot yield. There is no penalty we can impose upon those people. You are therefore going to subject the American manufacturer to competition from imported merchandise, and this may easily become so serious as to run American manufacturers out of business because they have to conform to our laws, but the foreign manufacturer will be able to get by them. The result will be that the business will go to foreign manufactures and foreign labor will be given work.

We have 8,000,000 men out of work in this country. The idea is to produce honest merchandise and give these men jobs. May I say that any manufacturer in this country who makes an honest piece of merchandise and who gives satisfaction to the people of this country will have no trouble in keeping his plant going. He can get the business, because if you manufacture a better piece of merchandise than your neighbor the world will beat a path to your door. That has been proven in the past. When you make honest merchandise you do not have to go out and try to sell something that is not an honest piece of merchandise and I would not be for any bill that would permit anything of that kind in this country.

Mr. KEEFE. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from Wisconsin.

Mr. KEEFE. The gentleman made an incorrect statement which I do not think he intended to make. The gentleman said that as a manufacturer he could manufacture a piece of cloth using wool and reused wool that would be just as good as one that was made out of wool.

Mr. RICH. Yes. I say that I can take reprocessed wool and I can make you a better piece of cloth than I can by using certain low grades of virgin wool, and it will make a whole lot better piece of cloth. It will be stronger, it will be more waterproof, it will be more sightly and it will give better satisfaction to the customer. He will get greater value for his money.

Mr. KEEFE. The gentleman uses the term now "reworked wool." Does he mean to include wool which has been worn, used, and reworked again, or is he talking about the clippings that come off of garments that are just reworked and put in there?

Mr. RICH. I am talking about good reprocessed wool. That is not virgin wool. Take the yarn goods that are made, take the sweater yarns, those are just as good. I do not mean imported rags and low-grade shoddies.

Mr. KEEFE. That is reprocessed.

Mr. RICH. Yes; that is reprocessed; stocks that the fiber is good and not damaged.

Mr. KEEFE. But not reused.

Mr. RICH. I am not speaking here of the term shoddy. I am not interested in low shoddy merchandise. I want good, all-wool merchandise, the kind that gives satisfaction and the kind which gives the people of this country 100 cents on the dollar. I am for good legislation and there is much good in this bill and I shall not oppose it.

[Here the gavel fell.]

Mr. LEA. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. KLEBERG].

Mr. KLEBERG. Mr. Chairman, at the proper time I shall ask unanimous consent to insert two letters. At this juncture in the debate I propose to read very briefly from them now. I am going to read the last paragraph of one of these letters

at this time because it seems to be appropriate, following the remarks made by our friend from Pennsylvania, in answer to a question asked by the gentleman from Wisconsin [Mr. KEEFE].

Reworked wool is not allowed in the manufacture of woolen fabrics and blankets for naval use, due to the fact that strength, durability, and color are primary requirements of these items. Reworked wool not only lowers the tensile strength and elasticity, but also reduces the durability and affects the affinity for dyestuffs.

In answer to questions that were brought out here earlier, and I do not have time to go into this bill although I am thoroughly familiar with its provisions, I want to read briefly from a letter mentioned by my colleague the gentleman from Texas [Mr. SOUTH] earlier in the debate. This is from Mr. Hill, Acting Secretary of Agriculture. I will shorten this statement because the letter will appear in my remarks. Referring to the blanket industry it provides a very definite case in point with the bill under consideration.

In January 1933, the blanket manufacturers began to label their articles with reference to wool and cotton content. This labeling went on from 1933 to 1937, inclusive, in most of these articles. It was found by data taken from the census report—1927 to 1937—in that period that production of all-wool blankets had been relatively constant during that period, whereas the production of all-cotton blankets, and, mind you, cotton and wool blankets, had increased greatly since 1931. I will call your attention to the table set out before. From the information the Department has been able to assemble in every line, it does not appear that the enactment of the truth-in-fabrics bill would adversely affect the consumption of cotton.

One more point and I am through. I come from the largest cotton-producing county—at one time—in the United States and I am not afraid of this bill so far as cotton is concerned. With reference to objections that have been raised by our distinguished friend from Oklahoma and other speakers to this bill, with reference to the fact that this bill should be divided transversely as between the commodities affected instead of horizontally, an analysis of the language of this bill provides the answer to that argument. First of all, under the definitions in this bill and under a proper administration of the act in accordance with those definitions, it will not be possible to pull the wool over the eyes, even of my good friend the wool manufacturer from Pennsylvania, who has been in the dark all afternoon.

Mr. THOMASON. Will the gentleman yield?

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

Mr. THOMASON. I know my colleague is familiar with this subject and I would like to ask him this question. Is not the opposition to this bill using the very same argument that was used by those who opposed the Pure Food and Drug Act which was passed for the protection of the consuming public of the country? That bill went through the same kind of fight as this, yet has been of invaluable benefit to the consuming public.

Mr. KLEBERG. That is true. There has been confusion concerning the bill under consideration, not only because of failure to interpret it properly—though to me it seems perfectly simple—but because the original bill, when presented, gave a full and sound foundation and basis for the arguments such as are raised, for instance, by my distinguished young friend the gentleman from Oklahoma [Mr. BOREN].

Mr. THOMASON. Does the gentleman know of any reason why clothing merchants should not be required to tell the truth just the same as drug merchants?

Mr. KLEBERG. Certainly not. [Applause.]

The letters referred to by the gentleman from Texas [Mr. KLEBERG] are as follows:

NAVY DEPARTMENT,
BUREAU OF SUPPLIES AND ACCOUNTS,
Washington, D. C., June 5, 1940.

Hon. FRANK C. MORTON,
House of Representatives, Washington, D. C.

MY DEAR MR. MORTON: Your letter of May 29, 1940, addressed to the paymaster of the Marine Corps, Brig. Gen. Russell B. Putnam, and requesting information regarding the Navy's requirements of wool, has been referred to this Bureau for reply.

As soon as the naval appropriation bill for the fiscal year 1941 has been approved, this Bureau contemplates entering the market for the following items, which it is estimated will require the quantity of wool set opposite each item:

Requirements of wool on a clean basis in pounds

100,000 yards flannel, blue, dark, 11 ounces	100,000
125,000 yards kersey, blue, dark, 30 ounces	100,000
150,000 yards melton, blue, dark, 16 ounces	300,000
50,000 blankets	225,000
	1,000,000

For your information, there are enclosed herewith copies of specifications covering the foregoing items.

Reworked wool is not allowed in the manufacture of woolen fabrics and blankets for naval use, due to the fact that strength, durability, and color are primary requirements of these items. Reworked wool not only lowers the tensile strength and elasticity but also reduces the durability and affects the affinity for dyestuffs.

Sincerely yours,

RAY SPEAR,
Rear Admiral, Supply Corps, United States Navy, Paymaster General of the Navy.

DEPARTMENT OF AGRICULTURE,
Washington, August 28, 1940.

Mr. W. R. OGG,
Director of Research, American Farm Bureau Federation, Washington, D. C.

DEAR MR. OGG: This is in further reply to your letter of August 5 in which you called attention to the letter of July 27, 1939, from the Assistant Secretary of Agriculture to Senator THOMAS, with respect to the possible effects of S. 162, the truth-in-fabrics bill, on the consumption of cotton in the woolen and worsted industry, and asked if the Department had been able to give the problem further study since that time.

Information has not been readily available to show the extent to which information, such as consumers would obtain as a result of such legislation, might cause a shift from the use of cotton to the use of wool in the woolen and worsted industry. The data published by the Bureau of the Census in the past year, however, showing the materials used by this industry in 1937, when considered along with the prices of the raw materials, throw considerable light on the problem. In 1937 the woolen and worsted industry used a total of 780,000,000 pounds of raw fiber materials. Of this, 494,000,000 pounds consisted of raw wool and hair; 72,000,000 pounds consisted of cotton; 157,000,000 pounds consisted of wool and hair wastes, rags, and clippings; and 57,000,000 pounds consisted of rayon and other fibers and wastes thereof. Since the price of raw wool on a clean-content basis is usually several times as high as the price of cotton, it is apparent that they meet quite different technical requirements and consumer preferences. Some of the other materials used by the woolen and worsted industry sell at prices between those of wool and cotton. These facts suggest that the information resulting from the enactment of the truth-in-fabrics bill would probably affect the use of wool substitute materials rather than cotton.

The blanket industry probably provides the most pertinent information available in answer to your question. In January 1933 blanket manufacturers began labeling their articles as to wool and cotton content. They divided these blankets into four classes—those having less than 5 percent wool content, those having 5 to 25 percent wool content, those having 25 to 98 percent wool content, and those having more than 98 percent wool content by weight. The enclosed table shows the production in pounds of blankets, exclusive of horse and crib blankets and motor and steamer robes, as compiled from census data for the years 1927 to 1937, inclusive. These data show that the production of "all wool" blankets has been relatively constant, whereas the production of "all cotton" blankets and "cotton and wool" blankets has increased greatly since 1931. It is clear that the consumption of cotton has not declined as a result of the labeling program adopted by the blanket industry.

From the information the Department has been able to assemble it does not appear that the enactment of the truth-in-fabrics bill would adversely affect the consumption of cotton.

Very truly yours,

GROVER B. HILL,
Acting Secretary.

TABLE I.—*Production of blankets, exclusive of horse and crib blankets and motor and steamer robes*

Calendar year	Total quantity	Cotton-wool mixtures		All cotton		All wool	
		Quantity	Percent of total	Quantity	Percent of total	Quantity	Percent of total
	Pounds	*Pounds*		*Pounds*		*Pounds*	
1927	74,800,000	17,400,000	23.2	46,800,000	62.6	10,600,000	14.2
1929	67,700,000	30,900,000	45.6	24,400,000	36.1	12,400,000	18.3
1931	50,000,000	26,300,000	52.6	12,900,000	25.8	10,800,000	21.6
1935	52,200,000	20,000,000	38.3	20,400,000	39.1	11,800,000	22.6
1937	88,000,000	37,300,000	42.4	40,200,000	45.7	10,500,000	11.9

Source: Compiled from census data.

Mr. LEA. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. SECREST].

Mr. SECREST. Mr. Chairman, for several years, those of us from wool-producing areas of the United States have been vitally interested in securing passage of a truth in fabrics bill, realizing that it would result in a much greater use of virgin wool, with a consequent rise in price to the producing farmer.

At the present time, a manufacturer can produce an inferior article containing reclaimed wool under the pretense that the article is all wool or pure wool. This bill requires the manufacturer to truthfully label his products so that the consumer will know whether he is buying an article made from reclaimed rags or from virgin wool. If this is done, we are confident that the consumers of America will purchase the genuine article.

Virgin wool is unused wool possessing qualities of warmth and durability which no other product in the world can match. Reclaimed wool is an inferior, second-hand substitute for virgin wool. This shoddy is placed in fabrics at the present time without letting the purchaser know that he is buying an inferior material. This bill is designed to let the purchaser know what he is getting. I believe it to be as fair and necessary as the present oleomargarine legislation which was adopted to prevent consumers from being sold a cheap substitute for butter without their knowledge. We want the people to know what they are buying. This will save the consumer much money in helping him to tell a good product from a bad one merely by looking at the label. It will also be extremely helpful to the producer of wool by increasing his market and raising the price of virgin wool. The honest manufacturer of woolen products will welcome this bill because he uses only virgin wool and dislikes the competition of shysters who fool the public with fake woolen materials.

Last year, Ohio had within its borders 2,584,000 sheep; these produced 18,200,000 pounds of wool. If this bill increases the price of wool 5 cents per pound, it will mean nearly $1,000,000 to Ohio farmers. In my district there are six counties. The latest available figures show that Noble County has 52,956 sheep and lambs producing approximately 477,000 pounds of wool each year. Guernsey County had 53,418 head of sheep and lambs producing approximately 449,180 pounds of wool each year. Muskingum County had 84,137 head of sheep and lambs producing 717,000 pounds of wool each year. Morgan County has approximately 78,813 head of sheep and lambs producing 755,481 pounds of wool each year. Monroe County has 17,786 head of sheep and lambs producing 145,828 pounds of wool each year. Washington County has 29,803 head of sheep and lambs producing 233,824 pounds of wool each year.

Thus, the latest total of sheep and lambs for the Fifteenth District of Ohio was 317,913 head producing 2,779,303 pounds of virgin wool. If this bill eventually results in an increase in the price of wool 5 cents per pound, the farmers of my district will receive an added income of approximately $120,000 each year—a profit which justly should go to them and not to manufacturers who sell reclaimed rags to people who are fooled into thinking they are getting the best woolen products. It is unbelievable, but official figures show that during the past 6 years more than 600,000,000 pounds of reclaimed wool, or shoddy, have been used by woolen manufacturers as an undisclosed substitute for virgin wool. We should make these manufacturers label their product to show how much wool is in it, and whether that wool is good new wool or second-hand wool. At the present time 100,000,000 pounds of cheap shoddy are used every year by woolen manufacturers. This is five times as much wool as is produced in the whole State of Ohio, and it requires no imagination to see the great benefits that will accrue not only to the purchaser but to the producer of wool if we require every manufacturer to label his product to show how much wool is in a particular garment and how much of that wool is virgin wool.

The National Grange, the American Farm Bureau, and many other organizations have fought for years to secure legislation of this kind. Last year this bill passed the Senate by a vote of two to one. It should pass this House unanimously. In the past I have spoken successfully for rural road legislation to benefit the farmer of my district. I spoke successfully for legislation to investigate the high prices of farm machinery. I am happy again for the opportunity to speak for this bill which, in my opinion, is the greatest piece of legislation that has ever passed the Congress for the benefit of those engaged in the keeping of sheep and the production of wool. I urge every Member of this Congress to support H. R. 944 to provide for the labeling of woolen products, so that the purchasers of America may know exactly what they are buying. If we do this, the farmers of my district, the farmers of Ohio, and the farmers of America will be eternally grateful. [Applause.]

Mr. LEWIS of Ohio. Mr. Chairman, I am for this truth-in-fabrics bill for a number of reasons. In the first place, I believe the purchaser of a garment or piece of clothing containing wool has the right to know what he is buying. Under the present situation when you buy clothing or cloth you buy a "pig in a poke," if I may use that expression. All you see is the cloth. It may look well and it may feel well, but its true character may be much inferior in quality to both its looks and its feel, and it may or may not be what you are paying for at all. It is quite a common experience with some brands of clothing that after there has been a slight rain on it the length of the sleeves and the trousers is not the length you bought when you paid for the clothing. This, of course, is due to the fact that while the cloth may have been represented as "all wool" or "virgin wool," yet it did contain other materials which caused it to shrink.

