and for other purposes; to the Committee on Naval Affairs.

1917. A letter from the Archivist of the United States, transmitting a list of papers recommended to him for disposal by certain agencies of the Federal Government; to the Committee on the Disposition of Executive Papers.

1918. A letter from the Secretary of War, transmitting a draft of a proposed bill to amend Article of War 52; to the Committee on Military Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. O'LEARY: Committee on Expenditures in the Executive Departments. S. 2722. An act to authorize relief of disbursing officers of the Army on account of loss or deficiency of Government funds, vouchers, records, or papers in their charge; without amendment (Rept. No. 2478). Referred to the Committee of the Whole House on the state of the Union.

Mr. PACE: Committee on Agriculture. H. R. 7059. A bill to amend section 385 of the Agricultural Adjustment Act of 1938, as amended, so as to facilitate farmers in the service of the United States receiving the benefits of the farm program; with amendment (Rept. No. 2479). Referred to the Committee of the Whole House on the state of the Union.

Mr. McLAUGHLIN: Committee on the Judiciary. S. 2731. An act to suspend until June 30, 1945, the running of the statute of limitations applicable to violations of the antitrust laws; without amendment (Rept. No. 2480). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SUTPHIN:

H. R. 7589. A bill authorizing payment of a clothing allowance to members of the Fleet Reserve; to the Committee on Naval Affairs.

By Mr. TREADWAY:

H. R. 7590. A bill to repeal the Silver Purchase Act of 1934; to the Committee on Ways and Means.

By Mr. EDMISTON:

H. R. 7591. A bill to establish an Office of Technological Mobilization, and for other purposes; to the Committee on Military Affairs.

By Mr. CLASON:

H. R. 7592. A bill to provide for the settlement of certain claims arising out of the establishment, expansion, or operation of arsenals, navy yards, and other Government-operated plants; to the Committee on Military Affairs.

By Mr. CLEVENGER:

H. R. 7593. A bill to amend the Federal Insurance Contributions Act with respect to the rate of taxes thereunder for the year 1943; to the Committee on Ways and Means.

By Mr. O'TOOLE:

H. Res. 541. Resolution creating a special committee to investigate certain activities of the War Department; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BROWN of Ohio:

H. R. 7594. A bill granting an increase of pension to Anna E. Rhoades; to the Committee on Invalid Pensions.

By Mr. CARTER:

H. R. 7595. A bill for the relief of Beatrice Oliver and Ruth Oliver; to the Committee on Claims.

By Mr. MARTIN of Iowa:

H. R. 7596. A bill to reinstate John B. Day, a captain, United States Army, retired, to the active list of the Regular Army; to the Committee on Military Affairs.

By Mr. SUTPHIN:

H. R. 7597. A bill for the relief of Edward W. Rapp; to the Committee on Claims.

PETITIONS, ETC.

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

3326. By Mr. BULWINKLE: Petition of Maebell Calhoun and various citizens of Gaston County, requesting the passage of Senate bill 860 and House bill 4000; to the Committee on Military Affairs.

3327. Also, petition of Jesse Blalock, of Shelby, N. C., and members of Czar Baptist Church, petitioning for the passage of Senate bill 860 and House bill 4000; to the Committee on Military Affairs.

3328. Also, petition of Mrs. A. B. Clayton and various citizens of Gaston County, petitioning for the passage of Senate bill 860 and House bill 4000; to the Committee on Military Affairs.

3329. By Mr. LAMBERTSON: Petition of Mrs. J. A. Alexander, Topeka, Kans., and 123 others, appealing to Congress for legislation which will provide the largest possible protection for the men in our Army and Navy against the insidious influence of vice and intoxicating liquors, and requesting passage of the Sheppard bill at an early date; to the Committee on Military Affairs.

3330. Also, petition of the George W. Hood Unit, No. 91, American Legion Auxiliary of Washington, Kans., requesting legislation covering all prices (including wages) and thus protect our Nation against further ravages of wartime inflation; to the Committee on Banking and Currency.

3331. By Mr. LECOMPTE: Petition of N. L. Veltman and other members of the Christian Reformed Church, Prairie City, Iowa, urging passage of the Sheppard bill, Senate bill 860, at an early date; to the Committee on Military Affairs.

3332. Also, petition of Rev. R. Vernon Pike and members and friends of the Pleasant View Methodist Church at Killdruff, Iowa, in the interest of the boys of their church and Sunday school who are in the armed forces as well as all others, respectfully urging the passage of such legislation as will provide the largest possible protection for the men and women in our Army and Navy and ordnance plants against the destructive influences of vice and intoxicating liquors including beer, and especially urging the passage of the Sheppard bill, S. 860, at an early date; to the Committee on Military Affairs.

3333. By Mr. MICHENER: Petition submitted by Mrs. Beryl B. Ashley, of Adrian, Mich., and signed by 143 other residents of the community, urging the enactment of Senate bill 860; to the Committee on Military Affairs.

3334. By Mr. ROLPH: Resolution of the San Francisco Board of Supervisors, adopted August 17, 1942, relative to proposed legislation seeking to relieve the financial burden on the Golden Gate Bridge by limiting the free-toll privilege extended to the Federal Government; to the Committee on Military Affairs.

3335. Also, resolution of the San Francisco Board of Supervisors, adopted August 17, 1942, relative to proposed legislation seeking to relieve the financial burden on the Golden Gate Bridge by limiting the free-toll privilege extended to the Federal Government; to the Committee on Military Affairs.

3336. Also, resolution of the California Cattlemen's Association, adopted September 10, 1942, that if Congress deems it advisable to enact legislation placing a ceiling on prices of agricultural products, that the ceiling prices be either the actual prices effective around September 1, 1942, or parity prices; that a floor be placed under such prices; that it is most necessary for the price-ceiling bill to include a provision placing a ceiling on all wages, using the wages in effect January 1, 1941, and adding any additional amounts justified by the increase in the cost of living since that time; to the Committee on Banking and Currency.

3337. By Mr. SHORT: Petition of sundry citizens of Aurora, Mo., petitioning consideration of their resolution with reference to Senate bill 860; to the Committee on Military Affairs.

3338. By Mr. WELCH: Resolution No. 2853, passed by the Board of Supervisors of the City and County of San Francisco, petitioning Congress to enact legislation to provide medical care, hospitalization, and compensation for civilian defense workers injured in line of duty; to the Committee on Military Affairs.

3339. Also, Resolution No. 2823, passed by the Board of Supervisors of the City and County of San Francisco, expressing opposition to proposal for taxation by the Federal Government of municipal bond obligations; to the Committee on Appropriations.

3340. By Mr. VINCENT of Kentucky: Resolution unanimously adopted by the Worsham Post, No. 40, the American Legion, of Kentucky, Henderson, Ky., in regular meeting on Monday night, September 14, 1942, favoring the stabilization of farm product prices at a fair price in comparison with wages, freezing of wages at their present levels, but with some exceptions for the lower brackets, favoring a national sales tax and a holding tax, and favoring an investigation to determine the number of men being removed from the farm through selective service system with a view of a sufficient number being left to insure an adequate food supply for our soldiers and for home consumption, etc.; to the Committee on Banking and Currency.

# SENATE

THURSDAY, SEPTEMBER 24, 1942

*(Legislative day of Monday, September 21, 1942)*

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

Rev. Walton L. MacMillan, A. B., pastor, Grace Baptist Church, Washington, D. C., offered the following prayer:

Our blessed God and Heavenly Father, the eternal destiny of nations is in Thy hands. We pray that in this Senate and in this place this morning every one of these men may look unto Thee for guidance. We thank Thee that through the Lord Jesus Christ we may come unto Thee, for He is the way, the truth, and the life. And, Father, we pray that the spirit of God may come afresh upon every individual of our Nation, that we may have the spiritual revival which is essential to the welfare of our people. In the name of the Lord Jesus Christ we ask it. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, September 23, 1942, was dispensed with, and the Journal was approved.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

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

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|---|---|---|
| Aiken | Green | Overton |
| Andrews | Guffey | Pepper |
| Austin | Gurney | Radcliffe |
| Bailey | Hatch | Reed |
| Ball | Hayden | Reynolds |
| Barkley | Herring | Rosier |
| Bilbo | Hill | Russell |
| Bone | Holman | Schwartz |
| Brewster | Johnson, Calif. | Shipstead |
| Bridges | Johnson, Colo. | Smathers |
| Brooks | Kilgore | Smith |
| Brown | La Follette | Spencer |
| Bunker | Langer | Stewart |
| Burton | Lee | Taft |
| Butler | Lodge | Thomas, Idaho |
| Byrd | Lucas | Thomas, Okla. |
| Capper | McCarran | Thomas, Utah |
| Caraway | McFarland | Tobey |
| Chandler | McKellar | Truman |
| Chavez | McNary | Tunnell |
| Clark, Idaho | Maloney | Tydings |
| Clark, Mo. | Maybank | Vandenberg |
| Connally | Mead | Van Nuys |
| Danaher | Millikin | Wagner |
| Davis | Murdock | Wallgren |
| Downey | Murray | Walsh |
| Ellender | Norris | Wheeler |
| George | Nye | White |
| Gerry | O'Daniel | Wiley |
| Gillette | O'Mahoney | Willis |

Mr. HILL. I announce that the Senator from Delaware [Mr. HUGHES] is absent from the Senate because of illness.