Consequently I can see no reason why anyone who is honest and who wishes to sell only what he represents he is selling should object to placing a label on the cloth stating what the materials are of which it is made. It seems to me that is a matter of common honesty, for if all men were honest, the Government would not need to interpose a regulation, but inasmuch as sad experience has taught us that all men are not honest, it requires some action by the Government to compel honesty in fabrics, as for years the Government has compelled honesty in the composition of drugs and foodstuffs.

But I am for this bill for another reason. The sheep farmers of my district and of the United States have for years been raising and selling their wool on a greatly depressed market, largely due to the fact that modern weaving practices in the weaving of cloth have not been honest. Vast quantities of nonwool materials have been woven into our garments, so skillfully that the human eye is unable to detect the adulterating material in the fabric, and as a result garments are sold to the buying public as pure wool, virgin wool, or all wool, whereas in truth and in fact they are not. So great has the adulteration of so-called woolen fabrics become that these adulterating materials have taken the place and the markets for millions of pounds of wool, leaving consequently a lessened market for the pure fiber of wool at a consequently lessened price. This practice of adulterating wool fabrics has been greatly accelerated under the reciprocal-trade agreements policy of Secretary Hull and especially under the United Kingdom trade agreement, by means of which the import duties on woolen rags were reduced approximately 50 percent. Within 4 months after that agreement went into effect more woolen rags, gathered up as the cast-off clothing of British citizens in the cities of Great Britain, were shipped into this country, to be used to adulterate good American wool in the fabrication of the cloth for the clothing that we wear, than the entire wool clip for the State of Ohio for a full year.

I speak for honest treatment of the farmers of this country, whose markets are thus being taken by the cheap shoddy and wool rags imported under the reciprocal-trade agreements into this country.

Mr. Chairman, I represent a district in one of the finest wool-producing sections of the Nation, eastern Ohio. My

district consists of five counties, and I wish to give you the information on sheep and wool production in those counties, in the entire State of Ohio, and in the United States for the last available period, as reported by the Department of Agriculture, that is the number of sheep as of August 1, 1935, and the wool clip of 1934, to wit:

	Number of sheep	Pounds	Value
Belmont County	30, 868	264, 713	$66, 178
Carroll County	31, 436	263, 943	65, 986
Columbiana County	10, 213	82, 368	20, 592
Harrison County	80, 482	730, 397	182, 599
Jefferson County	18, 781	161, 429	40, 357
Ohio	2, 584, 000	18, 200, 000	4, 335, 000
United States	54, 472, 000	388, 692, 000	84, 324, 000

Mr. Chairman, one of the counties of my district, Harrison, is one of the greatest sheep- and wool-producing counties in the entire Nation. There were 80,482 sheep in that one county as of August 1, 1935, the last available statistic, and an annual wool clip of over 700,000 pounds, with a total value in 1934 of $182,599.

Mr. Chairman, I am for this bill because I believe it is justly due to the wool-producing farmers of America that we protect their markets and make it impossible for any other fiber or fabric to masquerade under the good name of wool that is not in fact wool. For that reason, Mr. Chairman, I shall vote for this bill and I sincerely hope and believe it will result in a greatly increased consumption of virgin wool and consequently in a better price per pound to the wool farmers of the Nation.

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY. Mr. Chairman, I am for this bill because I cannot see how any fair-minded man can help being for it. Between 15 and 20 years ago, when I had a little job out in Wisconsin with the agricultural college, I wrote many letters to our then Senator Lenroot about this same legislation. The farmers of this country are subjected to regulation in everything they sell. If you want to buy 92-score butter you get a chance to buy it. If you want full cream cheese you get full cream cheese. There is no reason in the world why any other group of society should not be willing to subscribe to that same kind of a program. [Applause.]

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield mysef such time as I may desire.

Mr. Chairman, the wool-labeling bill, otherwise known as the truth-in-fabric bill, now before the House, seeks to establish the principle that the consumer should receive the type of fabric that is represented by the seller. In other words, that the article sold must conform to the representations made at the time of sale. It is similar in principle to the laws that have been enacted by Congress to prevent the sale of oleomargarine as butter, or laws that guarantee the quality of foods and drugs. This bill does nothing other than require that the representations concerning the wool content of a fabric shall be true. Its purpose is to protect the consumer against false representations.

The need for this type of legislation has long been recognized. Consumer organizations, labor and farm groups, have for many years sought the enactment of legislation of this character.

The National Grange, American Farm Bureau, National Farmers Guild, National Council of Farmer Cooperatives, National Wool Growers, and many other allied farm organizations are now, and for a long time have been, advocating the enactment of this legislation.

Labor organizations have likewise long urged its adoption. Unions of the American Federation of Labor, including the Union Label Trades Department and the United Textile Workers, have been most diligent in pressing for the passage of this legislation. The latter organization has urged it for more than 30 years.

Consumer organizations and women's organizations of various types and kinds are also enthusiastically requesting that this bill be enacted at this session. Their long and consistent effort in behalf of legislation to guarantee truth as to the content of fabrics on the market is well known.

The organizations I have mentioned as supporting this bill represent millions of farmers in the 48 States and millions of workers throughout the Nation. The women's organizations and consumer groups represent as many more millions. The demand, in fact, is almost universal.

It does not seem to me that there can be any logical or substantial reason urged against a bill of this character that seeks to protect producers, manufacturers, distributors, and consumers from the unrevealed presence of substitutes and mixtures in spun, woven, knitted, felted, or otherwise manufactured wool products. It is therefore my intention to support the bill.

In conclusion, I wish to pay tribute to one of our most distinguished Members, who worked long and hard to bring this bill before the House, but who is not here today to raise his voice in support of it. I refer to our distinguished colleague from New Jersey [Mr. Seger], whose voice was stilled in death a few days ago. He had expected to be present and urge the passage of the bill. In fact, his last official act, before being fatally stricken, was to meet with a group of his colleagues, who were likewise interested in the passage of this bill, and discuss with them ways and means to present to the House the facts and arguments that justify the enactment of the bill and that would make certain the favorable action of the House. Though his voice is not heard today audibly speaking in behalf of the bill, yet there are some of us who were close to him and who now remember the intense desire he had to see this bill adopted and the logical and forceful arguments he had urged in its behalf. It would be a fine tribute to our departed friend from New Jersey [Mr. Seger] if those to whom he has spoken in days that have passed, in behalf of this bill, would today recognize the strength of his arguments, and in respect for his wishes give their support to this bill. It is needless to say that if right and truth did not justify the enactment of this bill he would be the last one to request support for it. The fact that he had done so is unmistakable evidence of his belief in the need and propriety of this legislation.

I trust that the reason and purpose of this bill, and the supporting arguments that justify its enactment, will cause the membership of the House to give it the support it is entitled to have. [Applause.]

Mr. LEA. Mr. Chairman, I yield 5 minutes to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, this bill should have the support of all the Members of the House. It simply requires honest disclosure, by label, of the true fiber content of wool fabrics.

In my own State of Montana we produced in 1940 approximately 28,000,000 pounds of wool. Our sheep population is slightly in excess of 3,000,000. The sheep growers in my district are especially interested in the bill, and it is my opinion that the public, generally, is likewise very much interested, as it is to their interest to know the kind of goods they are purchasing. The bill does not place a ban on the use of any materials whatever. Shoddy, recovered wool may be used after the passage of this bill, the same as before. The only difference is that the seller of the goods must make known to the purchaser just what the purchaser is buying. The purchaser of wool fabrics is entitled to this protection. It goes without saying that garments made of shoddy or recovered wool are of much less durability than garments made of virgin wool.

It has been found by the public generally that legislation along these lines was necessary in other fields. For instance, we have the Pure Food and Drug Act to protect the public against adulteration and deception in the sale of food and drugs. We also have the Commodities Exchange Act to outlaw unfair and fraudulent practices and to protect against excessive speculation and manipulation of commodity markets. We also have the Securities and Exchange Commission to protect the public against misrepresentation and fraud

in the sale of securities; so we are not asking for any new or novel legislation.

When one goes into a meat market or a fruit store the various kinds of meat or fruit are on display. The purchaser knows what he is buying. He gets what he is paying for; and the same is true with other eatables. In other words, he looks the goods over in such places, makes his choice, and pays the price. This is not so at present with the purchase of wearing apparel or garments of any kind. It may be likened to buying a "pig in a poke."

The rule of caveat emptor does not apply in a case of this kind. That rule applies only where the purchaser has the same means of observation and the same opportunity for knowledge as to the character of the thing that he buys as the seller; but where the article purchased may have latent defects, then the purchaser is entitled to protection even though it requires legislation to give him that security. The purchaser now must take the seller's word for the contents of the fabrics. He has no way of ascertaining the truth or falsity of the representation made by the seller. There has been so much deception practiced along this line that it is a matter, really, of public concern. We all recall, or those of us who remember the World War, what was known as the shoddy scandal. It aroused the country to such an extent that it resulted in a Senate investigation. It is said that many cases of influenza and pneumonia were caused as a result of insufficient protection afforded our soldiers.

In connection with the foregoing statement it might be mighty well to guard against a repetition of another "shoddy scandal."

The opponents of this bill are trying to make the public believe that there is a shortage of virgin wool which they claim will be increased if this bill is passed. Such will not be the case. It may not result in the increase of the use of any virgin wool as many of the people will be unable to purchase, or pay the price of virgin-wool garments, but it will result in aiding the purchaser to get what he pays for and to know what he is getting.

It is estimated that there will be in excess of a billion pounds of wool available during the next 12 to 14 months which we are told will amount to 2 years of normal consumption. It is said that there are in the neighborhood of 175,000,000 pounds of wool still in the hands of wool growers. Now, if we assume that in the event this bill is passed it will result in the greater consumption of virgin wool, the requirements will be amply met. [Applause.]

[Here the gavel fell.]

Mr. LEA. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. PATMAN].

HITLER FIRES BYOIR WHEN DISCOVERED HE WAS SEMITIC

Mr. PATMAN. Mr. Chairman, Lt. Col. Carl Byoir was discharged by Hitler when he learned that Byoir, the man he had hired to distribute anti-Semitic literature in this country, was Semitic himself.

Now, Byoir tried to becloud the issue by making an attack on me when I showed by sworn testimony before the Dies committee yesterday that he was the first and highest paid Hitler agent in this country in 1933, 1934, and 1935; that his activities were un-American, and if they had been committed in time of war, would have been treason. The charge he made that I introduced bills to make money is too ridiculous to take up time in denying, when all of my efforts which involved crusades have been made at great personal and financial sacrifice but against greedy, selfish, monopolistic interests.

DEMOCRACY IN DANGER WHEN FEW LIKE BYOIR HAVE SO MUCH CONTROL OVER PRESS

Lieutenant Colonel Byoir has great advantage through the press, since he represents so many national advertisers. I wonder how long our democracy can survive when a few men like Lt. Col. Carl Byoir have obtained so much control over the means of communication in this country and can get printed anything they want printed, whether true or false, and can keep from being published things that they object to. I submit that in such a situation, our democracy is in danger.

Mr. LEA. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. COFFEE].

Mr. COFFEE of Nebraska. Mr. Chairman, this wool-fabrics-labeling bill before us today for consideration should receive the overwhelming support of the membership of the House because it is in the interest of the wool grower, the legitimate manufacturer, wholesaler, retailer, and the consumer. The companion bill has twice passed the Senate. Last year it was passed by a 2-to-1 vote. For the last 20 years there has been a growing demand for this legislation. It simply requires that the consuming public be given information as to the fiber content of the wool products that are put into the channels of interstate commerce.

Under this bill wool products are to be labeled showing the percentage of wool, reprocessed wool, reused wool, nonwool fibers, nonfibrous adulterations, and the name of the manufacturer. The retailer or wholesaler may substitute his own label in lieu of that of the manufacturer so long as it carries the information required as to fiber content.

The principles involved in this bill are the same as those involved in the Pure Food and Drugs Act. I am sure you would not wish to repeal that act. The same principles involved in this bill were involved in the new Federal Seed Labeling Act, which I sponsored and which this Congress enacted into law last year. The same arguments were raised against the seed-labeling bill when it was under consideration that are now being made against this bill. Since that bill was passed, I have never had one single complaint from a grower or a member of the seed trade. Why? The reason is simply because it is recognized by all concerned that the consumer is entitled to know what he is buying and that it is a proper function of the Federal Government to protect his rights.

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

Mr. COFFEE of Nebraska. I yield.

Mr. SOUTH. I may say to the gentleman that the same thing is true as to the commercial-fertilizer law. The container is now required to show the exact contents, and I have received no complaints about the manner in which it is being enforced.

Mr. COFFEE of Nebraska. I understand that is true.

Mr. THOMASON. Does the gentleman know of any reason why an honest merchant should object to telling the truth about the product he sells?

Mr. COFFEE of Nebraska. None whatever. The legitimate merchant who maintains a standard of quality is entitled to the protection of the Federal Government against the cutthroat competitor who misrepresents his product to the public. This bill does not prohibit the sale of any wool product so long as it is correctly represented. It simply requires a disclosure of the facts as to the fibrous content of any wool product.

As an indication of the widespread support of this bill, let me read into the record this joint letter addressed to the Rules Committee. I quote:

WASHINGTON, D. C., *July 26, 1939.*

To the Members of the Rules Committee, House of Representatives:

The undersigned organizations respectfully urge the Rules Committee to approve a rule for the consideration of H. R. 944, the wool labeling bill, which has been favorably reported by the House Committee on Interstate and Foreign Commerce, and passed by the Senate by a 2-to-1 vote, in order that action on this measure may be had before the adjournment of this session of Congress.

These organizations, representing millions of farmers in 48 States and millions of workers throughout the Nation, are united in support of this legislation. In addition, the principles of the bill are supported by a large number of women's organizations and other consumer groups, as well as manufacturers who are interested in truthful labeling.

We earnestly believe that Congress should not permit any further delay in the passage of this constructive legislation for the benefit of the farmer and the protection of the consumer.

Respectfully submitted.

American Farm Bureau Federation, by W. R. Ogg; American Federation of Labor, by W. C. Hushing; National Cooperative Council, by Ezra T. Benson; National Farmers Guild, by Edw. E. Kennedy; National Grange, by Fred Brenckman; National Wool Growers, by J. B. Wilson; Union Label Trades Department, A. F. of L., by John M. Baer; United Textile Workers of America, A. F. of L., by Francis J. Gorman.

The wool growers of the Nation are naturally very much interested in this bill because of the trend in the use of shoddy as a substitute for virgin wool. The wool grower is being thrown in direct competition with the junkman and the woolen-rags importer. As evidence of this let me call to your attention this information which was furnished to me by the Bureau of Foreign and Domestic Commerce. In 1938 woolen-rag importations amounted to only 794,436 pounds valued at $262,201. The duty was 18 cents a pound. Under the trade agreement with the United Kingdom the duty was reduced to 9 cents a pound effective January 1, 1939. This resulted in more than a thousand percent increase in the importation of woolen rags. The total imports for 1939 amounted to 8,417,818 pounds valued at $2,321,943.

These woolen rags, together with our domestic woolen rags, now find their way into all wool garments. Under this bill it would be necessary to show on the label the percentage of reused wool. There is nothing to prevent the sale of these woolen rags in the shape of new woolen garments but it will be necessary to let the consumer know what he is buying.

The percentage of recovered wool fiber, rags, clippings, and so forth, in wool products increased from 18 percent in 1919 to 25 percent in 1935, according to a report from the Census Bureau. This bill will not only protect the wool grower in supplying the domestic market, but it will protect the consumer against the substitution of shoddy without his knowledge.

The bill will protect the legitimate manufacturer, wholesaler, and retailer who are anxious to maintain high standards and quality of their merchandise. It will protect the ethical manufacturer, wholesaler, and retailer against the trade practices of unethical competition.

The Federal Trade Commission has stated that—

> In its opinion no additional personnel or additional costs over what are now required in this field will be needed for the administration or enforcement of the provisions of this bill.

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

Mr. COFFEE of Nebraska. I yield.

Mr. SOUTH. Something was said by the gentleman from California [Mr. HINSHAW] about a million-dollar lobby that had been going on here, and he refused to yield when asked about it. I would like to ask the gentleman from Nebraska if he knows anything about any such lobby, and I wish the gentleman from California would explain that more in detail.

Mr. COFFEE of Nebraska. I can say that for 20 years the wool growers, consumer organizations, farm groups, and various people throughout the Nation have been demanding this legislation.

[Here the gavel fell.]

Mr. LEA. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. COFFEE of Nebraska. I want to stress this point: With importations of woolen rags on the increase and the use of shoddy in woolen garments likewise increasing, this legislation becomes more necessary now than ever.

Mr. RICH. Why did they reduce that tariff?

Mr. COFFEE of Nebraska. I was not in favor of it, I can assure the gentleman.

Mr. MICHENER. The trade agreement reduced the tariff.

Mr. COFFEE of Nebraska. It was under the trade agreement with the United Kingdom. [Applause.]

[Here the gavel fell.]

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield 5 minutes to the gentleman from Connecticut [Mr. BALL].

Mr. BALL. Mr. Chairman, I want to say that I honestly tried to see the good in this bill. I have the highest respect for the proponents of this bill. I know many of the organizations who are behind it. I know what their members want to do. I have great sympathy with their motives, but I do not believe the bill will do what its proponents expect of it.

Offhand, it would seem to be of some benefit to the purchaser of woolen goods, but like a lot of other protective legislation, it will not do what its proponents expect of it. It very probably will throw the wool market out of balance, for if the majority of buyers insist on buying material made only of virgin wool or unused wool, as the gentleman has put it, the price of that unused wool will immediately go up.

To begin with, I believe that wool is wool, and the implication in the bill that all virgin or unused wool is superior to all reworked wool is untrue and unfair. Much of the reworked wool costs the manufacturer as much as virgin wool and is more suitable for the purpose for which it is used. The average purchaser confronted with the system of labeling set up in the bill would be led to believe that one type of material was better, when it was not, and was worth more, when it was not. This seems to me to be discriminatory. We have been told many times that there is absolutely no laboratory test by which the presence of reworked wool can be determined by examining the finished surface. Therefore the only way the proposed law can be enforced is by a complicated inspection system and an elaborate check of the records of each mill, which means more Federal employees to attempt to police the industry. I think most of you will agree that we have enough inspectors running around now, and that it is about time we called a halt on Government jobs and expenditures.

Another aspect of the situation that strikes me as very important is the question of imported goods. Under the bill, all imported wool products must be labeled, but how under the sun can you tell whether they are properly labeled? If no known test will show the contents of a fabric and the books and factories on the other side of the ocean are not open to inspection by our enforcing agents, how is the consumer going to know what is behind the label? If foreign manufacturers want to evade our American laws, they will not worry too much about accuracy in their invoices. If an honest manufacturer in our country, who does everything possible to comply with the law, is faced with foreign competition of that kind, where does he get off?

I remember appearing at the hearing before the Rules Committee and I was tremendously struck by the address of a distinguished gentleman who signed the minority report and who is not able to be here today. If he were here, I know he could tell you eloquently and well what is the matter with this bill. I refer to the gentleman from New York [Mr. WADSWORTH].

Another gentleman who signed the minority report was the gentleman from North Carolina [Mr. BULWINKLE]. These men know all about it. I know very little about it. I honestly tried to see the good in the bill and I honestly do not see it. I do not think it will work. I think it will be a tremendous mistake to pass the legislation. [Applause.]

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

The CHAIRMAN. The gentleman from Connecticut yields back one-half minute.

Mr. LEA. Mr. Chairman, I yield 7 minutes to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman, I had not intended to take up your time again on a discussion of this bill, but so many insinuations have been made regarding the integrity, reputation, and ability of the retailers of this Nation that I feel someone should stand down here in the well and say that they are not all a bunch of bandits. In my opinion the retailers of this Nation have built up a commerce that is a credit to this country. Nowhere under the shining sun will you find business run on as reputable a basis as it is with the retailers of this country.

The need for this bill arises, we are told, because somebody is chiseling. Either the retail industry is guilty of this chiseling or the industry is able to clean up the situation itself.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. WHITE of Idaho. Does not the gentleman believe that the retailers are being imposed on by the wholesalers and manufacturers palming off shoddy wool for the real article?

Mr. MONRONEY. This bill will not keep them from being imposed on.

Mr. WHITE of Idaho. Does not the gentleman believe that labeling truth in fabrics will do that thing?

Mr. MONRONEY. This bill is not a truth-in-fabrics labeling bill, it is a wool bill. As an evidence of that is the case of silk. Silk is one of the important fabrics, one that contains no part of wool, yet the bill does not cover silk, we do not protect the buyer of silk or other fabrics—only wool. Their protection is left largely to the retail merchants who through their Better Business Bureaus and national organizations have striven for the past 10 years to accomplish that.

Mr. WHITE of Idaho. Does the gentleman believe that the Better Business Bureaus could have reached the pure food and drug business? If they could not do it there how could they do it in the field of fabrics?

Mr. MONRONEY. That is a field in which the retailer does not operate. A drug is a mixture, and no one can tell what will result from the use of a mixture of drugs for their action is not uniform on all people.

A suit of clothes is much the same as an automobile. We buy an automobile without inquiring what percentage of the steel is new and what percentage has been reworked. We do not inquire as to the percentage of chromium in the steel or brass in the car. We buy a particular car because we have been buying that make and know from experience it is a good car. In the same way customers trust in their retail merchant.

Mr. WHITE of Idaho. The gentleman would not want to buy an automobile fabricated from used parts, would he?

Mr. MONRONEY. My dear sir, some of the steel used in your automobile, I expect, is refabricated steel gathered in from scraps. Now, I am not taking any part in this cross-fire between new and reworked wool. I get up here to say to you that the retailers of this country are not half as bad as they have been painted.

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

Mr. MONRONEY. I yield.

Mr. SOUTH. I may say to the gentleman from Oklahoma that this bill is for the protection of the retailer as much as anyone. The retailers of this city were interviewed by disinterested parties and a substantial majority of the more reputable retailers favor this legislation.

Mr. MONRONEY. Of course they are going to have the dog collar put on them, but that does not mean they advocate this legislation. Does the gentleman mean to say they came here and asked for this legislation?

Mr. SOUTH. I mean to say they said they would like to see this legislation passed. There was no protest from one of them, and the hearings will show that is true. The hearings also show that Miss Merton testified that she visited various leading stores in the city of Washington and the majority of them, she said, favored the passage of this legislation. That is a matter of record.

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

Mr. MONRONEY. I yield.

Mr. BOREN. That statement was made in the hearings by Miss Merton, who is one of the many paid lobbyists working for the passage of this bill. She was completely discredited as a witness before our committee.

Mr. MONRONEY. Mr. Chairman, I ask these gentlemen not to take up my time.

Mr. SOUTH. Mr. Chairman, will the gentleman yield just a second?

Mr. MONRONEY. I yield.

Mr. SOUTH. The witness testified that she was not a paid lobbyist, and it is unfair to the witness and unfair to the public generally for the gentleman to say that about a person who is not here to protect herself.

Mr. MONRONEY. I would appreciate it, Mr. Chairman, if these gentlemen would continue their debate in their own time. I know nothing about the lady, never met her, and would not recognize her if I saw her. I want to tell you something about the Retail Federation, comprising 250,000 members of the retail trade. They did not ask for this bill. They suggested amendments to the committee which the committee was kind enough to grant, but since that time there has been considerable talk and worry about what will happen to their vast inventories when this bill is passed. It becomes a law overnight, and on their shelves will be millions of dollars' worth of merchandise.

The gentleman from Texas [Mr. SOUTH], in his statement, said they are not under interstate commerce and they will not be guilty of violating the law. That is true, and it illustrates an attorney's viewpoint on this. Of course, they are not going to violate the law if they have that merchandise in stock, but in merchandising the time element plays a very important part and when the new labeled stock infiltrates into their stores with these new labels, if this is passed, their present stocks immediately become obsolescent. That stock must be marked down at least 50 percent in order to be disposed of. It is just as good as the new labeled merchandise, but because the new stuff is the new model, so to speak, identified with such label, the retailer is going to suffer a very severe loss. I think the committee should take into consideration somewhere that the retailer should be protected in connection with this vast amount of stock which he has on hand.

Mr. BROWN of Ohio. Will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Let me answer that by saying that we have agreed on an amendment which I think will satisfy the gentleman, but I would like to correct one statement the gentleman made. The gentleman says he is standing on the floor representing 25,000 retail merchants. Mr. Craig, head of the Retail Merchants Federation in the United States, representing something like 33 or 34 State organizations and dozens of others, appeared before our committee and in a direct answer to a question of mine as to whether, with the amendments he offered, which I personally saw were incorporated in the bill, he would favor the bill, he said, "I think so."

Mr. MONRONEY. Did he not say he would not oppose it?

Mr. BROWN of Ohio. No. He was asked:

> If these amendments you suggest or like amendments are placed in the bill, the bill would have the support of your organization?

And he answered:

> I should think so.

Mr. MONRONEY. In his written statement he says the group "do not oppose" the bill. Now, that is his own statement in his own writing.

Mr. BROWN of Ohio. Well, here is his statement before our committee as taken by the official reporters.

[Here the gavel fell.]

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield 4 minutes to the gentleman from Wyoming [Mr. HORTON].

Mr. HORTON. Mr. Chairman, during the last 3 or 4 days I have taken so much of the time of so many House Members, getting them here on false alarms in connection with this truth-in-fabrics bill that I will not take much time today.

I am for this bill because I think it is about time that we gave a little protection to the outside of our hide, the same as we have been giving to the inside for many years through the pure-food laws.

This thing narrows down, in my opinion, to one question and that is whether reworked wool or reprocessed wool, when combined with pure virgin wool, makes up into a fabric which is superior to an all virgin-wool fabric. Let us assume for the sake of argument that it does, in which case is it not only fair that you establish your own trade-mark?

Down through the ages, for hundreds and hundreds of years, pure virgin wool has established itself in the minds of the people as the very finest fiber, for the fabrication of superior goods. Now, if your blend is better, why not stand up on your own legs and tell the world so? Why be a short sport by trying to establish your goods by using a symbol

which your blended goods have not earned the right to use? Why sail under false colors?

As a matter of fact your reprocessed or reworked wool is not as good as virgin wool. As proof let me read a letter recently received from Admiral Ray Spear, Paymaster General of the Navy. Listen to this:

Reworked wool is not allowed in the manufacture of woolen fabrics and the blankets for naval use, due to the fact that strength and durability, and color are primary requirements of these items. Reworked wool not only lowers the tensile strength and elasticity, but also reduces the durability and affects the affinity for dyestuffs.

The American Navy and the American Army, by purchasing virgin wool only, protects our Army and Navy boys against inferior goods. But how about the ordinary citizen? He has no way of knowing or of finding out, until too late, what he is getting for his money. If we could have a record here of the tragedies that have been caused in the homes because of inferior goods it would be astounding. This is of course particularly true among the low-income groups.

If for no other reason, I am for the passage of this bill in order to protect that class of people who simply cannot afford to be gypped.

Mr. KLEBERG. Will the gentleman yield?

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

Mr. KLEBERG. With reference to the letter which the gentleman reread, he can refer back to the hearings and RECORD and the instance which occurred during the World War when American soldiers, due to the fact they had no time to check on the garments used, were forced to use British uniforms because their own uniforms fell to pieces.

Mr. HORTON. Yes. The only thing that was good on those World War uniforms were the buttons.

[Here the gavel fell.]

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. HULL].

Mr. HULL. Mr. Chairman, it does seem to me, after all the legislation that has been adopted by Congress and by various State legislatures for the protection of consumers of various products, that there is utterly no reason why this bill should not become law at this time. It has been before Congress for months. Its principal purpose is to protect the consumers of woolen goods, the users and buyers of woolen goods in this country, both on the farm and in the cities. It merely calls for honest dealing. With all the laws that we have adopted for the protection of consumers, certainly this is the next step forward. Very few people who buy clothing and other woolens are aware of the various materials used as substitutes for virgin wool. Their losses because of deception as to such products run into millions of dollars.