The Senator from Alabama [Mr. BANKHEAD], the Senator from South Dakota [Mr. BULOW], the Senator from Mississippi [Mr. DOXEY], and the Senator from Virginia [Mr. GLASS] are necessarily absent.

Mr. McNARY. The Senator from New Jersey [Mr. BARBOUR] is necessarily absent.

The VICE PRESIDENT. Ninety Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the House had passed a bill (H. R. 7565) to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

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

H. R. 6921. An act to amend the Soil Conservation and Domestic Allotment Act to authorize payments in cases where farmers' crops are acquired, prior to harvest, in connection with the acquisition of their farms for use in the national war effort, and to provide for the division of such payments;

H. R. 7114. An act to amend the Library of Congress Trust Fund Board Act; and

H. R. 7273. An act to amend section 1 of the act entitled "An act to provide books for the adult blind," approved March 3, 1931, as amended.

PETITION

Mr. CAPPER presented a petition, numerously signed, of sundry citizens of Abilene, Kans., praying for the enactment of Senate bill 860, to prohibit the sale of alcoholic liquor and to suppress vice in the vicinity of military camps and naval establishments, which was ordered to lie on the table.

PROHIBITION OF LIQUOR SALES AND SUPPRESSION OF VICE AROUND MILITARY CAMPS—LETTER OF PETITION

Mr. REYNOLDS. Mr. President, I hold in my hand and now present a letter signed by the pastors of six churches in Gastonia, N. C., in reference to Senate bill 860. I ask that the letter may be appropriately referred and printed at this point in the RECORD as a part of my remarks.

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

MAIN STREET METHODIST CHURCH,
*Gastonia, N. C.*

Senator ROBERT R. REYNOLDS,
*Washington, D. C.*

DEAR SENATOR REYNOLDS: We are writing you not personally but officially as the chairman of the Senate Military Affairs Committee.

At a union service held at Main Street Methodist, Gastonia, N. C., on Sunday, August 30, the congregation assembled requested the pastors of the churches represented to write to you, stating that those present desire you to present to the Senate of the United States the action of the congregation, requesting prompt passage of Senate bill No. 860 or of protective legislation for our armed forces for the liquor and vice traffic similar to that which was enacted in 1918.

You were also requested to present this action to the Senate that it be incorporated in the CONGRESSIONAL RECORD.

Yours very truly,
CLAUDE MOSER,
*Pastor, Main Street Methodist.*
B. A. BOWERS,
*Pastor, First Baptist Church*
(for total prohibition).
THOS. H. MCDILL,
*Pastor, First A. R. P. Church.*
GEO. S. BOWDEN,
*Pastor, Holy Trinity Lutheran.*
I. M. ELLIS,
*Pastor, First Presbyterian.*
PHILLIP S. S. GILMAN,
*Pastor, St. Mark's Episcopal.*

TELEGRAM FROM SHAWNEE COUNTY (KANS.) FARM BUREAU—ANTI-INFLATION LEGISLATION

Mr. CAPPER. Mr. President, I ask unanimous consent to have appropriately referred and printed in the RECORD a telegram just received from the Shawnee County (Kans.) Farm Bureau urging the enactment of anti-inflation legislation, provided it can be founded upon an equitable basis in relation to all groups in the country. I am in accord with the appeal made by this group, and am supporting such legislation in connection with the so-called Thomas amendment.

There being no objection, the telegram was ordered to lie on the table and to be printed in the RECORD, as follows:

TOPEKA, KANS., *September 22, 1942.*

Hon. ARTHUR CAPPER,
*The Senate, Washington, D. C.:*

Majority of Shawnee County farmers favor anti-inflation legislation provided it can be founded upon an equitable basis in relation to other groups. We urge you to use your influence as our representative in seeing that this is accomplished.

L. H. SPEARS,
*President, Shawnee County Farm Bureau.*

PROPOSED INCREASE IN PAY OF POSTAL EMPLOYEES

Mr. LANGER. Mr. President, I submit a number of telegrams which I have received today urging support of Senate bill 2674, which I ask unanimous consent to have printed in the RECORD in full.

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

BALTIMORE, MD., *September 23, 1942.*

Senator WILLIAM LANGER,
*Senate Office Building,*
*Washington, D. C.:*

Six hundred members strongly urge support of S. 2674.

S. CAPLIS,
*Chairman, Legislative Committee, Local 181, National Federation of Post Office Clerks, Baltimore, Md.*

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NEW YORK, N. Y., *September 24, 1942.*

Senator WILLIAM N. LANGER,
*Senate Office Building,*
*Washington, D. C.:*

Am a post-office clerk. My salary has not been increased in many years. Cost of everything rose. Help me.

M. F. DECKER, *Brooklyn.*

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NEW YORK, N. Y., *September 24, 1942.*

Senator WILLIAM N. LANGER,
*Senate Office Building,*
*Washington, D. C.:*

Mead bill for pay increases duration war before your committee deserves favorable action. Employees' salary frozen many years.

J. EVANANG, *Brooklyn.*

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NEW YORK, N. Y., *September 24, 1942.*

Senator WILLIAM N. LANGER,
*Senate Office Building,*
*Washington, D. C.:*

Your approval of Mead pay-bonus bill for employees of Government amply justified by tremendous rise in living cost.

HYMAN GOLDEN,
*Brooklyn, N. Y.*

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NEW YORK, N. Y., *September 24, 1942.*

Senator WILLIAM N. LANGER,
*Senate Office Building,*
*Washington, D. C.:*

Postal employees expect your friendly consideration of Mead bill for pay increase. Pay stagnant since 1925. Prices way up.

HYMAN SOLOMON,
*South Ozone Park.*

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NEW YORK, N. Y., *September 24, 1942.*

Senator WILLIAM N. LANGER,
*Senate Office Building,*
*Washington, D. C.:*

Gratitude of employees of Government will be earned by your favorably reporting Mead bill to increase pay for duration.

R. C. RUSSO, *Brooklyn.*

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NEW YORK, N. Y., *September 24, 1942.*

Senator WILLIAM N. LANGER,
*Senate Office Building,*
*Washington, D. C.:*

Postal employees expect your friendly consideration of Mead bill for pay increase. Pay stagnant since 1925. Prices way up.

BENJ. PERLMAN, *Brooklyn.*

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NEW YORK, N. Y., *September 24, 1942.*

Senator WILLIAM N. LANGER,
*Senate Office Building,*
*Washington, D. C.:*

Mead bill for pay increase duration war before your committee deserves favorable action. Employees' salary frozen many years.

J. HOOK,
*Richmond Hill, N. Y.*

NEW YORK, N. Y., *September 24, 1942.*
Senator WILLIAM N. LANGER,
*Senate Office Building,*
*Washington, D. C.:*

Please help postal employees to keep abreast of rapidly rising cost of living by reporting out Mead pay-increase bill.

W. SMITH,
*Richmond Hill, N. Y.*

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NEW YORK, N. Y., *September 24, 1942.*
Senator WILLIAM N. LANGER,
*Senate Office Building,*
*Washington, D. C.:*

Federal employees look you for relief; distress caused by rise in living costs. Assist them by approving pay bonus.

ALFRED DE FATO,
*Brooklyn, N. Y.*

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NEW YORK, N. Y., *September 24, 1942.*
Senator WILLIAM N. LANGER,
*Senate Office Building,*
*Washington, D. C.:*

Please vote favorably for war-bonus bill for postal employees. This will remedy difficulty of meeting increased cost of living.

SOL COOTBLATT, *Brooklyn.*

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NEW YORK, N. Y., *September 24, 1942.*
Senator WILLIAM N. LANGER,
*Senate Office Building,*
*Washington, D. C.:*

Respectfully urge you to favorably report Mead pay-increase bill. Post-office clerks have had no increase in 17 years.

S. SPIEGLER, *Brooklyn.*

## INVESTIGATION RELATIVE TO BAN ON RECORDINGS BY THE AMERICAN FEDERATION OF MUSICIANS

Mr. CLARK of Idaho, from the Committee on Interstate Commerce, to which was referred the resolution (S. Res. 286) authorizing an investigation of the action of the American Federation of Musicians in denying its members the right to play or contract for recordings or other forms of mechanical reproduction of music (submitted by him on August 27, 1942), reported it with an amendment, submitted a report (No. 1614) thereon; and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. LUCAS. Mr. President, as chairman of the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably without further amendment Senate Resolution 286, and ask for its immediate consideration.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Interstate Commerce with an amendment, on page 5, line 12, after the word "exceed", to insert "$5,000", so as to make the resolution read:

Whereas the American Federation of Musicians, through its president, James C. Petrillo, on June 25, 1942, forbade musicians who are members of the American Federation of Musicians to play or contract for recordings, transcriptions, or any other form of mechanical reproduction of music; and

Whereas James C. Petrillo, in a letter written to the President of the United States, on December 27, 1941, recognized and acknowledged that "music always has been and is today one of the finest media for maintaining high public morale," and pledged the American Federation of Musicians "to do everything possible to aid in the fight for freedom"; and

Whereas on July 28, 1942, Elmer Davis, Director of the Office of War Information, requested James C. Petrillo, "on behalf of the people of the United States and on behalf of the War Department, the Navy Department, the Marine Corps, the Coast Guard, the Treasury Department, the Office of Civilian Defense, and the Office of War Information" to "consider it your patriotic duty to stand by your pledge of December 27, 1941, and withdraw your ultimatum of June 25, 1942," and said request was refused; and

Whereas the mechanical reproduction of music is universally used in coin-operated phonographs located in hotels, restaurants, and amusement centers which are widely patronized by the general public, including members of the armed forces of the United States, and affords the principal means of musical entertainment and recreation for millions of civilian listeners and the only regular musical entertainment, other than radio, available to members of the armed forces in their recreation centers; and

Whereas the radio broadcast stations which are adversely affected by the said prohibition are principally the smaller stations which are not financially able to afford station orchestras and which serve millions of American citizens, particularly in the smaller communities and in the rural areas; and

Whereas the actions of the American Federation of Musicians and its president, James C. Petrillo, will deprive millions of radio listeners from hearing musical recordings, jeopardize the national morale during a period of great emergency, and imperil the service and existence of hundreds of radio stations in the United States; and

Whereas the American Federation of Musicians virtually controls the freedom of action of the majority of all musicians in the United States; and

Whereas the American Federation of Musicians, through its president, James C. Petrillo, in July 1942, prevented the broadcasting by radio of the annual festival of high-school age student musicians from Interlochen, Mich., thus depriving American citizens of their freedom to make known their musical talents, and impeding the national musical educational program for young musicians; and

Whereas the Government of the United States, through its Department of Justice, has recognized that the actions of the American Federation of Musicians and its president, James C. Petrillo, hereinbefore set forth, are of such serious nature as to warrant suit in Federal court against the said American Federation of Musicians and James C. Petrillo, and its other officers, charging violation of the Sherman antitrust law; and

Whereas the free American system, with which the American people are vitally concerned and for the preservation of which they are now expending their lives and substance in a great war, demands the elimination of any such abuses and controls which are contrary to our national interests: Therefore be it

*Resolved,* That for the purpose of considering appropriate legislation of the subject matters hereof, the Committee on Interstate Commerce, or any duly authorized subcommittee thereof, is authorized and directed to make, and to report to the Senate the results of a thorough and complete investigation of acts, practices, methods, and omissions to act, by persons, partnerships, associations, corporations, and other entities in interstate and foreign commerce, which may or do interfere with, or obstruct the national welfare, the public morale, or affect the public good originating from or as a result of the actions of the American Federation of Musicians and its president, James C. Petrillo, in denying members of the American Federation of Musicians the right to perform music for recordings and transcriptions destined to be played for reproductions by radio stations and coin-operated phonographs, including among other things:

(1) Restraints of trade by foreign or domestic persons, partnerships, associations, corporations, or other entities, whether through monopolies or otherwise affecting the manufacture and production of, or playing for, musical records and transcriptions, and the control of music and music production in the United States.

(2) Financial arrangements and demands therefor with respect to profits, salaries, bonuses, or other honorariums, which may have been arranged for, accepted, or demanded by individuals or organizations affecting the manufacture and production of or playing for, musical records and transcriptions and the control of music and music production in the United States.

The Committee on Interstate Commerce, or any duly authorized subcommittee thereof, is authorized and directed to obtain such facts as other Government agencies may have, and to secure the assistance of other Government agencies in the investigation hereby authorized.

For the purposes of this resolution the committee or any duly authorized subcommittee thereof is authorized to hold such hearings, to sit and act at such times and places, either in the District of Columbia or elsewhere, during the sessions, recesses, and adjourned periods of the Senate in the Seventy-seventh and subsequent Congresses, to employ such experts, and clerical, stenographic, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production and impounding of such books, papers, and documents, to administer such oaths, and to take such testimony and to make such expenditure as it deems advisable. The cost of stenographic service to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

The amendment was agreed to.

The resolution, as amended, was agreed to.

The preamble was agreed to.

## BILLS INTRODUCED

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

By Mr. BUTLER:

S. 2799. A bill relating to loans and sales to producers of agricultural commodities which are destroyed or damaged; to the Committee on Agriculture and Forestry.

By Mr. GREEN:

S. 2800. A bill to provide for furnishing the adjutant general of each State with certain information concerning residents of such State who are serving in the armed forces; to the Committee on Military Affairs.

(Mr. JOHNSON of Colorado introduced Senate bill 2801, which was referred to the Committee on Finance, and appears under a separate heading.)

## COMPENSATION AND PENSIONS TO VETERANS OF ALL WARS AND THEIR DEPENDENTS

Mr. JOHNSON of Colorado. Mr. President, I ask consent to introduce a bill that will provide for adjusting veterans' compensation in accordance with the basic cost of living during the first 6 months of 1940 and that it be printed.

There being no objection, the bill (S. 2801) to provide for increasing or decreasing the compensation or pension

payments, payable to veterans of all wars, campaigns, and expeditions, or of peacetime service, and to their dependents, under laws administered by the Veterans' Administration, by 10 percent for every 10 percent increase or decrease in the cost of living above the basic cost of living during the first 6 months of 1940, as computed each 6 months, provided that such compensation and pension payments shall not be reduced below the basic amounts provided for under such laws, and for other purposes, was read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

*Be it enacted, etc.*, That beginning on the first day of the third calendar month following the month in which this act is enacted, except as to private acts, the rates of payments of compensation or pension, in effect on the date of enactment of this act, under the laws administered by the Veterans' Administration, shall be increased by 10 percent if the index figure of the cost of living in the United States during the period of the six calendar months ending with the close of the calendar month preceding the month during which this act is enacted is 10 percent higher than the index figure of the cost of living in the United States during the first 6 months of the calendar year 1940 which shall be known as the base period, and rates of payments of compensation or pension, in effect on the date of enactment of this act, under such laws, shall be further increased by an additional 10 percent thereof effective the first day of the fourth calendar month following each subsequent period of 6 calendar months if the index figure of the cost of living for each subsequent period of 6 months is sufficiently in excess of the index figure for the base period to support each such additional increase: *Provided*, That where increased payments are in effect hereunder and the index figure of the cost of living for any subsequent period of 6 months in comparison with the index figure of the cost of living for the base period becomes inadequate to support such increased rates of payments of compensation or pension in effect hereunder, such rates of payments shall be reduced by 10 percent of the rates of compensation or pension in effect on the date of enactment of this act, such reduction to be effective on the first day of the fourth calendar month following such subsequent period of 6 months: *Provided further*, That any subsequent increase, or reduction, by 10 percent of the rates of compensation or pension in effect on the date of enactment of this act, or continuation of the current rates of payment, for another period of 6 months, shall be determined in the manner hereinbefore prescribed: *And provided further*, That in no event shall rates of payments of compensation or pension be reduced below the rates of payments of compensation or pension in effect on the date of enactment of this act.