I regret, however, that this bill, good as it is, will not go as far as I should like to see it go so far as the use of shoddy is concerned in the manufacture of woolen goods. It does not go as far as I believe it ought to go, but at least it will be some protection. I wish it would go further and stop the use of shoddy in all woolen goods.

According to the report of the committee, which has been filed here, about one-third of all the woolen goods, or so-called woolen goods, sold to the consumers of this country, embracing in all more than 500,000,000 pounds annually, about one-third, or 166,000,000 pounds, are made up of shoddy, wool substitutes, and various other mixtures of fibers, some of which are of the poorest quality. This bill will at least have the effect of putting consumers on their guard against fraud and deception.

I should just like to call your attention to the farmer's side of this, aside from the part the farmer has as a consumer, and that is the necessity of further diversifying agricultural production in this country. If one-third the total sales or 163,000,000 pounds of wool are displaced by imported shoddy and the shoddy obtained here at home, it serves to displace approximately the product of 20,000,000 sheep. In other words, with a sheep population now of about 50,000,000 head, it would be possible to increase that number to about 70,000,000 head by protecting the American consumer and the American farmer from the unfair competition which comes from shoddy and other wool substitutes.

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

Mr. HULL. I yield to the gentleman from Pennsylvania.

Mr. RICH. Could we not almost double the sheep industry in this country if we would eliminate the importation of these cheap foreign shoddies?

Mr. HULL. I am going to mention that a little later, in connection with not only the importation of foreign shoddies, but the importation of foreign wools. Lowering the tariff duties on shoddy under the reciprocal-trade treaties has brought many millions of pounds here from abroad.

At this time when we have a farm program in force and effect, which, among other things, serves to restrict the production of corn, cotton, wheat, rice, and tobacco, the importance of increasing the number of sheep lies in broadening the farmer's opportunity to diversify his production. To add 20,000,000 sheep to our farms would require the use of about 5,000,000 or 6,000,000 acres of land, some of which may now be used in producing crops of which there is a surplus. Increased production of wool in our own country might help make unnecessary the restriction on production which has been applied to cotton, corn, and wheat. It does seem to me that, looking at this from the standpoint of the consumer, it is a necessary protection, and looking at it from the standpoint of the farmer in the farm community, it is a further protection which will increase farm income by adding to the number of animals on the farms and making sheep raising more profitable. [Applause.]

Some time may elapse before Congress wakes up to the importance of diversifying agricultural production to relieve the necessity of restriction of acreage devoted to certain crops. Not only would there be opportunity to avoid surpluses, but also to improve farm marketing and add to farm income. As long as farm income continues at present levels the depression in industry and business in general will not be abolished. The protection of the sheep herds from the disastrous competition of foreign and domestic shoddy should be only one of numerous steps which are necessary. The present measure, if enacted, may be followed by others which will bring the desired results.

The importation of foreign shoddy and wool substitutes has been mentioned by the gentleman from Pennsylvania [Mr. RICH], and I agree with him as to its effect. May I not add that the importations of foreign wool from countries of much lower cost of production also serve to limit the number of sheep on our farms and ranches. The annual importations of wool, over 100,000,000 pounds annually, serve to make sheep raising less profitable, and, at times, have a disastrous effect upon the prices our farmers receive for their wool crops.

Wisconsin is not one of the leading sheep States, having about 500,000 head, but were sheep raising to be made profitable there, we might well have 10 times as many.

I hope this measure will pass. For 20 years or more the National Grange, the Farmers' Union, the Farm Bureau Federation, and other large organizations of farmers have sought the passage of a truth-in-fabric law. Now is the time to comply with their demand and at least remove the deception under which shoddy is palmed off on the consumers.

Others who have taken the floor have included in their remarks the resolutions and letters of the Farmers' Union and the Grange in support of this bill. Under unanimous consent I wish to add thereto by inserting a letter from Edward O. O'Neal, president of the American Farm Bureau Federation.

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., August 27, 1940.

Hon. MERLIN HULL,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: I am writing to respectfully urge, on behalf of the welfare of farmers and consumers that you support the wool labeling bill, H. R. 944, more familiarly known as the truth-in-fabrics bill. This bill has been favorably reported by the House Committee on Interstate and Foreign Commerce after an exhaustive study of this matter. A companion bill, sponsored by Senator SCHWARTZ (S. 162) was approved by the Senate last year by a 2-to-1 vote.

This legislation is supported by practically all of the national farm organizations and also by a large number of organizations representing consumers and numerous manufacturers and retailers who wish to engage in honest, truthful merchandising and who favor protection against deceptive labeling and misrepresentation of woolen goods.

For nearly 20 years the American Farm Bureau Federation and other organizations of farmers and consumers have consistently urged action by Congress to protect wool growers and consumers against misrepresentation and deception in the sale of woolen goods. It is too bad that these flagrant abuses have been so long permitted. The wool industry has had more than ample time to voluntarily correct the abuses in the sale of woolen goods but has not done so.

Instead, the situation has grown worse over the years. Figures published by the United States Tariff Commission show that during the period 1914–35 the amount of shoddy (recovered wool fiber, rags, clippings, etc.) used in the wool manufacturing industry increased from 85,000,000 pounds to 111,000,000 pounds, while the amount of new wool and animal hair decreased from 286,000,000 pounds to 248,000,000 pounds, and the amount of cotton decreased from 28,000,000 pounds to 12,000,000 pounds.

Thus the consumption of new or virgin wool and the consumption of cotton in the wool-manufacturing industry have both suffered as a result of the increased use of reclaimed wool or shoddy. So flagrant has this abuse become that the wool manufacturing industry has been using more shoddy and substitute fibers than all of the new or virgin wool combined. Such mixtures are frequently sold to the consumer as "all wool" or as "pure wool" or other representations are made which lead the consumer to believe that the product is made entirely of new wool. Such deception of the public is indefensible.

The Schwartz-Martin bill merely seeks to protect the public against deception in the sale of woolen articles. It does not prevent the manufacturer from using any kind of substitute fibers and mixing them with woolen goods in any way that he desires and to any extent that he desires. All he is required to do is to truthfully label his products so that the consumers will know the truth about what he offers for sale. The consumer can then make an intelligent decision in purchasing such goods. If the consumer wants the cheaper goods made of shoddy, he or she can select such goods with full knowledge of what the article really is, instead of being sold an inferior article containing shoddy under the pretense that the article is all virgin wool, as happens all too often now.

The problem is not complicated and difficult as the opponents of this legislation contend. The issue is really quite plain; it comes down to a simple question of common honesty and fair dealing with the public. The honest manufacturer, wholesaler, and retailer who wants to tell the public the truth about the products which he sells, should welcome this legislation to protect them against competitors who want to take an unfair advantage by selling goods under misrepresentation.

The Federal Trade Commission, which would be charged with the responsibility of enforcement of this act, has furnished a report stating that it can be effectively administered at a very small expense.

Congress has already taken comparable action in other fields to require truthful labeling, notably in the enactment of the Pure Food and Drugs Act and, more recently, the Seed Labeling Act.

We therefore respectfully urge your support of H. R. 944 to the end that the millions of farmers and consumers, as well as honest manufacturers and retailers may have this reasonable protection against deceptive practices in the sale of woolen goods.

Sincerely yours,

EDW. A. O'NEAL, *President*.

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. HOLMES].

Mr. HOLMES. Mr. Chairman, I come from a section that manufactures woolens and worsteds. In this section we have many high-grade manufacturing industries. They have made this product for years and years. They are alarmed over this legislation. They realize that this is another avenue by which the Federal Government is going to interfere with the conduct of their business.

I have here several letters from these high-grade concerns which have built their businesses on reputation, quality, and service. In 5 minutes I do not have time to read many of these letters, but one of our manufacturers states:

Why is it that the cry about the labeling of goods has to appear every so often?

Does the Government employ a man who can test and tell the correct amount of shoddy in a piece of goods which has been blended with wool?

He says he doubts it. I may say that I got a piece of goods from this same manufacturer and sent it to the Bureau of Standards and asked to have it analyzed, and I could not get any satisfaction. I could not get them to tell me what was in that piece of goods.

The National Association of Wool Manufacturers, with offices in Washington and Boston, had this to say:

The bill is an attempt at the regulation of the woolen-mill industry. The measure is a special-interest bill and is being promoted by one woolen mill for the benefit of such mill.

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

Mr. HOLMES. I refuse to yield.

Mr. SOUTH. Just say so, and that will end the matter.

Mr. HOLMES. I would be glad to, but I am not going to be interfered with.

Mr. SOUTH. That is all right; go ahead.

Mr. HOLMES. Continuing—

A reading of the hearings will, we think, convince you that it is impossible by any known test to determine whether or not a piece of the better class of woolen goods is made from pure or so-called virgin wool, or whether such cloth contains wool that has been heretofore spun into yarn and woven into cloth.

Another high-grade concern in Boston states—

This proposed legislation is unnecessary and will act adversely to business and employment. It will mislead more than it will clarify.

I have this from another one of the mills in my district—

House bill H. R. 944, so-called virgin-wool labeling bill: The Woolen and Worsted Manufacturers Association has gone on record as opposed to this bill. I cannot see any sense in the bill. To me the whole legislation seems unnecessary and it would be confusing to the textile manufacturer and I think this is one piece of legislation that certainly should not be enacted into law.

I have a telegram from New York, addressed to me—

This organization representing fourteen hundred employers who employ 50,000 workers throughout the Nation oppose so-called truth in fabric bill H. R. 944. This bill will mislead the consumer, increase costs, impair business, and impose insuperable hardships on this depressed industry. We respectfully urge that you vote against this prejudicial and onerous legislation.

NATIONAL COAT AND SUIT INDUSTRY RECOVERY BOARD.

These are some of the reasons why I am opposed to this bill. [Here the gavel fell.]

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, some of the gentlemen of the House who have spoken seem to think that because portions of this bill or its general intent have been opposed by some of us that perhaps we are opposed to truth in fabrics. That is not true. I think that every member of my committee would be in favor of this truth-in-fabrics bill, provided truth in fabrics was actually to be obtained from the bill. The reason I mention this is just to point out to you one or two simple facts.

There are several hundred grades of wool. The following grades of wool are rated, according to this bill, as new wool. They are: Seedy wool, burry wool, dead wool, vat wool, shank wool, tags, and so forth. These classifications are graded as new wool under this bill. They vary in price from about 3 cents to 15 cents a pound. You can imagine the value of a piece of wool that comes from the rear end of a dead sheep that has been picked up on the range some place, or from the breech of a dead sheep that has been killed in a slaughterhouse and the wool pulled from the hide. The value of the wool from the fabric standpoint is low, and yet under this bill it is classed as new wool, and consequently a premium is placed upon the fabric made from it. On the other hand, there are wools called slubbing, laps, rovings, thread waste, and card-fly wool that are classified as reprocessed wool. They have never been worn or used by any person, and they can be worked up into a very splendid cloth or yarn, and these particular grades of wool are worth many times the price of the grades that I just mentioned that are to be classified as new wool.

Now, the value of a piece of woolen goods or a suit of wool clothes is dependent mostly upon the quality of the weaving operation, but it is also dependent very largely on the yarn, the length of the fiber, its resiliency, its strength, its kind,

and so forth. If the wool is second-hand or if it has been, as the gentleman mentioned, shipped here in the form of rags, shoddy, and waste, it is not good, and it should not be allowed in the manufacture of goods that are supposed to be rated as good wool goods, and I am opposed as much as anyone else to seeing the people fooled by such means.

So you can readily see that through the proposed definition of the term "wool" and from the definition of reprocessed wool, there is so much opportunity for variance in value that the person purchasing the goods can be very greatly fooled. As a matter of fact, it is quite possible—I do not know that my prices are correct, but I think the ratio is correct—to manufacture a piece of goods out of "new wool" that is practically useless and would tear apart in very short order, being made of short, weak fiber, for perhaps a dollar a yard, and on the other hand, a piece of goods made from a high-grade of "reprocessed wool" might easily be worth $5 a yard or more.

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

Mr. HINSHAW. I yield.

Mr. HORTON. Are not all those products that the gentleman is speaking of now being used and sold as 100-percent wool?

Mr. HINSHAW. They are; certainly.

Mr. HORTON. And by this bill we at least are getting rid of 85 percent of the sins of the trade, are we not?

Mr. HINSHAW. I doubt that very seriously. You are acquiring some new sins and providing a new way to fool the people. You are putting the sins on a different angle. This bill, when it came to the committee originally, and that is what was referred to by the gentleman here, provided for the use of the term "virgin wool." Our committee took the word "virgin" out of the definition of wool, because there were a certain few manufacturers who had registered trademarks which might become very valuable if the bill passed using that term, and it was not considered fair to the rest of the trade that that term be allowed to continue in the bill. In fact, I could easily understand why those particular manufacturers were so interested in getting this bill put through using the term "virgin wool." It would be very materially to their private advantage.

I call your attention to the fact that while this is said to be a truth-in-fabrics bill, it only refers to fabrics that contain wool and it does not, as my friend mentioned a moment ago, refer to any other fabrics at all, because only if the fabrics contain wool are they to be labeled. There are many other fabrics in addition to those containing wool, but they do not come under this so-called truth-in-fabrics bill. This bill might better be called a bill to raise the price of virgin wool by placing an unwarranted premium upon it. Certainly the sheep growers want it, and other farm groups go along. Consumer groups press for it, too, but they are going to be badly fooled. The poor man, and even those of modest income, cannot pay the prices asked today for so-called virgin-wool blankets and clothing. Those prices are expected to rise materially if this bill passes. That is what the lobbyists are here for.

Reference and comparison has been made between this bill and the Food and Drug Act. That act did not raise prices, it lowered them, if anything, by actually exposing the utter simplicity of certain remedies sold to the public under high-sounding names. "Skin food" at $5 an ounce was found to be perfumed castor oil, and certain lip sticks were found to be dangerous. I thoroughly favor and support the Food and Drug Act, but this bill, as it stands, will add some new frauds.

[Here the gavel fell.]

Mr. LEA. Mr. Chairman, I yield 30 seconds to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE of Idaho. Mr. Chairman, I am in favor of this legislation from the consumers' standpoint, although we raise vast numbers of sheep in Idaho. I am in favor of this legislation because I am sick and tired of being sold clothing or suits of clothes that get baggy in the knees and will not stand up. I am sick and tired of being told by these merchants and tailors that I have to buy imported goods to get the genuine article.