SEC. 2. The Secretary of Labor is authorized and directed to report to the Administrator of Veterans' Affairs the index figure of the cost of living during the 6-month period ending June 30, 1940, and the index figure of the cost of living for the 6-month period ending with the close of the calendar month preceding the month during which this act is enacted, at least 1 month in advance of the first day of the third calendar month following the date of enactment of this act, and the index figure of the cost of living for the subsequent periods of 6 months, at least 1 month prior to the first day of the fourth calendar month following each subsequent period of 6 months, so as to insure prompt adjustments of rates of payments of compensation or pension as herein provided, and such reports shall also include the percentage of difference, if any, between the index figure of the cost of living for the first 6 months of the calendar year 1940 and the index figure of the cost of living for the period of 6 months being reported upon: *Provided*, That the Administrator of Veterans' Affairs is hereby authorized and directed to make adjustments in the rates of payments of compensation or pension and payments thereon based upon such reports and in accordance with the provisions of this act.

Mr. JOHNSON of Colorado. Under my bill all compensation and pension payments to veterans would go up or down by 10-percent jumps.

Sponsored by the Disabled American Veterans, this bill, according to its title, is designed—

To provide for increasing or decreasing the compensation or pension payments payable to veterans of all wars, campaigns, and expeditions, or of peacetime service, and to their dependents, under laws administered by the Veterans' Administration, by 10 percent for every 10 percent increase or decrease in the cost of living above the basic cost of living during the first 6 months of 1940, as computed each 6 months, provided that such compensation and pension payments shall not be reduced below the basic amounts provided for under such laws, and for other purposes.

It cannot be denied that the purchasing power of compensation and pension payments to our disabled defenders and their dependents have been decreasing proportionately with the gradual increase in the cost of living, whereas it should rightfully keep abreast of it.

I note that Price Administrator Leon Henderson has testified that the cost of living has already risen nearly 20 percent since the start of World War No. 2, and is now going upward at the rate of 1½ percent a month. Wages of employed persons have been going up more or less correspondingly. Why should this not also justly be the case as to disabled veterans who do not generally have the means by which to increase their incomes according to increases in the cost of living? The objective of this proposed legislation—constant purchasing power for America's disabled defenders, past, present, and future—should become a part of the permanent policy of the Government.

Millard W. Rice, the National Service Director of the Disabled American Veterans, has been quoted as saying:

This living cost method of determining the amounts of compensation and pension to be paid to America's disabled veterans, and their dependents, would provide them with a constant purchasing power—regardless of inflation or deflation—which is fair both to them and to the Federal Government.

This is not a new principle by any means. The National Labor Board has repeatedly utilized it and the War Labor Board has recognized it as the determining factor in wage disputes. In periods of violent economic instability such a formula as I have outlined is absolutely essential if we are to protect the welfare of the men who bared their breasts to enemy fire when the life of this Nation was threatened by enemies who would destroy it.

STABILIZATION OF THE COST OF LIVING—AMENDMENTS

Mr. DOWNEY submitted an amendment and Mr. BARKLEY (for Mr. O'MAHONEY, Mr. TYDINGS, and Mr. REED) also submitted an amendment intended to be proposed by them to the joint resolution (S. J. Res. 161) to aid in stabilizing the cost of living, which were ordered to lie on the table and to be printed.

REPORT ON CHANNEL FROM PAMLICO SOUND THROUGH CORE SOUND TO BEAUFORT HARBOR, N. C. (S. DOC. NO. 247)

Mr. BAILEY, from the Committee on Commerce, presented a letter from the Secretary of War, transmitting a report dated May 20, 1942, from the Chief of Engineers, United States Army, together with accompanying papers and an illustration, on a review of reports on a channel from Pamlico Sound through Core Sound to Beaufort Harbor, N. C., with a view to determining whether modification of the existing project is advisable to provide for improvement of a side channel and basin at Sealevel, N. C., which was ordered to be printed as a document, with an illustration.

A SEPARATE DEPARTMENT OF AVIATION

Mr. MALONEY. Mr. President, I am among the many persons who have for a long time past been disturbed by newspaper and magazine articles, and other publications and statements, dealing with alleged delays and deficiencies in our military aviation. Men of established reputation insist that we are not properly keeping pace with our enemies, and those of them who appear to be well informed and particularly qualified to speak on the subject constantly deplore our lack of progress in this field.

Members of the Senate know of proposals heretofore made that the Congress establish a department of aviation, and committees to deal with this tremendously important subject. I share the feeling of those who believe that we should have a separate air force, and I think it of paramount importance that such committees of the Congress should be created and assigned to deal exclusively with aviation. It is pretty generally admitted that in the conduct of this war aviation has played, and probably will continue to play, a part as important, if not more important, than any other method of warfare. Certainly, if that be true—and I believe it may be true—there should be no longer delay, and it is for that reason that I ask unanimous consent that there may be printed in connection with this statement an article by Maj. Alexander de Seversky, which appeared in the American Mercury for September, entitled "Aviation Ballyhoo Versus Aviation Facts."

While the Congress is not charged with the direction of the war, we cannot avoid the responsibility we have in connection with the conduct of the war, and I firmly believe, Mr. President, that we do not fully meet our responsibility if we do not give immediate attention to this tremendously important matter. It is my feeling that until we shall delegate to

special committees the direct and definite responsibility of getting the facts and making definite recommendations to the Congress, we shall not do our full part in the war effort.

I beg Members of the Senate to read the article by Major de Seversky. I do not know Major de Seversky, but his position and accomplishments in the field of aviation command attention and should have the careful consideration of Congress, and those officials of the Government, and the Army and Navy, who want to leave nothing undone in the prosecution of the war.

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

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

[From the American Mercury of September 1942]

AVIATION BALLYHOO VERSUS AVIATION FACTS

(By Maj. Alexander P. de Seversky)

Whatever reverses we may suffer on the fields of battle, we continue to be magnificently victorious in our publicity, advertising, and after-dinner oratory. True, our fighter planes may be outclassed in combat by British, German, and even Jap fighters. But gleaming pursuits, doctored by commercial artists, zoom through picturesque skies to do superman feats in full-page newspaper ads and double-spreads in the magazines.

Before me is an all-out advertisement by an oil company. Streamlined drawings and typography tell the American people that "our pilots fly faster * * * fly higher * * * fly farther * * * than Axis planes * * * because of 100-octane aviation gasoline."

Now it happens that all major nations, including Germany, use 100-octane fuel. But skip that. More significant is the fact that our pilots don't fly faster; the best German and British pursuits thus far have outflown ours; only in the bomber class, where speed is not the paramount consideration, have we measured up. We don't fly higher; on the contrary, our main fighters, the P-40 (Kittyhawk and Tomahawk), and P-39 (Airacobra) are stymied by engine shortcomings above the critical altitude of 16,000 feet, though British and Axis planes function above 30,000 feet. And, finally, we don't fly farther; the best British bombers could easily outdistance American bombers with equal useful loads; Jap pursuits have utilized emergency ranges that left us sadly in the lurch.

It must be assumed that national advertising which makes such extreme claims for the most important weapon of the war has at least the tacit consent of our military authorities. Whom are we fooling with these silly and mischievous boasts? Such make-believe merely explodes in our faces in the only test that counts in wartime—the test of actual combat.

The glory of our gallant pilots is that they are doing superb work despite inferior equipment. The records of our Colin Kellys and "Butch" O'Hares and hundreds of others, living and dead, are doubly brilliant in the eyes of those Americans fully aware of the equipment handicaps with which they started. We do these heroes and the whole of our peerless aviation personnel a great injustice by blurring that fact, and, sentiment aside, we compromise our whole war effort by confusing the issue of technical quality in aerial warfare—by tolerating the ersatz superiority of commercial and political braggadocio in place of true superiority.

If the advertisement in question were exceptional, we could shrug it off as a case of misguided exuberance. Unfortunately, it is typical. A high-pressure campaign seems under way to reconcile American opinion to aviation equipment which, in many performance factors, is below the standards set by our allies and enemies—equipment which, in terms of the strategic tasks that face America, is still quite primitive. If our margin of backwardness were unavoidable and incurable, there might be some shadow of excuse for making the best of it without wincing. But America happens to have everything that it takes for true primacy in the aerial domain; the problem is merely to release our full air-power genius, and this cannot happen without a fully enlightened public opinion.

Take another exhibit. Here before me is a recent issue of the magazine Liberty. Its front cover is given over to a portrait of Brig. Gen. James H. Doolittle—the very personification of those qualities of audacity and skill which are typical of our air personnel. I venture to guess, however, that Jimmy Doolittle must have been deeply embarrassed by the display on the back cover—a General Motors advertisement for the Allison engine offers a picture of the P-40 pursuit, with this amazing claim:

"Quality superiority counts! From Africa, the Middle East, the South Pacific, Russia, the communiques report that nothing in the Axis air armada can match the sharp-nosed fleetness of this liquid-cooled engine. It's a matter of record that predates Pearl Harbor, how Allison-powered planes can dish it out."

On the basis of direct and extensive personal knowledge of the performance of British, German, and American engines, I am obliged to attest that this statement is an extraordinary exaggeration. If this were advertising to promote washing machines or other peacetime products, the customers would have ample cause for squawking to the proper legal authorities. The fact that in this instance the only customer is Uncle Sam, whose very survival is at stake, is even more reason why the public should look into the matter.

Ironically, the reader can turn to the inside pages of the same issue where an able aviation reporter, Frederick L. Collins, tells some unadorned truths that belie the ad. It was the enemy's knowledge of our aviation deficiencies, he shows, which emboldened Japan to start war on us, and adds:

"In pursuit and fighter planes, our very best products, primarily designed for speed on a moderate level, were no match for high-flying enemy models. * * * The terrifying fact remained that thousands of American boys who risked death and defeat in the battle of the air left the ground under the well-nigh insuperable handicap of aerial inferiority."

The handicapped aircraft to which he refers included the very model pictured on the back cover. The plane which he believes will ultimately prove a match for enemy fighters, the Republic (formerly Seversky) P-47, is not yet in full production. But he records that it is powered by a "2,000-horsepower Pratt & Whitney air-cooled engine," rather than the low-horsepower liquid-cooled engine ballyhooed in the advertising section.

Since it is based on my own design, I have some warrant for commenting on the Republic P-47, or Thunderbolt, now advanced as the white hope of American pursuit aviation. I cannot join in the hurrahs with a full heart. In the years since I projected the original design, the whole world has made immense strides in aeronautics. The fact that the P-47 now looks as good as anything the Axis has already exhibited in combat does not preclude the possibility that meanwhile the enemy has perfected superior planes. It is not enough to alibi and to "catch up." Our aim must be to surpass the enemy.

The tendency to overpraise existing or projected planes acts as a soporific. What we need, instead, is a strong stimulant. What we require from American public opinion is not easy applause but tough challenge. Maj. Al Williams, in a courageous and justified blast, recently stated the issue without beating around the bush:

"If Americans knew as much about our planes as the enemy does, the chances are they'd get something done. That's the trouble with censorship; it serves to cover up deficiencies. We have yet to place on the European front or on the Japanese front one single-seater fighter with performance superior to that of enemy fighters. * * * The only edge we have in fighting those rats is in our superb and unbeatable American airmen."

II

There is plenty of realistic facing of facts in the reports by working newspapermen and active pilots on the fighting fronts. It's not easy to kid yourself with verbal consolations when even a small margin of difference in climb or speed, armor or armament, may decide between victory and defeat, life and death. Here, for instance, is John Lardner, writing in Newsweek (June 29, 1942) on his return from Australia:

"You can believe almost anything you hear about the courage and the skill of our pursuit pilots. Their work, wherever I saw it, was magnificent in its boldness. But the wolf would never get within 40 yards of this correspondent's door if I had a nickel for every pilot who has said to me, in effect: 'With a better plane, we could chase 'em out of the air. Those guys are still on top of us.'"

"Those guys," he points out, "are the Japs flying Zero pursuits." He quotes one of our fine American pilots as saying, "When you fly a P-40 against a Zero, you can make one pass at him. Then, if you miss, you had better get the hell out of there."

This judgment has been repeatedly confirmed by General Chennault, commander of the matchless group of airmen popularly known as the Flying Tigers, whose exploits over Burma and elsewhere will be a thrilling saga of American history for all time. A recent article in Collier's, by William Clemmens, tells how Chennault prepared his men for the harsh reality that "Japanese planes could climb faster, turn quicker, bring more fire power to bear." He records that the first lesson Chennault taught his fliers was this: "Never attack alone. One P-40 against one Jap is outnumbered 3 to 1. * * *"

The whole point about the Flying Tigers is that they did their job against heavy odds. They made up in audacity and tactical resourcefulness for what they lacked in the performance of their planes. The shark's teeth painted on the nose of their planes—a piece of high-spirited playfulness which optimists at home treated as though it had some tactical value—were no substitute for performance deficiencies. Yet here before me is a two-page advertising spread calculated to tell the country that the very engine which, through inherent lack of horsepower, hampered Chennault and his men, deserves the credit for their gallant feats.

General Chennault sent a telegram praising the workers who built the engine. The praise is well deserved, since the workers are responsible for the craftsmanship and not for the design. He indicated that the craftsmanship is first-rate; there had been no "engine trouble." But that message is played up in the ad as though it were a testimonial to the engine's exceptional power in combat. Thus, a 3-to-1 handicap in action turns up amazingly as an unqualified boost for the engine and plane. Why in the world should Americans, at this late date, take space to

boast that an engine actually works? The boast only diverts attention from that engine's faults as a power plant for fighting aircraft.

Jack Turcott, an American correspondent in Australia, cabled on July 13 that United Nations airmen "despite the handicap of inferior numbers and inferior quality of their pursuit planes * * * continue to maintain aerial superiority by their flying and fighting ability." He defined that qualitative inferiority by referring to the new Jap Zero, "which is able to outmaneuver, outclimb, outdive and outfly the P-39 (Airacobra) and the P-40 (Kittyhawk)."

On June 3, a United Press dispatch by Ray Maley reported from the Southwest Pacific:

"The Japs are able to use fighter planes with 1,400 miles range while our fighters' range is about half that. * * * Many of our losses have been due to the fact that fighter pilots engaged in escort duty have had to fight longer than they desired and consequently were left with insufficient fuel to return home."

Last November, a young American pilot, John Ezzel, returning home after 5 months of fighter and convoy duty with the Royal Air Force, had this to say to reporters in Kansas City about the British Spitfires and Hurricanes:

"The British planes have a much higher ceiling, more speed, and better armament. We did our fighting at altitudes which would seem unbelievable over here. When you're up against a German fighter which is as good as yours, it is a matter of who climbs faster and higher."

I could multiply such statements endlessly. Anyone even slightly familiar with worldwide aviation facts is aware that we entered the war at the end of 1941—more than 2 years after its outbreak—with equipment which, especially in the fighter and pursuit class, was dismally below the British, the German, and, in some respects, the Japanese. That backwardness is the sorry heritage of long years of underestimation of the air weapon, and the illogical subservience of our airmen to infantry and naval leadership.

It is against that background that we must view the campaign to convince the American people that they now possess the best aviation equipment in the world. Those of us who have been fighting against such complacency are content to risk brickbats from official and unofficial quarters to tell the truth—because we are deeply convinced that in a democracy the situation cannot be completely remedied without an alert and informed public opinion.

III

Certainly, notable progress is being made in the quality of our aviation. American inventive and industrial genius is breaking through, despite muddle and bureaucratic restraints. Our flying fortresses belied their name at the outset because they lacked armor and armament; those defects have in the main been eliminated, making these planes formidable weapons. In many new fighter models being rushed for production, we have embodied longer range and other military enhancements—by the end of the year they will compare favorably with Axis fighters as of today.

But that's precisely where the hitch comes. Those of us who criticize our aviation picture have been accused by superficial amateurs of wanting to fight "today's war with tomorrow's weapons." They fail to understand that, in fact, we are fighting today's war with yesterday's weapons. Unless we have the intellectual boldness and the creative vision to reach out for tomorrow's weapons, we shall continue to fight with yesterday's weapons. They forget that it is a relentless race in which it is futile and self-defeating to strive modestly for "today's" implements and strategies.