I am sure that we can make good woolen cloth in this country, just as good or better than they do in England or Scotland if we will protect the manufacturer by passing this bill. We cannot all be experts in judging woolen cloth, and we know from experience that a suit of clothes containing a mixture of shoddy wool will not hold its shape and appearance, nor wear with a suit made of virgin wool. I am sure we have all had the experience of having a nice woolen suit that was guaranteed to be all wool turn shabby after a little wear.

Now, gentlemen may argue that used wool in a garment will improve the fabric and its wearing qualities, but our experience tells us different. The superiority of cloth made from virgin wool is well known and has been proven through the ages. I believe we should give our woolen manufacturers a chance to prove the equality, if not the superiority, of fine woolen cloth manufactured in this country over that of England and Scotland. This legislation, instead of restricting the production of domestically manufactured woolen, will stimulate production by placing the stamp of genuineness on the American manufactured woolen cloth and American clothing.

In closing, let me call your attention to the experience of our Government in buying uniforms for our boys that served in the last war and the "shoddy scandal" that aroused this country and resulted in a Senate investigation and changes in personnel of the Quartermaster's Department.

The "shoddy scandal" came as the aftermath of bitter complaints from General Pershing in France regarding the quality of uniforms of American soldiers at the front. In General Pershing's words—

> Much of the clothing that we received for our troops was reported to be shoddy. I saw numbers of men wearing uniforms which were light and thin and which, of course, offered insufficient protection. The lack of clothing had been met in part by purchases from the British. Our troops did not take kindly to the idea of wearing the uniform of another nation, and it was with considerable protest and chagrin that they did so (Pershing's Memoirs, vol. I, p. 315).

There were serious epidemics of influenza and pneumonia in the training camps during the fall of 1917, which were attributed largely to the insufficient protection afforded our soldiers by the character of uniforms furnished. As a result, an investigation by the Senate Military Affairs Committee was instituted and evidence of shameful disregard of the health of our soldiers on the part of woolen manufacturers was revealed. Woolen manufacturers had maneuvered to provide uniform cloth with as much as 50 percent shoddy adulteration. When the facts were known, the Government prescribed rigid specifications for uniform cloth requiring the use of 100-percent new, or virgin, wool.

The very same element whose cupidity caused them to completely disregard the welfare of our soldiers in war are today the people opposing the passage of this bill which would require the honest disclosure, by label, of the true fiber content of wool fabrics. They want to continue to chisel the consuming public just as they chiseled our boys at the front until an aroused War Department set rigid specifications for uniform cloth.

Mr. Chairman, our duty is to the consumer and producer of wool in this country. Let us protect them by the enactment of this constructive legislation.

Mr. LEA. Mr. Chairman, I yield to the gentleman from Oklahoma [Mr. BOREN] 7 minutes.

Mr. BOREN. Mr. Chairman, I want it clearly understood that all of us who have united in an effort to keep this bad legislation from being enacted as written, are 100 percent for truth in fabrics. But we maintain that if you are going to give the consumer useful information you will have to give him the whole truth.

I want again, for just a moment, to call your attention to this chart.

CHART No. 2.—*Comparative values*

"Virgin" wool	Price	Wool "wastes"	Price
Top sort	$0.90	Slubbing	$1.00
Stained wool	.80	Broken laps	.90
Grey wool	.75	Rovings	.85
Paint wool	.70	Ring wastes	.75
Britch	.60	Thread waste	.70
		Noils	.60
Seedy wool	.50	Sweepings	.45
Dead wool	.50	Card waste or card fly	.40
Shearlings	.40	New rags	.25-.50
Burry wool	.35	Burr and brush wastes	.20
Vat wool	.30	Card strips	.07-.20
Tanner's wool	.15	Flocks	.07
Shank wool	.07	Old rags	.05-.25
Tags	.05		

Based June 25, 1940, on 64s/70s, clean value 90 cents top sort.

It is a little different than the one I had a while ago, but it tells the story. None of us wants to protect a manufacturer who would use rags in a suit of clothes or shoddy of any character. If they would provide in this bill a law to prevent the use of rags of any sort in the manufacture of goods of any sort, I think we would all agree.

Mr. SOUTH. Will the gentleman yield?

Mr. BOREN. I yield.

Mr. SOUTH. Does the gentleman think a law of that kind would be constitutional? We do not attempt to prevent anything. We simply attempt to identify.

Mr. BOREN. I am not sure about the constitutionality of it. It would be all right with me to compel them to identify the use of rags.

There is only one thing we are taking issue with, and that is this: You are forcing the fellow who has what is called under this bill "reworked wool," a good product, to label it as an inferior product. If you want to be honest about this thing and you want to give the consumer value, you will so amend this bill as to require that everything below the 50-percent mark be identified as "reprocessed" or "unfit" wool, if you want to use that term. Instead of that, you are putting a connotation of value on tags, and burr wool and seedy wool that it does not have. You are forcing the retailer to put a connotation of the absence of value on a product that is good, such as slubbing and rovings.

There have been a great many misstatements made with reference to this bill and misinterpretations. A while ago one gentleman in the debate pointed out that in the minority report we accused the bill of requiring performance information. No. The minority report sets out very clearly that the fault we find with this bill is that it does not tell what the tensile strength of the wool is. It does not tell the elasticity. It does not tell the weight per pound. It does not tell how long the fiber is. It does not tell one thing about the performance quality of the wool. It does not tell any useful thing. When a person comes in to buy wool under this bill he will not know whether it is tag wool or dead wool or top sort wool, and he will not know anything about the length of the fiber, the value of the fiber, its resiliency, or tensile strength. All he will know is whether or not it is virgin.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. BOREN. I yield.

Mrs. ROGERS of Massachusetts. The gentleman is making a fine statement. I want a bill, but one which is not misleading and unfair. The so-called McCormack bill is far superior to the bill under discussion, is it not?

Mr. BOREN. In my judgment it is, because it applies to the general field of truth in fabrics, covering more than simply the woolen subject.

The point I am trying to make is this: If you will give the people some information in the bill we will be for it, even though it is only information that rags ought not be used in suits.

Mr. KLEBERG. Will the gentleman yield?

Mr. BOREN. I yield.

Mr. KLEBERG. Will you tell the House just what percentage of the products on this right-hand side of the chart, which you say the bill under consideration would be losing in their price—just what percentage is involved?

Mr. BOREN. This bill would have a disastrous effect on all of the wools from the 50-cent lines up on this side. Now, that is not all. It would also add a connotation of value to all of this stuff down here that is just as much shoddy as rags. Tag wool in the sense that you use the term "shoddy," meaning no good, is certainly just as much shoddy as shoddy on this side. They are both no good. Yet you are trying to have us pass a bill that will say that tag wool has some value and slubbing does not have any.

Let me ask you one question: If virginity is going to connote value in this product, why do you not be honest about it and require a virgin-label bill for all products that go into fabrics? Let us label the virginity of cotton in this bill.

Mr. McCORMACK. Will the gentleman yield?

Mr. BOREN. I yield.

Mr. McCORMACK. During the course of the hearings I understand the evidence disclosed that certain money was paid from some source to obtain the passage of this legislation. Is my understanding correct?

Mr. BOREN. Well, some national officer of the Wool Growers Association admitted that the Forstman Corporation paid a portion of the expense for the distribution of a propaganda pamphlet which he put out as propaganda on this bill. I have no direct knowledge of any money that was paid to influence this bill. I am certain that whatever was spent was spent among the lobbyists at large. I am certain that those Members of Congress who are for this bill are honestly and honorably for it, though woefully misled or else yielding to the terriffic lobby pressure.

Mr. McCORMACK. That is what I mean. Was any specific amount mentioned?

Mr. BOREN. I do not recall for sure about that, but I do remember that a propaganda pamphlet supposedly for the benefit of the wool growers was admittedly paid for by the wool manufacturers, and it looks a little odd to me. That is a little beside the question here.

The thing I am interested in is the matter of principle. The only people in my district who are interested in this bill are for it because they have been misled to believe that it is going to benefit the wool growers. I have wool growers in my district. I do not have any wool manufacturers. My stand is strictly a matter of conviction and principle. My constituency is not greatly affected either way.

When I went on this subcommittee to handle this bill I was inclined to do what the majority of the subcommittee was about to do—vote to pass it out the first day because of its surface appeal—but I began to absorb a little information the first day, enough to make me want to have more, to feel that there was more than was indicated on the surface by the nice title.

[Here the gavel fell.]

Mr. LEA. Mr. Chairman, I yield 4 additional minutes to the gentleman from Oklahoma.

Mr. BOREN. This is a technical subject. The further you get into it the further you will realize the amount of detail involved and that a great deal of time should be put into this study.

A lot has been said about the propriety of bringing this bill up at the present time. I think it is a very unfortunate time to bring up a bill like this when you cannot get decent consideration on the part of the majority of the House. There has not really been a quorum here very much of the time. Here is what is said about the bill by the Quartermaster General of the United States Army. He said:

From the standpoint of national defense it would seem undesirable especially at this time to take any action to limit the use of either reworked or substitute wools, as such substitutes may become necessary shortly in our defense program.

I feel, Mr. Chairman, that if we put our approval on compelling a man to label something worth while that is an inferior product and letting another fellow label an inferior product as something of value, that we are going to hoodwink the consumers of America to the tune of multiplied millions. I am interested only in the fact that this bill keeps from instead of giving to the consumers performance information. That is what they want; they want to know how it will wear; what will be its warmth; and so forth and so on.

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

Mr. BOREN. I yield.

Mr. RICH. I wish the gentleman from Oklahoma would get permission to insert that chart in the RECORD.

Permit me to say that those who have talked here seemingly in opposition to this bill have done so with the idea of wanting to do good for the greatest number of people in the country, wanting to do the thing that is for the best interests of the greatest number of the American people.

Mr. BOREN. I thank the gentleman.

Mr. Chairman, I am 100 percent for giving the consumer all the information. I am 100 percent for truth in fabrics. But I am opposed to half truths. I think the pure food and drugs bill is a wonderful bill because it requires the truth, it requires the whole truth. I am not in favor of a law that requires if a medicine contains poison that its label name the other ingredients and not the poison, I believe the label should list all the ingredients. Yes; I would be against a bill that required the naming of all the ingredients except the poison.

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

Mr. BOREN. I yield.

Mr. SOUTH. The gentleman read a portion of a letter, I presume it was the letter written to Senator THOMAS of Oklahoma by the Quartermaster General.

Mr. BOREN. That is right.

Mr. SOUTH. I may say to the gentleman from Oklahoma that the Quartermaster General wrote another letter to Senator THOMAS which the gentleman from Ohio [Mr. BROWN] has, a letter in which he stated that the Army needs would not be affected and expressed the hope that it would not be used in this discussion.

I have in my hand a letter from Major General Gregory. It is addressed to me. It reads:

> DEAR MR. SOUTH: In response to your telephonic conversation for a statement on H. R. 944, a bill styled "Wool Products Labeling Act," please be informed that this bill would have no direct effect upon the purchase of woolen fabrics for the Army. All woolen fabrics for the Army are purchased under rigid specifications, and are carefully inspected from the wool to the finished product to insure compliance with specifications.

Mr. BOREN. And during the World War shoddy was delivered for wool purchased under rigid specifications. But that is beside the point.

Mr. SOUTH. Well, Mr. BROWN has a letter completely negativing that statement.

Mr. BOREN. Whether the Quartermaster General is for or against it, of course, is beside the point. My interest in this matter is from the standpoint of principle. The whole story is told simply and eloquently on this chart. [Applause.]

[Here the gavel fell.]

Mr. LEA. Mr. Chairman, I yield 30 seconds to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK of Arizona. Mr. Chairman, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. MURDOCK of Arizona. Mr. Chairman, I am in favor of this bill.

I come from a State that produces a great number of sheep. For more than half a century the wool growers of Arizona have been producing quality wool for a market which has been a declining market. They want truth in fabrics so that their product may be not only properly known in the first market place, but wherever the product is sold in the retail trade.

A few years ago when I attended the annual meeting of the Arizona Wool Growers Association at Flagstaff, Ariz., in which they celebrated their golden anniversary, I was deeply impressed with the account of the rise and growth of this branch of the livestock industry through a half century in that wild new land which these hardy pioneers helped to tame. I was also saddened by the increasing number of obstacles and problems confronting this wholesome and economically desirable occupation. It seemed to me that these men, putting to the most worth while use the great unoccupied spaces and wresting a living from the wilderness while helping to clothe the human family in comfort, were fighting with their backs to the wall.

A half dozen different agencies, all good in themselves, were competing or contesting with the sheep industry and the wool growers' efforts. I felt then as I do now that, while I do not want to hamper or obstruct these governmental agencies having to do with the public domain and those great open spaces over which the millions of Arizona sheep range, I do have an earnest desire to furnish these hardy pioneers every advantage and aid in their use of the natural resources of forest and range consistent with wise public policy. Therefore, if we can no longer give sheepmen all the privileges which they enjoyed half a century ago, now that we are subjecting them to so many restrictions, at least we can protect their market. And we ought to do this not only for the wool growers but in the public interest in protecting the consumers of their product.

As I said in the hearing before the committee having this bill under consideration, the public must be protected by truth in advertising of woolen products. It may be that much shoddy is made and sold to the American public, and that there is a place for such goods among the needs of our people, but my contention is that the buyer of cloth ought to know what he buys, and the label should tell the character of the material that goes into the fabric. I cannot see that the truth regarding a fabric can hurt anyone, and I think in fairness to the public the truth ought to be known. Incidentally, this ought to react to the benefit of wool growers who are producing this very essential fiber.

[Here the gavel fell.]

Mr. LEA. Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky [Mr. CREAL].

Mr. CREAL. Mr. Chairman, this is the first time I ever heard it argued on this floor that it was not good policy to tell the truth for fear you fooled somebody. That has been the sum total of all the arguments that have been made. It is said that used wool in some cases is better than some grades of virgin wool. Well, of course, that is true, but have you not the right to give the public credit for having some sense about the matter? A slightly used Cadillac car is better than some cheap cars brand new, but the public knows that. You have a right to know whether that is a second-hand Cadillac, though, when you go to buy it.