Nothing in this article should be willfully distorted as a slight to the American aviation industry, its designers, or our air personnel. They are doing their utmost within the framework set by orthodox strategy and a traditional military system.

We should never for a moment forget that the Axis designers and strategists, too, are constantly raising the performance characteristics of their equipment. The blunder being made by too many of the facile optimists is to compare what we have on the production line with what the adversary already has in the air against us. We don't know what Germany and Japan have on their production lines. We cannot afford to encourage smug self-satisfaction and delusions of superiority.

I was present recently when an eminent publisher evoked wild applause from 1,500 luncheon guests in the Waldorf-Astoria ballroom with accounts of our tank and gun production. True marvels of mass output and speed-up technique, entitled to a big hand from any body of Americans. But it would have been better if the audience had also heard a word about the shortcomings of those tanks and guns. * * * A few weeks later came the disaster in Libya, in part because our guns were inferior to Rommel's tank artillery in caliber and muzzle velocity.

The same publisher presented a glowing—and wholly justified—tribute to a great new bomber plant. He failed to note, however, that the bombers on those mile-long assembly lines are just too short in range for direct attack on Japan proper. That fault is not of a technical or engineering nature. It reflects a failure in strategic thinking at the top, rather than in our aeronautical and engineering ability. To the enemy, as to all strategic-minded airmen, the inadequate range is as good as a tip-off that the outmoded island-by-island strategy is still dominant.

He also evoked applause when he talked about our P-40 fighters equipped with "the most powerful liquid-cooled engines in the world." As a layman, he was probably unaware of the British Napier Sabre, with more than 2,000 horsepower, and the new Daimler-Benz engine which powers Hitler's new fighter, with a speed well over 400 miles and supercharging that takes it as high as 40,000 feet with full military load. The British have reason to be uneasy about this new Nazi weapon, despite far-reaching improvements in their own fighters. Yet the well-meant American boast referred to an engine until recently of 1,150 horsepower and only now beginning to come off the line in a 1,325 horsepower version. (The new version, like the old, loses power above the critical level of 16,000 feet.)

That publisher, along with the whole American people, is simply a victim of what looks suspiciously like a deliberate effort to placate American public opinion. We are being given soothing sirups and sales talks instead of hard, cold facts. The master minds responsible for the situation cannot be naive enough to think they are fooling the Axis. Is the great idea, then, to fool the American people?

The most alarming part of it is that the biggest "selling" job is being done precisely on the least combat-worthy equipment. It is as though someone were trying to smooth over defects with fancy "public relations"; as if those responsible for backwardness hoped to cover up until they can catch up.

Consciously or unconsciously, the people and the groups which contributed to our aviation backwardness have tolerated, if not actually encouraged, consoling exaggeration of the quality of our planes. Among them, it is true, there are men who are blameless as individuals, being victims of the conjuncture of events and forces. Their patriotic duty in this national crisis, it seems to me, is to take the American people fully into their confidence, so that together we may face in a candid spirit the gigantic job of assuming world air leadership.

Thus far, however the spirit has been the opposite of candid. The arrival of the P-40's in Britain, early in the war, was made the occasion for fanfares of publicity. The fact that they could not be used in Britain on account of inferior performance was soft-pedaled. Indeed, "mock battles" were staged, intended to convey the idea that these planes were a match for Spitfires in action. There were photographs out of England, featured in the press here, with captions implying that these American planes were in active combat duty in England; in actuality, they were being used for air-ground cooperation training purposes.

The Bell Airacobra is a magnificent job of designing and construction. But, like the P-40, it has been sadly handicapped by its inadequate engine. Curiously, big sums are being spent on advertisements to glorify that very engine. One ad actually underscores the 1,150 horsepower, as if it were a special virtue. * * * Sometimes, of course, the fighting is at lower altitudes, where the handicapped planes give a first-rate account of themselves, but that doesn't alter the fact of deficient horsepower and inferiority at vital upper levels of combat. Our Allies, of course, are not in a position to look gift horses in the mouth and, naturally, they are grateful for anything they can get, in their desperate plight. There is no reason in common sense for exploiting their silence or their polite compliments to conceal glaring deficiencies.

Another ad before me as I write declaims in huge letters: "Power to Win!" The most important fact about the engine it praises happens to be its dismal lack of power. But what matter, when the average reader is not equipped to call the bluff? And here's a stirring layout headed "Somewhere Upstairs." It tells the crucial truth that "to stop the enemy we must rule the air—we must fight the final battle 'upstairs.'" But, alas, the plane thus advertised is condemned to fight downstairs, being unable to meet the enemy at higher levels.

The publicity is on a par with the advertising. Here's a story out of China acknowledging that our P-40's, in comparison with the Jap Zero, fall short in maneuverability and rate of climb, but arguing that these things don't really matter. Yet here is another, from Africa, which declares that Hitler's Messerschmitt 109-F, though superior in all other respects, can be handled by the P-40 because of the latter's superior maneuverability. Thus the same military characteristic is "reinterpreted" to make the plane seem effective against Zero opposition in one place, against Messerschmitt opposition in another. If only wars could be won by clever interpretations. I recall an instance where the challenge of cannon on enemy fighters was met neatly and economically on this side by rechristening machine guns as "cannon."

There are, of course, any number of exceptions. Where the information comes from straight reportorial sources, we are likely to get straight information. But official attitudes inevitably find a reflection in the publicity, so that every victory by an American plane is "blown up" and defeats are slurred over. The result is a fairly consistent pattern—a slew of stories about brilliant accomplishments, followed by a major disaster that cancels them.

Take Libya, for instance, where colorful yarns of the prowess of our tanks and pursuits were capped by the reality of Rommel's great advance. In the parliamentary debate after the fall of Tobruk, the American people were told at last what was no news to airmen—that the inferiority of our equipment was in part, at least, the explanation for the defeat.

I do not for a moment imply that the stories of brilliant exploits are false. On the contrary. But it is essential to differentiate between achievements despite qualitative handicaps and through "lucky breaks," and those

that can be honestly credited to our equipment. In order to hasten our inevitable victory it is important that laurels coming to our men should not be placed on the machines. More than that, the laurels should take the form of better and still better machines.

IV

Not long ago, I found myself on a radio program directed to young people. An Army spokesman was on the same program, transmitting, as he explained later, officially prepared information. I listened with consternation as he told the boys and girls all over the Nation that the P-38 and the P-47 are the only two airplanes in the world today which have a speed of 400 miles per hour with a full military load.

Now many boys who play with airplane models know that the Typhoon and Tornado, the Spitfire V with two-speed supercharger, and another type still secret but already in action, all do better than 400 miles; so do the new Messerschmitt 109-F modified and the new Focke-Wulf. The claim is so palpably absurd that one can only marvel at the types of mind that indulge in such publicity. But that wasn't all. The officer then proceeded to inform America's airminded youth that "even our older pursuit planes * * * are equal to—if not superior to—German craft." A kindergarten audience would hardly swallow that one.

What is the purpose of ladling out boastful misinformation to young and old alike, in advertising, articles, radio addresses, official statements, and official silences?

If the idea is to conceal past mistakes, it is missing fire. The facts are too obvious to be hidden. Those in charge would be far better advised to acknowledge past failures, and help uncover and remove the causes of such failures. Admittedly, that would take a high degree of courage, but the national danger calls for heroic honesty and all-out realism.

If the bright idea is to encourage faith in American weapons, at any cost, then it is one that boomerangs. What are people to think when planes extolled as the world's best, flown by the cream of our pilot crop, fail to bring home the bacon of victories? What is perhaps intended to build up faith ends by undermining it—such is the inexorable law of falsification, no matter what the motives may be.

American boys who are flocking to the air services are not going to lose their nerve because they are told the truth. On the contrary, they will be fired to greater deeds by the temporary handicap in equipment, provided only that they know they are being told the truth, that past mistakes are being remedied and that the causes of those mistakes are being eliminated. Nothing is gained by transparent stories and half-truths, which, in the long run, destroy faith in leadership and faith in the democratic way of life.