The title of this bill really should be changed to read, "A bill to prevent certain unscrupulous dealers from pulling the wool over the eyes of the public" which would make it more nearly correct. If it be true that the tariff has been lowered and the country is being filled with old rags brought in from abroad, if the tariff should be raised we are in great danger by this cheap stuff getting on the market, and the public should know. In the old days when grandma knitted the socks, did anybody see her pick up a sock that had the toe out of it, unravel it and knit it again? Very seldom, if ever. She had sense enough to know that the warmth, durability, and strength of new yarn was better than used yarn.

[Here the gavel fell.]

Mr. LEA. Mr. Chairman, I yield 2 minutes to the gentleman from Alabama [Mr. PATRICK].

Mr. PATRICK. Mr. Chairman, I was raised in a cotton field, and that is literally true, and I have referred to the fact a lot since I got into politics. I do not think anybody need be exercised about this measure's effect on cotton and whether or not the measure will endanger cotton in competition so long as you see that the Members from Alabama and Texas

are willing to get behind and support this bill. It will be interesting to study how that cotton question can very well be raised. A census of the latest year available with the figures, 1937, shows that less than one-seventh of 1 percent of the country's cotton production went into wool and textile products. That is the proportion of the whole cotton production involved here, which is too small to affect the cotton market, even if it were eliminated altogether.

The point is that a wool manufacturer today can label a thing "all wool" no matter what the condition of that wool may be, no matter how it came, no matter what the status of the fiber is that goes into it, so long as he can say it is wool, regardless of how much it may have been previously pushed around. In the first place, good wool is not in competition with cotton. Anyone who will think for a second will know that is the case. Cotton is what it is. No cotton goods are being masqueraded as wool with any success or as anything except cotton. That is not where cotton must look for its destiny.

Recently the figures obtained from a report of the Bureau of Foreign and Domestic Commerce showed what really threatens to work on cotton in this country. That is the use of rags and shoddy wool that come in from the United Kingdom across the seas. It is making rapid strides. In the first 4 months of 1938 only 170,261 pounds came in. For the first 4 months of 1939, which is the last available figure, there were 2,817,113 pounds that came in in a like 4-month period. That will show you where the danger is.

As far as lobbying is concerned, the only lobby of any consequence attending this measure is that of the general public, which rose up and said that somebody should look after everybody's business, and the concentrated activity that has so long kept this legislation asleep could not survive any longer.

[Here the gavel fell.]

Mr. WOLVERTON of New Jersey. Mr. Chairman, the closing argument on this important bill will be made by the distinguished gentleman from Ohio [Mr. BROWN], and I yield him the remainder of the time under my control. [Applause.]

Mr. KEEFE. Will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Wisconsin.

Mr. KEEFE. The statement and argument have been made by the gentleman from Oklahoma that the retailers would be imperiled by the passage of this bill because of the stocks of merchandise on their hands that would have to be labeled, but he failed to call the attention of the Committee to the fact that section 12, on page 27 of this bill, specifically provides that the act shall take effect 6 months after the date of its passage. If the question of his goods not being in interstate commerce does not involve sufficient protection to the retailer, it would seem to me that 6 months' time ought to be sufficient to permit these retailers to take care of themselves.

Mr. BROWN of Ohio. Mr. Chairman, in answer to the gentleman from Wisconsin, may I say that the Committee expects to accept an amendment that will lengthen the time given retailers to clear their shelves of this stock.

Mr. PATRICK. To how long?

Mr. BROWN of Ohio. Nine months is my understanding.

Mr. Chairman, in the short time that I have at my disposal I want to clear up some of the misunderstandings that seemingly have been created relative to this legislation. Like the distinguished gentleman from Oklahoma I, too, became a member of the subcommittee without prejudice either for or against this legislation and devoted a number of weeks to the hearings and to a study of this bill. I am rather surprised in a way at the opposition of the distinguished gentleman on the basis that this is regulatory, because I also served on another subcommittee which had before it a bill, of which the gentleman from Oklahoma was author, to provide for the labeling of almost every product manufactured under the sun, a bill which called for definitions that would run into many many classifications and numbers?

Mr. Chairman, in the consideration of this bill we have had a great deal of misunderstanding and, first of all, I would like to clear up the statement relative to the letter received from The Adjutant General of the War Department. I believe copies of this letter have been passed among the Members of the House. Under date of August 12, General Gregory wrote a letter in which he referred to a previous letter he had written to Senator THOMAS on June 26, stating that he had written Senator THOMAS originally as to this legislation under a misapprehension.

The last paragraph of the general's letter states:

> The closing sentence of my letter reads as follows:
>
> "From the standpoint of national defense, it would seem undesirable, especially at this time, to take action to limit the use of either reworked wool or substitutes for wool, as such substitution may become necessary." It has been brought to my attention that this sentence is being given especial emphasis by those not in favor of the bill as indicating War Department opposition to the passage of legislation requiring that wool products be labeled to indicate their composition. This sentence was a general observation and was not intended to indicate any War Department or personal opposition to the passage of H. R. 944. I trust, therefore, that my letter will not be used by anyone as implying War Department opposition to the legislation in question.
>
> E. B. GREGORY,
> *Major General, The Quartermaster General.*

The gentleman from Pennsylvania, who is an expert on fiscal matters as well as on textiles, brought up the question of whether or not other fibers would be labeled, and said, "Why not label other fibers than wool?" I am afraid the gentleman is like many others who have made arguments on this bill. He has failed to study the measure, because on page 17 of the bill there is a specific provision that wool products must also carry on the label each fiber other than wool, if said percentage by weight of such fiber is 5 percent or more. However, to take care of the gentleman from Pennsylvania, the committee has agreed to an amendment that will carry that same provision further into the bill in order to make it more plain than before.

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

Mr. BROWN of Ohio. I yield to the gentleman from Oklahoma.

Mr. MONRONEY. As I understand, the gentleman is saying that this bill covers all fabrics and provides that every fabric shall be labeled. That is not my understanding at all.

Mr. BROWN of Ohio. I did not say that; I am sorry. It is as with the bill. The gentleman does not understand either the bill or my statement.

Mr. MONRONEY. I have studied the bill.

Mr. BROWN of Ohio. My statement is to the effect that wherever a fabric carrying wool as a part of the content is required to be labeled, if others fibers than wool are included in the fabric you must then specify the percentages of the other fibers.

Mr. MONRONEY. It applies only to the wool fabric.

Mr. BROWN of Ohio. I have answered the gentleman's question.

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

Mr. BROWN of Ohio. I decline to yield further.

There has been some comment here as to the cost of enforcement and the trouble that would be caused by enforcement of this bill. Let me point out to you that we have the testimony of Chairman Freer of the Federal Trade Commission, telling the committee that there will be no additional cost whatever connected with the enforcement of this measure; that, in fact, instead of increasing the cost of enforcement, the cost of the present attempt to enforce the general law will be reduced and the industry will police itself.

The retailers have been taken care of in this measure. Personally, I brought before the committee passing upon this legislation, Mr. Craig, the chairman and president of the American Retail Federation, representing something like 250,000 retailers. Every amendment requested to protect the retail trade was placed in the bill, and he agreed with the subcommittee that then the retailers of America could and would support the measure.

Mr. BARDEN of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from North Carolina.

Mr. BARDEN of North Carolina. On page 23 I notice this language:

If such wool products are condemned by the court, they shall be disposed of, in the discretion of the court, by destruction; by sale; by delivery to the owner or claimant thereof—

And so forth. Take, for instance, a retail merchant who buys these goods in good faith and they are found in his place of business. Then the officials come along and start proceedings against him, an innocent holder, and the court condemns the goods. You require here that this man pay the costs.

Mr. BROWN of Ohio. At the same time, however, he also has an action for recovery against the manufacturer who misrepresented, and, of course, the Federal Government will proceed against the manufacturer, if the manufacturer is available, rather than the retailer.

Mr. BARDEN of North Carolina. The gentleman regards that as a very serious claim, does he not?

Mr. BROWN of Ohio. This is because the law provides specifically that the retailer shall be held free and harmless as long as he can give the Government information as to who is responsible for the original manufacture of the goods, and he is protected by the guaranty that is given him.

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

Mr. BROWN of Ohio. I yield to the gentleman from Texas.

Mr. SOUTH. He is only required to exercise reasonable diligence, and in the case pointed out by the gentleman from North Carolina he would not be proceeded against at all.

Mr. BROWN of Ohio. That is true.

Mr. BARDEN of North Carolina. If that is in the bill, that answers the question.

Mr. BROWN of Ohio. In closing I wish to say this one thing: You have heard a great deal of discussion about some grades of reclaimed wool being better than some grades of virgin wool. That is true, but remember one thing. Grade for grade, virgin wool, new wool, unused wool, is always better than the same grade of reworked or used wool. Of course, if it were not for the fact that there is a desire on the part of some to cheat, if I may use that word, and to put in substitutes in place of wool and pass off on the public fabrics that are not what they are represented to be, there would be no opposition to this bill.

Let me make one other comment. Before the committee we had considerable evidence submitted which showed that some of the manufacturers who came before the committee attempting to show that there was no real difference between virgin wool and reused or reworked wool had paid thousands of dollars to buy many pages of advertising to tell their customers that there was a great difference between such grades of wool, and I leave it to your own judgment to determine which time such manufacturers told the truth.

I would like to discuss this bill further, but I know a number of the Members of the House desire to leave for home for the week end and I want to thank the body for its attention. [Applause.]

[Here the gavel fell.]

Mr. McCORMACK. Mr. Chairman, the reading of this bill is a very important matter, and I make the point of order there is not a quorum present.

The CHAIRMAN (Mr. McLAUGHLIN). The Chair will count. [After counting.] One hundred and three Members are present, a quorum.

The Clerk read the bill, as follows:

That this act may be cited as the "Wool Products Labeling Act of 1939."

DEFINITIONS

SEC. 2. As used in this act—

(a) The term "person" means an individual, partnership, corporation, association, or any other form of business enterprise, plural or singular, as the case demands.

(b) The term "wool" means the fiber from the fleece of the sheep or lamb or hair of the Angora or Cashmere goat (and may include the so-called specialty fibers from the hair of the camel, alpaca, llama, and vicuna) which has never been reclaimed from any woven or felted wool product.

(c) The term "reprocessed wool" means the resulting fiber when wool has been woven or felted into a wool product which, without ever having been utilized in any way by the ultimate consumer, subsequently has been made into a fibrous state.

(d) The term "reused wool" means the resulting fiber when wool or reprocessed wool has been spun, woven, knitted, or felted into a wool product which, after having been used in any way by the ultimate consumer, subsequently has been made into a fibrous state.

(e) The term "wool product" means any product, or any portion of a product, which contains, purports to contain, or in any way is represented as containing wool, reprocessed wool, or reused wool.

(f) The term "Commission" means the Federal Trade Commission.

(g) The term "Federal Trade Commission Act" means the act of Congress entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914, as amended, and the Federal Trade Commission Act approved March 21, 1938.

(h) The term "commerce" means commerce among the several States or with foreign nations, or in any Territory of the United States or in the District of Columbia, or between any such Territory and another, or between any such Territory and any State or foreign nation, or between the District of Columbia and any State or Territory or foreign nation.

(i) The term "Territory" includes the insular possessions of the United States and also any Territory of the United States.

MISBRANDING DECLARED UNLAWFUL

SEC. 3. The introduction, or manufacture for introduction, into commerce, or the sale, transportation, or distribution, in commerce, of any wool product which is misbranded within the meaning of this act or the rules and regulations hereunder, is unlawful and shall be an unfair method of competition, and an unfair and deceptive act or practice, in commerce under the Federal Trade Commission Act; and any person who shall manufacture or deliver for shipment or ship or sell or offer for sale in commerce, any such wool product which is misbranded within the meaning of this act and the rules and regulations hereunder is guilty of an unfair method of competition, and an unfair and deceptive act or practice, in commerce within the meaning of the Federal Trade Commission Act.

This section shall not apply—

(a) To any common carrier or contract carrier in respect to a wool product shipped or delivered for shipment in commerce in the ordinary course of its business; or

(b) To any person manufacturing, delivering for shipment, shipping, selling, or offering for sale, for exportation from the United States to any foreign country a wool product branded in accordance with the specifications of the purchaser and in accordance with the laws of such country.

MISBRANDED WOOL PRODUCTS

SEC. 4. (a) A wool product shall be misbranded—

(1) If it is falsely or deceptively stamped, tagged, labeled, or otherwise identified.

(2) If a stamp, tag, label, or other means of identification, or substitute therefor under section 5, is not on or affixed to the wool product and does not show—

(A) the percentage of the total fiber weight of the wool product, exclusive of ornamentation not exceeding 5 percent of said total fiber weight, of (1) wool; (2) reprocessed wool; (3) reused wool; (4) each fiber other than wool if said percentage by weight of such fiber is 5 percent or more; and (5) the aggregate of all other fibers: *Provided*, That deviation of the fiber contents of the wool product from percentages stated on the stamp, tag, label, or other means of identification, shall not be misbranding under this section if the person charged with misbranding proves such deviation resulted from unavoidable variations in manufacture and despite the exercise of due care to make accurate the statements on such stamp, tag, label, or other means of identification.

(B) the maximum percentage of the total weight of the wool product, of any nonfibrous loading, filling, or adulterating matter.

(C) the name of the manufacturer of the wool product and/or the name of one or more persons subject to section 3 with respect to such wool product.

(3) In the case of a wool product containing a fiber other than wool, if the percentages by weight of the wool contents thereof are not shown in words and figures plainly legible.

(4) In the case of a wool product represented as wool, if the percentages by weight of the wool content thereof are not shown in words and figures plainly legible, or if the total fiber weight of such wool product is not 100-percent wool exclusive of ornamentation not exceeding 5 percent of such total fiber weight.

(b) In addition to information required in this section, the stamp, tag, label, or other means of identification, or substitute therefor under section 5, may contain other information not violating the provisions of this act or the rules and regulations of the Commission.

(c) If any person subject to section 3 with respect to a wool product finds or has reasonable cause to believe its stamp, tag, label, or other means of identification, or substitute therefor under section 5, does not contain the information required by this act, he

may replace same with a substitute containing the information so required.

(d) This section shall not be construed as requiring designation on garments or articles of apparel of fiber content of any linings, paddings, stiffening, trimmings, or facings, except those concerning which express or implied representations of fiber content are customarily made, nor as requiring designation of fiber content of products which have an insignificant or inconsequential textile content: *Provided*, That if any such article or product purports to contain or in any manner is represented as containing wool, this section shall be applicable thereto and the information required shall be separately set forth and segregated.

The Commission, after giving due notice and opportunity to be heard to interested persons, may determine and publicly announce the classes of such articles concerning which express or implied representations of fiber content are customarily made, and those products which have an insignificant or inconsequential textile content.

AFFIXING OF STAMP, TAG, LABEL, OR OTHER IDENTIFICATION

SEC. 5. Any person manufacturing for introduction, or first introducing into commerce a wool product shall affix thereto the stamp, tag, label, or other means of identification required by this act, and the same, or substitutes therefor containing identical information with respect to content of the wool product and other information required under section 4, shall be and remain affixed to such wool product, whether it remains in its original state or is contained in garments or other articles made in whole or in part therefrom, until sold to the consumer: *Provided*, That the name of the manufacturer of the wool product need not appear on the substitute stamp, tag, or label if the name of the person who affixes the substitute appears thereon.

Any person who shall cause or participate in the removal or mutilation of any stamp, tag, label, or other means of identification affixed to a wool product with intent to violate the provisions of this act, is guilty of an unfair method of competition, and an unfair and deceptive act or practice, in commerce within the meaning of the Federal Trade Commission Act.

ENFORCEMENT OF THE ACT

SEC. 6. (a) Except as otherwise specifically provided herein, this act shall be enforced by the Federal Trade Commission under rules, regulations, and procedure provided for in the Federal Trade Commission Act.

The Commission is authorized and directed to prevent any person from violating the provisions of this act in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made a part of this act; and any such person violating the provisions of this act shall be subject to the penalties and entitled to the privileges and immunities provided in said Federal Trade Commission Act, in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though the applicable terms and provisions of the said Federal Trade Commission Act were incorporated into and made a part of this act.

The Commission is authorized and directed to make rules and regulations for the manner and form of disclosing information required by this act, and for segregation of such information for different portions of a wool product as may be necessary to avoid deception or confusion, and to make such further rules and regulations under and in pursuance of the terms of this act as may be necessary and proper for administration and enforcement.

The Commission is also authorized to cause inspections, analyses, tests, and examinations to be made of any wool products subject to this act; and to cooperate with any department or agency of the Government, with any State, Territory, or possession, or with the District of Columbia; or with any department, agency, or political subdivision thereof; or with any person.

(b) Every manufacturer of wool products shall maintain proper records showing the fiber content as required by this act of all wool products made by him, and shall preserve such records for at least 3 years.

The neglect or refusal to maintain and so preserve such records is unlawful, and any such manufacturer who neglects or refuses to maintain and so preserve such records shall forfeit to the United States the sum of $100 for each day of such failure, which shall accrue to the United States and be recoverable in a civil action.

CONDEMNATION AND INJUNCTION PROCEEDINGS

SEC. 7. (a) Any wool products shall be liable to be proceeded against in the district court of the United States for the district in which found, and to be seized for confiscation by process of libel for condemnation, if the Commission has reasonable cause to believe such wool products are being manufactured or held for shipment, or shipped, or held for sale or exchange after shipment, in commerce in violation of the provisions of this act, and if after notice from the Commission the provisions of this act with respect to said products are not shown to be complied with. Proceedings in such libel cases shall conform as nearly as may be to suits in rem in admiralty, and may be brought by the Commission.

If such wool products are condemned by the court, they shall be disposed of, in the discretion of the court, by destruction; by sale; by delivery to the owner or claimant thereof upon payment of legal costs and charges and upon execution of good and sufficient bond to the effect that such wool products will not be disposed of until properly stamped, tagged, labeled, or otherwise identified under the provisions of this act; or by such charitable disposition as the court may deem proper. If such wool products are disposed of by sale, the proceeds, less legal costs and charges, shall be paid into the Treasury of the United States.

(b) Whenever the Commission has reason to believe that—

(1) Any person is violating, or is about to violate, sections 3, 5, 8, or 9 of this act, and that

(2) It would be to the public interest to enjoin such violation until complaint is issued by the Commission under the Federal Trade Commission Act and such complaint dismissed by the Commission or set aside by the court on review, or until order to cease and desist made thereon by the Commission has become final within the meaning of the Federal Trade Commission Act, the Commission may bring suit in the district court of the United States or in the United States court of any Territory, for the district or Territory in which such person resides or transacts business, to enjoin such violation, and upon proper showing a temporary injunction or restraining order shall be granted without bond.

EXCLUSION OF MISBRANDED WOOL PRODUCTS

SEC. 8. All wool products imported into the United States, except those made more than 20 years prior to such importation, shall be stamped, tagged, labeled, or otherwise identified in accordance with the provisions of this act, and all invoices of such wool products required under the act of June 17, 1930 (ch. 497, title IV, 46 Stat. 719), shall set forth, in addition to the matter therein specified, the information with respect to said wool products required under the provisions of this act, which information shall be in the invoices prior to their certification under said act of June 17, 1930.

The falsification of, or failure to set forth, said information in said invoices, or the falsification or perjury of the consignee's declaration provided for in said act of June 17, 1930, insofar as it relates to said information, shall be an unfair method of competition, and an unfair and deceptive act, or practice, in commerce under the Federal Trade Commission Act; and any person who falsifies, or fails to set forth, said information in said invoices, or who falsifies or perjures said consignee's declaration insofar as it relates to said information, may thenceforth be prohibited by the Commission from importing, or participating in the importation of, any wool products into the United States except upon filing bond with the Secretary of the Treasury in a sum double the value of said wool products and any duty thereon, conditioned upon compliance with the provisions of this act.

A verified statement from the manufacturer or producer of such wool products showing their fiber content as required under the provisions of this act may be required under regulations prescribed by the Secretary of the Treasury.

GUARANTY

SEC. 9. (a) No person shall be guilty under section 3 if he establishes a guaranty received in good faith signed by and containing the name and address of the person residing in the United States by whom the wool product guaranteed was manufactured and/or from whom it was received, that said wool product is not misbranded under the provisions of this act.

Said guaranty shall be either (1) a separate guaranty specifically designating the wool product guaranteed, in which case it may be on the invoice or other paper relating to said wool product, or (2) a continuing guaranty filed with the Commission applicable to all wool products handled by a guarantor in such form as the Commission by rules and regulations may prescribe.

(b) Any person who furnishes a false guaranty, except a person relying upon a guaranty to the same effect received in good faith signed by and containing the name and address of the person residing in the United States by whom the wool product guaranteed was manufactured and/or from whom it was received, with reason to believe the wool product falsely guaranteed may be introduced, sold, transported, or distributed in commerce, is guilty of an unfair method of competition, and an unfair and deceptive act or practice, in commerce within the meaning of the Federal Trade Commission Act.

CRIMINAL PENALTY

SEC. 10. Any person who willfully violates sections 3, 5, 8, or 9 (b) of this act shall be guilty of a misdemeanor and upon conviction shall be fined not more than $5,000, or be imprisoned not more than 1 year, or both, in the discretion of the court: *Provided*, That nothing herein shall limit other provisions of this act.

Whenever the Commission has reason to believe any person is guilty of a misdemeanor under this section it shall certify all pertinent facts to the Attorney General, whose duty it shall be to cause appropriate proceedings to be brought for the enforcement of the provisions of this section against such person.

APPLICATION OF EXISTING LAWS

SEC. 11. The provisions of this act shall be held to be in addition to, and not in substitution for or limitation of, the provisions of any other act of the United States.

EFFECTIVE DATE

SEC. 12. This act shall take effect 6 months after the date of its passage.

SEPARABILITY CLAUSE

SEC. 13. If any provision of this act, or the application thereof to any person, partnership, corporation, or circumstance is held invalid, the remainder of the act and the application of such provision to any other person, partnership, corporation, or circumstance shall not be affected thereby.

EXCEPTIONS

SEC. 14. None of the provisions of this act shall be construed to apply to the manufacture, delivery for shipment, shipment, sale, or offering for sale any carpets, rugs, mats, or upholsteries, nor to any person manufacturing, delivering for shipment, shipping, selling, or offering for sale any carpets, rugs, mats, or upholsteries.

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

The Clerk read as follows:

Amendment offered by Mr. MONRONEY: On page 17, line 15, after the period, insert "Such identification shall show" and strike out lines 16 to 18, inclusive.

Mr. MONRONEY. Mr. Chairman, I want to explain this amendment very briefly. This bill is divided into two parts, one providing for what its sponsors state is for telling the truth in fabrics and enforcing the accuracy and truthfulness of the labels placed on these fabrics. The part that my amendment seeks to strike out is the part making it mandatory that all wool goods be labeled. It makes it mandatory that everybody who buys a pair of socks must have a Government-inspected tag on them showing what that wool content is. My amendment simply gives the purchaser the right to decide whether he wants to buy an article of clothing with the wool content label on it or whether he wants to buy at a price the article without the label. He has his choice under my amendment.

I say if this amendment is adopted there will be very little criticism from the retail people or from the businessmen of this country, because it allows the label to stand on its own legs; in other words, it tells what it is. If you do not want a labeled item, you can still buy the unlabeled item. My amendment makes it unlawful to misrepresent and that is what the members of this committee have been asking for in this legislation. It does not force every product containing wool to be labeled. If the public is as anxious as the committee claims for these labels, then industry would be self-regulated and labeling of all fabrics will be done in the interest of good business and not by federally regimented compulsion. My amendment permits all of the good points in this bill to be realized and avoids the compulsory provisions of the act. It also will give the merchant with such goods on hand a better opportunity to dispose of his stocks before all woolen goods must be labeled.

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

It has been my observation that usually when legislation is perfected advantageously it is not done by those who have vigorously opposed it. As is evident to everyone, the amendment offered by the gentleman from Oklahoma [Mr. MONRONEY] would kill the effect of the labeling act sought to be passed. In other words, it would, in effect, say on the one hand you shall label and on the other you do not have to label unless you want to.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. SOUTH. I yield.

Mr. BROWN of Ohio. If this amendment is adopted will it not open the door to evasion of the entire law?

Mr. SOUTH. That is right; it will absolutely nullify the law.

Mr. BROWN of Ohio. It will kill the effect of the law.

Mr. SOUTH. That is right.

I hope the amendment will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. MONRONEY].

The amendment was rejected.

Mr. HINSHAW. Mr. Chairman, I have 2 amendments and I ask that they may be read and considered at the same time.

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

There was no objection.

The clerk read as follows:

Amendments offered by Mr. HINSHAW: On page 15, line 5, strike out all of lines 5 to 10 inclusive and insert "never been used in any way by the ultimate consumer and subsequently been made into a fibrous state"; and reletter the following subsections accordingly.

Page 17, line 22, strike out "(2) reprocessed wool"; and renumber the clauses accordingly.

Mr. HINSHAW. Mr. Chairman, I have spoken several times this afternoon to the effect that there are many grades of reprocessed wool that are better than many grades of new wool. I am as opposed as anyone here to using shoddy, as it is called, or any of these wool rags, in the manufacture of clothing for the consuming public to wear on their bodies.

The amendment which I have presented, with the second amendment, strikes out section (c), the last part of section (b), and in turn would make section (b) read as follows:

The term "wool" means the fiber from the fleece of the sheep or lamb or hair of the Angora or cashmere goat (and may include the so-called specialty fibers from the hair of the camel, alpaca, llama, and vicuna), which has never been used in any way by the ultimate consumer and subsequently been made into a fibrous state.

In other words, that would place this bill in a position where all wool that had never been worn or used by the ultimate consumer would be labeled as "wool" and the balance of it, the shoddy, would be labeled, as proposed in the bill, "reused wool." I think that would be for the benefit of the ultimate consumer, because it would discourage fraud by discouraging the sale of the very low grades of so-called virgin wool as new wool, and thereby give the public the idea that it was good merchandise. It is not good merchandise if it is made of poor wool, whether the wool be new or reprocessed. High grades of wool, whether new or reprocessed, make up into good fabric.

If my amendment is adopted I can vote for this bill in good conscience because I favor truth, real truth, truth that has to do with wearing quality and color fastness and other such qualities in fabrics. That is what our people want and should have.

[Here the gavel fell.]

Mr. BROWN of Ohio. Mr. Chairman, I rise in opposition to the amendment. The language contained in the bill was written there as the result of long committee hearings and conferences and following requests received from manufacturers and retailers alike. The manufacturers and retailers both say that these definitions are the very best that can be possibly worked out to protect not only the manufacturing industry and the retailing trade but the consumers as well.

Of course, this amendment will permit the use of one type of wool under a misleading classification, and strikes at the very heart of the bill; and I hope the amendment will be voted down.

The CHAIRMAN. The question is on the amendments offered by the gentleman from California [Mr. HINSHAW].

The amendments were rejected.

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

The Clerk read as follows:

Amendment offered by Mr. BOREN: Page 15, line 7, between the word "a" and the word "wool" insert "finished."

Mr. BOREN. Mr. Chairman, I hope the gentleman from Texas [Mr. SOUTH] will lend his ear. I am offering two amendments, one of which I understand the committee is already in concurrence with.

The purpose of this amendment is to put the word "finished" in front of "product" in the definition of reworked wool. That means that if wool is worked up to a certain stage in the carding process, but has not been put into a garment, then it shall have the right to be treated as virgin wool. If it has actually been made into a garment, whether that garment has been shipped or sold or put into a store, or anything else, it is still reworked wool. The question involved is at what point you are going to draw the line to throw out such things as noils, slubbings, rovings, and so forth. I believe if the gentleman from Texas [Mr. SOUTH] will reflect on this point he will not find it inconsistent with his wishes to hold down the use of wool that has been put into a fabric. If you put the word "finished" in there, it will still be reworked wool if it has ever gone so far as to have been knitted into a sock or a sweater. I hope I make myself clear.

Is the gentleman from Texas going to oppose the amendment?

Mr. SOUTH. We cannot agree to the amendment.

[Here the gavel fell.]

Mr. SOUTH. Mr. Chairman, this term "reprocessed wool" was put into the bill by men who appeared before the committee and the gentleman from New Jersey [Mr. WOLVERTON], a member of the committee, who has had a great deal of experience in the textile business, who pointed out that there was a relatively small amount of fiber loosely woven or knitted, and so forth, but damaged slightly, if at all, that ought to take the classification which we have given it here.