Moreover, every exaggeration does harm to our air power by distorting the truth about aviation as the main element in this war. "If we lose campaigns despite these well-advertised superior planes and these air victories," the average American reasons, "then apparently air power is not so important after all." A clear and realistic view of events is indispensable to the conduct of total war in a democracy like ours. To put the matter bluntly, the ballyhoo is so crude that it defeats itself.

Our advertising profession can be exonerated in this situation. It does not make policy or strategy. It is a wonderfully developed instrument, but what is done with it depends not on itself but on those who wield it. America's genius for advertising can be harnessed to help the war effort. It is, in fact, playing a great role in raising morale, making our people aware of their potential strength and stirring them to use it to the utmost.

But to harness that force to business as usual makes no sense in the supreme crisis of war. The techniques of supersalesmanship and public relations that have a legitimate place in ordinary times for ordinary products are wasted, and even dangerous, when thus applied to the weapons of survival in a time like this. They are, in sober fact, dangerous if they succeed in selling inferior equipment or engendering a false sense of safety. The sole result is that it shields incompetents or those for some other reason involved in responsibility for aviation inadequacies.

Some service men recently wrote me, in approving the fight for quality in aviation: "We are in a position to know in that we are flying the mistakes that you wrote about." It is in the spirit of these men, staking their lives for our beloved country, that I call for a new, honest and audacious approach to the air-power problem—and the air-power opportunity.

The airplane is the weapon that will decide the outcome of the war. We cannot afford to play politics with it, to lie to ourselves about it, or to accommodate ourselves to shortcomings in a muddling-through mood. We cannot afford double talk and illusions about the weapon that is destined to decide the issue. In the interests of victory, we have no alternative but to expose the conditions responsible for aerial backwardness—and to change them.

The purpose of this article is to help crack the hard crust of business-as-usual and bureaucratic habit and delusions of superiority. That is the only way to clear the road for real superiority in the air. Air power is the American weapon. We have the brains, the resources, the industrial leadership, the mechanical genius to take undisputed first place in the skies—a primacy that will spell doom for the Axis. Let's use those advantages. Let's drop all smugness and commercial shrewdness, cute publicity, and ambiguous advertising. The task that faces us is too important for such self-deception and false pride.

## CONDITIONS IN PUERTO RICO

Mr. TRUMAN. Mr. President, I have some correspondence which I have received from the President of the Chamber of Commerce of Puerto Rico and several others who are interested in the welfare of that island possession. I should like very much to refer it to the chairman of the Committee on Territories and Insular Affairs, and ask him to appoint a subcommittee to make an investigation of the matters indicated in the correspondence to which I have referred.

Mr. TYDINGS. Mr. President, I know well that the conditions in Puerto Rico are very strained. The fact that there is very limited shipping between the mainland and the island has caused food and other shortages, and has likewise hampered the sale of Puerto Rican products on the mainland. That is a condition which has evolved out of the war.

Mr. TRUMAN. I understand that.

Mr. TYDINGS. To make a complete survey of the conditions in Puerto Rico and find a remedy would, in my humble judgment, entail the doing of one of two things: Either a subcommittee of the Special Committee to Investigate the National Defense Program, or a subcommittee of the Committee on Territories and Insular Affairs would have to visit Puerto Rico and spend at least 2 or 3 weeks there, if they were to make a comprehensive survey of the conditions, and provide a remedy which would go to the root of the trouble. I believe the Senator's committee, which already has money, and a staff of research experts and others in position to gather information, and which is already in being, and equipped for that purpose, should make the survey. The Committee on Territories and Insular Affairs would have to have special authorization to secure the money and the staff sufficient to do the work.

Inasmuch as that committee does not have the authority, money, or the staff, and the Senator's committee does have the facilities, I should not feel that he would be infringing upon the normal prerogatives of the committee of which I am chairman if he and his committee should undertake the survey.

Mr. TRUMAN. I thank the Senator very much, but I did not want to infringe on the prerogatives of any legislative committee.

Mr. CHAVEZ. Will the Senator yield?

Mr. TRUMAN. I yield.

Mr. CHAVEZ. I disagree with the chairman of the Committee on Territories and Insular Affairs concerning the investigation under discussion for the reason that I believe the functions of the Truman committee apply only to certain matters pertaining to the war effort, while the letters submitted by the Senator from Missouri [Mr. TRUMAN] have to do with the general economic and other conditions in Puerto Rico at this time. I realize the handicap which the chairman of the Committee on Territories and Insular Affairs would find himself under if he were to undertake this work. Nevertheless, if any committee should make an investigation of the conditions in Puerto Rico at this time it should be the Committee on Territories and Insular Affairs.

Mr. TYDINGS. I think under normal conditions the point of the Senator from New Mexico would be sound. If I may differ with him, I do so because of this outstanding fact: The need in Puerto Rico is for immediate action, and to get all the machinery necessary, to get the staff together, as well as the authority to do this work, would take an additional 2 or 3 weeks. We would have to get men who are now very difficult to find. It was with that thought in mind primarily that I felt that the committee headed by the Senator from Missouri would be better able to do the work than the Committee on Territories and Insular Affairs. If the Senator's committee were to do the work, 3 weeks to a month's time would be saved, and that time is vital to the people of Puerto Rico.

The VICE PRESIDENT. The correspondence referred to by the Senator from Missouri will be referred to the Committee on Territories and Insular Affairs.

## ADDRESS BY SECRETARY KNOX BEFORE NATIONAL CONVENTION OF THE AMERICAN LEGION

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD the address delivered by Hon. Frank Knox, Secretary of the Navy, before the National Convention of the American Legion, at Kansas City, Mo., on September 19, 1942, which appears in the Appendix.]

THE STRUGGLE OF BALKAN PEOPLES FOR FREEDOM—ADDRESS BY DR. CONSTANTIN FOTITCH.

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an address by Dr. Constantin Fotitch, Minister from Yugoslavia to the United States, before the Institute on World Problems of the World Federation of Educational Associations, which appears in the Appendix.]

GENERAL BACKGROUND OF FAR EASTERN CULTURE—ADDRESS BY DR. PAUL MONROE

[Mr. GEORGE asked and obtained leave to have printed in the RECORD an address entitled "General Background of Far Eastern Culture," delivered by Dr. Paul Monroe to the Institute on World Problems of World Federation of Educational Associations, Washington, D. C., which appears in the Appendix.]

RUBBER FOR FARM OPERATIONS—ADDRESS BY E. T. TAYLOR

[Mr. THOMAS of Idaho asked and obtained leave to have printed in the RECORD an address entitled "Synthetic Rubber or We Perish," delivered by E. T. Taylor, master of the Idaho State Grange, at Pendleton, Oreg., September 4, 1942, which appears in the Appendix.]

EDUCATE FOR DEMOCRACY

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an article by Harry Daniels, entitled "Educate for Democracy," which appears in the Appendix.]

FOOD WILL WIN THE WAR—ARTICLE BY ROBERT A. HUDSON

[Mr. HOLMAN asked and obtained leave to have printed in the RECORD an article by Robert A. Hudson, of Portland, Oreg., entitled "Food Will Win the War," which appears in the Appendix.]

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President.

S. 2686. An act to amend the act of May 19, 1926, entitled "An act to authorize the President to detail officers and enlisted men of the United States Army, Navy, and Marine Corps to assist the governments of the Latin-American republics in military and naval matters";

S. 2698. An act to make transportation and storage facilities available for military use where military necessity exists, by authorizing the removal to other points of merchandise in customs custody; and

S. 2747. An act to authorize a reduction in the course of instruction at the United States Military Academy.

STABILIZATION OF THE COST OF LIVING

The Senate resumed the consideration of the joint resolution (S. J. Res. 161) to aid in stabilizing the cost of living.

Mr. BROWN obtained the floor.

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

Mr. BROWN. I yield.

Mr. BILBO. I wish to present two telegrams, one from the best informed cotton man of the South, and one from some of the leading cotton raisers of Mississippi, which I ask to be read by the clerk.

The VICE PRESIDENT. Without objection, the clerk will read as requested.



The telegrams were read as follows:

MEMPHIS, TENN., *September 23, 1942.*

Hon. THEODORE G. BILBO,
*Senate Office Building,*
*Washington, D. C.:*

National Cotton Council just completed survey current cotton farm labor costs. September 1942 labor costs 251 percent of same costs 1940.