I am convinced that no harm will be done by this classification. I would be unwilling to see the gentleman's amendment adopted. I insist it would be better to adopt the term included in the bill, and I ask that the amendment be voted down.

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

Mr. SOUTH. I yield.

Mr. BOREN. Would the gentleman say that slubbing, under the classification we have here, which is material that has got no further than the early stages of being carded and put into thread, ought to be classified as "wool waste"?

Mr. SOUTH. Mr. Chairman, the amount involved is so small that nobody will be hurt by this section.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma.

The amendment was rejected.

The Clerk read as follows:

Amendment offered by Mr. RICH: Page 20, line 11, after the word "product", insert "or any other products contained therein in an amount of 5 percent or more by weight."

Mr. SOUTH. Mr. Chairman, I have no authority from the committee to accept the amendment, but after conferring with members of the committee, I see no objection to it.

Mr. BROWN of Ohio. That is agreeable to the minority, Mr. Chairman.

The CHAIRMAN. Without objection, the amendment will be agreed to.

There was no objection.

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

The Clerk read as follows:

Amendment offered by Mr. BOREN: Page 27, line 15, strike out the word "six" and insert in lieu thereof the word "nine."

Mr. SOUTH. Mr. Chairman, after conferring with members of the committee, we see no objection to the extension of the time for 3 months.

Mr. BROWN of Ohio. That is agreeable to the minority, Mr. Chairman.

The CHAIRMAN. Without objection, the amendment will be agreed to.

There was no objection.

The CHAIRMAN. The question is on the committee substitute as amended.

The committee substitute as amended was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MCLAUGHLIN, 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. 944) to protect producers, manufacturers, distributors, and consumers from the unrevealed presence of substitutes and mixtures in spun, woven, knitted, felted, or otherwise manufactured wool products, and for other purposes, pursuant to House Resolution 528 he reported the bill back to the House with an amendment adopted in the Committee of the Whole.

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

The question is on the amendment.

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.

Mr. LEA. Mr. Speaker, I call up the bill S. 162, to protect producers, manufacturers, distributors, and consumers from the unrevealed presence of substitutes and mixtures in spun, woven, knitted, felted, or otherwise manufactured wool products, and for other purposes, and ask unanimous consent to strike out all after the enacting clause and insert the bill H. R. 944, to protect producers, manufacturers, distributors, and consumers from the unrevealed presence of substitutes and mixtures in spun, woven, knitted, felted, or otherwise manufactured wool products, and for other purposes, as passed by the House.

The Clerk read the title of the Senate bill.

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

There was no objection.

The Senate bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

By unanimous consent the proceedings whereby the bill (H. R. 944) to protect producers, manufacturers, distributors, and consumers from the unrevealed presence of substitutes and mixtures in spun, woven, knitted, felted, or otherwise manufactured wool products, and for other purposes, was passed were vacated and the bill was laid on the table.

EXTENSION OF REMARKS

Mr. LEA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their own remarks on the bill just passed.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. LEA. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. KLEBERG] may include in his remarks the letters referred to in his speech in the Committee of the Whole.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. SOUTH. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include therein certain letters from which I read.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BOREN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein the charts I used today.

The SPEAKER. The Chair will submit the request subject to the approval of the Committee on Printing. That is the rule, the Chair believes.

Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ROMJUE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter addressed to Hon. James A. Farley, Postmaster General, by a special committee of the House Committee on the Post Office and Post Roads.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BROOKS asked and was given permission to revise and extend his own remarks.

Mr. HOLMES. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein such excerpts as I read and to which I referred on the floor of the House today.

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

There was no objection.

UNVEILING OF MONUMENT IN MEMORY OF GENERAL JACKSON

Mr. SHANNON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

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

There was no objection.

Mr. SHANNON. Mr. Speaker, on tomorrow a very important event will occur in the State of Virginia, and I think it is becoming that someone from other than Virginia should call attention to this fact, because this man belongs to all America. This man, in whose memory services will be held, belongs to all united America.

At Manassas, Va., there will be an unveiling of a monument to Gen. Thomas Jonathan Jackson, known to the world as

Stonewall Jackson. This service will be held at 2 o'clock. I hope there will be a large attendance of Members of Congress. No man is dearer to the historians of America than this great man. He ranks with Lee, Grant, Sheridan, and the other great generals of the War between the States.

EXTENSION OF REMARKS

Mr. MURRAY. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein a small table regarding migratory camps.

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

There was no objection.

Mr. HULL. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein a letter from the Farm Bureau Federation.

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

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include excerpts from a book entitled "The Alien Menace."

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

There was no objection.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include a brief editorial which recently appeared in the Union Herald, a newspaper published in the city of Raleigh.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. COOLEY]?

There was no objection.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 9575. An act to amend the Federal Aid Act, approved July 11, 1916, as amended and supplemented, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 760. An act for the relief of Mrs. Guy A. McConoha; and

S. 4271. An act to increase the number of midshipmen at the United States Naval Academy.

BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 9575. An act to amend the Federal Aid Act, approved July 11, 1916, as amended and supplemented, and for other purposes.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 25 minutes p. m.) the House, under the order heretofore adopted, adjourned until Tuesday, September 3, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds on Tuesday, September 3, 1940, at 10 a. m., for the consideration of the defense-housing bill, H. R. 10412.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization at 10:30 a. m., on Wednesday, September 4, 1940, for the consideration of Senate bill 3248, regarding the pay of immigration inspectors for overtime.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold a public hearing on Thursday, September 5, 1940, at 10 a. m., on the following bill: H. R. 10380, a bill to expedite national defense by suspending, during the national emergency, provisions of law that prohibit more than 8 hours' labor in any one day of persons engaged upon work covered by contracts of the United States Maritime Commission, and for other purposes.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SABATH: Committee on Rules. House Resolution 586. Resolution for consideration of H. R. 10132, a bill to protect the integrity and institutions of the United States through a system of selective compulsory military training and service; without amendment (Rept. No. 2905). Referred to the House Calendar.

ADVERSE REPORTS

Under clause 2 of rule XIII,

Mr. BLOOM: Committee on Foreign Affairs. House Resolution 576. Resolution requesting the Secretary of State to furnish various information relative to the consular offices in several countries (Rept. No. 2904). Laid on the table.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. COLE of New York:

H. R. 10438. A bill to extend the age limits for applicants for appointment as midshipmen at the United States Naval Academy; to the Committee on Naval Affairs.

By Mr. SCRUGHAM:

H. R. 10439. A bill to make the excess land provisions of the Federal reclamation laws inapplicable to the lands of the Washoe County water conservation district, Truckee storage project, Nevada; to the Committee on Irrigation and Reclamation.

By Mr. CROSSER:

H. J. Res. 600. Joint resolution providing for the inclusion of employees of express companies under the provisions of section 7 of the Fair Labor Standards Act of 1938; to the Committee on Labor.

By Mr. DIES:

H. Res. 587. Resolution to authorize the payment of expenses of investigation authorized by House Resolution 321; to the Committee on Accounts.

By Mr. THILL:

H. Res. 588. Resolution of inquiry directed to the Chairman of the Maritime Commission relative to fare reductions for Government employees and their families; to the Committee on Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BARNES:

H. R. 10440. A bill for the relief of the First National Steamship Co., the Second National Steamship Co., and the Third National Steamship Co.; to the Committee on Claims.

By Mr. BULWINKLE:

H. R. 10441. A bill conferring jurisdiction upon the United States District Court for the Western District of North Carolina to hear, determine, and render judgments upon the claims against the United States of I. M. Cook, J. J. Allen, and the Radiator Specialty Co.; to the Committee on Claims.

By Mr. GREEN:

H. R. 10442. A bill for the relief of Frank P. Walden and Viola Harp; to the Committee on Claims.

By Mr. MACIEJEWSKI:

H. R. 10443. A bill for the relief of Jerome Vasicek; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

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

9250. By Mr. BOYKIN: Petition of Edwin D. Patton, Dr. Cecil H. Ross, Arthur J. Kearley, and many other citizens of

Mobile, Ala., urging immediate aid to Britain by furnishing destroyers and other supplies that can be spared without weakening our own defenses, and expressing approval of the President's negotiations with Britain for naval bases; to the Committee on Foreign Affairs.

9251. By Mr. GREGORY: Petition of Eltis Henson, master, representing Alford Lodge, No. 925, Free and Accepted Masons, of Calvert City, Ky., expressing approval of defense program; to the Committee on Military Affairs.

9252. By Mr. McCORMACK: Petition of Dr. John H. Dingle, Boston, Mass., and sundry other physicians and citizens of Boston, strongly urging immediate conscription of men and materials and all other measures to hasten national defense; to the Committee on Military Affairs.

9253. Also, petition of Eva Whiting White and sundry other members of Massachusetts Headquarters, Committee to Defend America, Mayo A. Shattuck, New England vice chairman, Boston, Mass., urging all possible aid to Great Britain and her allies as the first line of American defense and the immediate strengthening of our Army, Navy, and air force as our second line of defense; to the Committee on Military Affairs.

9254. By Mr. MOSER: Petition of the county committee of local Berks County Socialist Party, condemning peacetime military conscription; to the Committee on Military Affairs.

9255. By Mr. VINCENT of Kentucky: Petition of G. D. Milliken, Sr., and many other prominent citizens of Bowling Green, Ky., urging the sale of destroyers to England; to the Committee on Military Affairs.

SENATE

SATURDAY, AUGUST 31, 1940

(Legislative day of Monday, August 5, 1940)

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

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

Almighty God, our Heavenly Father, who declarest Thy glory and showest forth Thy handiwork in the Heavens and in the earth, deliver us, we beseech Thee, in our several callings from the service of mammon, that we may do the work which Thou givest us to do, in truth, in beauty, and in righteousness, with singleness of heart as Thy servants, and to the benefit of our fellow men; for the sake of Him who came among us as one that serveth, Thy Son, Jesus Christ our Lord. Amen.

NAMING A PRESIDING OFFICER

The Chief Clerk read the following communication from the President pro tempore:

AUGUST 31, 1940.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. ALBEN W. BARKLEY, a Senator from the State of Kentucky, to perform the duties of the Chair this legislative day.

KEY PITTMAN,
President pro tempore.

Mr. BARKLEY thereupon took the chair as Presiding Officer for the legislative day.

THE JOURNAL

The PRESIDING OFFICER. Without objection, the reading of the Journal of the proceedings of the calendar day of Friday, August 30, 1940, will be dispensed with, and the Journal will be approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its reading clerks, announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 162. An act to protect producers, manufacturers, distributors, and consumers from the unrevealed presence of substitutes and mixtures in spun, woven, knitted, felted, or otherwise manufactured wool products, and for other purposes; and

S. 4272. An act to amend the act approved March 4, 1925, entitled "An act providing for sundry matters affecting the naval service, and for other purposes," as amended.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 4271) to increase the number of midshipmen at the United States Naval Academy, and it was signed by the Acting President pro tempore.

BILL INTRODUCED

Mr. HARRISON introduced a bill (S. 4323) for the relief of E. A. Wailes, receiver of Delta Oil Co. and the Tupelo Oil & Ice Co., which was read twice by its title and referred to the Committee on Claims.

ARTICLE BY WALTER LIPPMANN ON RUSSELL-OVERTON AMENDMENT

Mr. OVERTON. Mr. President, Mr. Walter Lippmann, well-known writer, has contributed to the press of the Nation an able and illuminating article in support of the Russell-Overton amendment to the conscription bill, authorizing the condemnation through the courts of plants and facilities necessary for national defense on their failure to cooperate with the Government during the present emergency.

With his customary clarity of expression and brilliant marshaling of argument, Mr. Lippmann supports the conclusion expressed by him in the closing paragraph of his article as follows:

> The very essence of the national effort consists in the obligation of all citizens to serve the Nation rather than themselves, and when the great majority are serving, no minority may resist or refuse. That is the principle of the Russell-Overton amendment, and the Senate would have been derelict in its duty if it had not adopted it.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as part of my remarks the full text of Mr. Lippmann's valuable contribution to the current debate on this question.

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

TODAY AND TOMORROW—ON THE POWER TO COMMANDEER FOR DEFENSE

(By Walter Lippmann)

The Russell-Overton amendment to the conscription bill was adopted by a vote of 69 to 16. It provides that in case the Army or the Navy are unable to reach an agreement with a private contractor for the manufacture of things they need, the Secretary of War or the Secretary of the Navy may commandeer the plant, leaving the question of compensation to be determined by condemnation proceedings in a court of law. The amendment was introduced in the very last stages of the Senate debate, and it may be that after closer scrutiny in the House and in committee it will be found desirable to improve it in detail. But to describe it as stupendous, staggering, and revolutionary, as setting up potential dictatorship, as a proposal to socialize and sovietize our system of free enterprise is not, it seems to me, a considered and illuminating contribution to the debate.

For the power of government to acquire private property for public purposes through condemnation proceedings is as old as the common law; it is a power exercised somewhere in the United States every day in the week in order to build highways, schoolhouses, parks, and other public facilities. In war and in peace the power is inherent in all government, and certainly it is available where the national defense is the public purpose for which private property is condemned. All that the Russell-Overton amendment does, if I read it correctly, is to make the property available at once, letting the courts fix the compensation at their leisure, whereas usually there is a long lawsuit before the property can be used. What is so staggering about that? Moreover, the power to commandeer in the interest of national defense has long been a part of the settled policy of the United States under the National Defense Act; over a period of more than 20 years Congress has repeatedly affirmed the principle as being necessary and inherent in time of national emergency. Surely it will not be maintained now by Mr. Willkie that no national emergency exists when he himself advocates conscription, or that the Senate does not think there is a national emergency when it adopts the conscription of men by a vote of 58 to 31 and reaffirms the power to commandeer property by a vote of 69 to 16.

Nor is there any substance to the contention that this power is likely to socialize and sovietize our system of free enterprise. On the contrary, it will help to preserve it. For the fact of the situation is that the great majority of businessmen in the country are quite ready to work for the national defense, renouncing any ambition for big profits, asking only reasonable protection against the risks. But in every community there are some men who put personal profit first, who seek private advantage for themselves while their competitors are doing public work.