Bureau Agricultural Economics estimates cost production 1940 crop 9.6 cents per pound lint cotton. Using B. A. E. formula and applying increases in labor and other costs prevailing September 1942, cost production 1943 and subsequent crops will be increased to approximately 21.5 cents per pound lint cotton, based on preceding 10-year average yield, assuming pending legislation freezes all labor and other costs at current levels.

Cotton production cannot be maintained unless these facts are recognized. Strongly urge your support of amendment requiring inclusion farm labor costs in calculating parity price.

OSCAR JOHNSTON,
*President National Cotton Council.*

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WEST POINT, MISS., *September 23, 1942.*

Senator THEODORE G. BILBO,
*Washington, D. C.*

DEAR SENATOR BILBO: Clay County farmers 100 percent for all-out war effort to last man and dollar. We support measures to control inflation that puts all groups on same level. We believe Congress should exercise prerogative in such matters and permit no dictatorial power by President. Administration has fiddled while wages have soared to outrageous levels beyond which public will not tolerate. In many instances present wage levels have been established by strikes at expense of our war effort. At same time prices on farm commodities have been pegged by loans. Farmers not willing to furnish all shock troops to control inflation. We ask that ceiling on wages be set at comparable level with farm prices. We further ask that ceiling on farm commodities not be fixed at less than parity prices adjusted to cover all labor costs and that loan rates be raised to 90 percent of parity instead of 85 percent and adjusted for all increased labor and production costs. Approved by directors Clay County Farm Bureau.

E. M. WILLIAMS,
*President.*

Mr. BILBO. Mr. President, I have had these two telegrams read, among the many I have received, because I believe they voice the sentiment of 99 percent of the farmers of Mississippi on the pending legislation, with special reference to the Thomas amendment.

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

Mr. BROWN. I yield.

Mr. HATCH. This morning when I left the office I picked up only a few of numerous messages which I have received from citizens of my State concerning the pending amendment submitted by the Senator from Oklahoma [Mr. THOMAS]. Since I have arrived on the floor of the Senate I have examined the messages carefully, especially the names of those who signed them. I wish to say, before I ask to have the telegrams printed in the RECORD, that I know personally all those who signed them. There is not a single extremist or agitator in the whole group. They are solid, substantial citizens of my State who are face to face with the problems of production, of cost of labor, and those things which the man in an agricultural community has to face every day. I hope Senators will read these telegrams so they may know some of the conditions which exist in the agricultural sections.

I ask unanimous consent that the telegrams be printed in the RECORD at this point.

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

ROSWELL, N. MEX., *September 24, 1942.*

Senator CARL HATCH,
*Washington, D. C.:*

In case of a veto we urge you to do all you possibly can, not only by your vote but by your influence, to have present farm and ranch labor included in the impending bill dealing with parity. Farm and ranch labor is completely out of line here and regardless of what might be offered to a prospective employee he seems to have a better job and is certainly not interested in anything a farmer or rancher might offer. Farmers and ranchers in this locality critically short on labor and unless a miracle happens a continuation of this exodus will result in serious consequences to the rancher and a possible big abandonment of farm acreage by the farmer next year. Cotton-picking prices here over 100 percent of what they were 3 years and still very few pickers available and with these prices prevailing it will finish the job on the remaining farm labor still left on farms and ranches.

SOUTHEASTERN NEW MEXICO
GRAZING ASSOCIATION,
JOE J. LANE,
J. P. WHITE, JR.,
JOHN TWEEDY,
HAL BOGLEY,
ARMSTRONG & ARMSTRONG,
W. E. BONDURANT.

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DEMING, N. MEX., *September 23, 1942.*

Hon. CARL A. HATCH,
*United States Senator,*
*Senate Office Building,*
*Washington, D. C.:*

Support measure to provide definite ceiling on wages at level comparable to ceiling on farm prices and include farm-labor cost in computing parity level at which prices should be fixed, market should be supported at not less than 90 percent of parity.

G. D. HATFIELD,
*President, New Mexico Farm and Livestock Bureau.*

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ALBUQUERQUE, N. MEX., *September 22, 1942.*

Senator CARL A. HATCH,
*United States Senate,*
*Washington, D. C.:*

We strongly approve and commend Hatch amendment to pending price-control measure providing for parity on agricultural commodities to include agricultural labor in the base. We are confident this amendment in keeping with a rounded-out and fair-price-control program; your complete support is urged and will be appreciated by livestock industry of your State.

TOM CLAYTON,
*President, New Mexico Cattle Growers Association.*

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ALBUQUERQUE, N. MEX., *September 23, 1942.*

Hon. CARL A. HATCH,
*United States Senate,*
*Washington, D. C.:*

In addition to strong approval to Hatch amendment to pending price-control measure providing for a parity on agricultural commodities to include agricultural labor in the base, we also heartily recommend and urge a policy of price control which will require simultaneous control of salaries and industrial wages at the same time controls are placed

on agricultural commodities and at a point which will maintain an equable relationship between the two. We also recommend loan of 85 to 90 percent on basic and nonbasic agricultural commodities. Sincerely believe above recommendations to be best interests of general public welfare. Your support will be appreciated.

NEW MEXICO WOOL GROWERS ASSOCIATION,
FLOYD W. LEE, *President*.

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

Mr. BROWN. I yield.

Mr. GILLETTE. I hope before the Senator proceeds with his discourse that he will answer an inquiry which came to me by telephone within the last 15 minutes. The American Corn Millers Federation of Chicago are much concerned over the question as to whether under the mechanics set up in the pending measure they would be enabled to secure the supplies of white corn which they need for their processing. They produce corn meal, and particularly hominy grits and other varieties of hominy. They use white corn. In order to obtain supplies they are compelled to pay from 10 to 12 or 13 cents premium in the market. Their inquiry is whether under the mechanics of the joint resolution, as now drafted, a regulatory provision could be made which would enable them to pay the premium required to obtain their supplies.

Mr. BROWN. Mr. President, that is a subject matter upon which I should like to obtain further information from those who will probably be in charge of the administration of the measure, before making a final answer, and one which would be binding, insofar as legislative construction during the debate on a measure is binding, upon those in charge of its administration. I should think, however, that when a premium of 13 cents, or some such figure as that, is commonly paid on corn of that class, it is one of the factors which the Secretary of Agriculture would take into consideration under the provisions of subsection (2) on page 3 of the pending measure, which reads:

The highest price received by such producers for such commodity between January 1, 1942, and September 15, 1942 (adjusted by the Secretary of Agriculture for grade, location, and seasonal differentials).

Mr. GILLETTE. Mr. President, will the Senator yield for an observation?

Mr. BROWN. Yes; I yield.

Mr. GILLETTE. I am glad the Senator has made that statement, because I fully agree with him that under the mechanics laid down that concession could be made. I so advised my interrogators, but I wanted the opinion of the Senator from Michigan, as he has expressed it.

Mr. BROWN. Mr. President, in my judgment the Congress of the United States and the President are headed toward a bitter conflict. I have in the drafting of this measure and in the negotiations I have carried on with Senators representing various interests involved in the proposed legislation, done my utmost to avoid a collision. That effort has not only been made with Senators, it has extended to the leadership on both sides of this question in the House of Representatives, and I have certainly tried, as I know the majority leader and the chairman of the Committee on Banking and Currency [Mr. WAGNER] in charge of this proposed legislation have tried, to persuade the executive authority—those who will be in charge of the administration of this measure, and the Chief Executive himself, to reach a solution which would be acceptable to the Congress, acceptable to the administration, and acceptable to the American people.

I do not believe we have succeeded, and at this time, when unity is the greatest need in the conduct of the affairs of government in America, I am fearful that we are going to have disunity, that we are going to have criticism, that we are going to have outstanding differences between the executive and legislative branches of the Government. God forbid that there should be such disunity, but it is within the realm of possibility. It is entirely possible that the dispute may have to be resolved by the third coordinate branch of the Government of the United States, and I have felt that it was my duty and the duty of all of us who have had anything to do with the pending legislation to exert to the utmost our efforts to avoid the impending crisis.

This is not simply a domestic question. It is not merely a dispute between the so-called agricultural interests on the one hand and the consuming interests of the country on the other hand. It is a dispute which affects us in all our relationships.

I was proud of the Republican minority in the House of Representatives and in the Senate when, a few days ago, they announced a policy with respect to this measure, which was to go along and give the Executive the authority for which he had asked. I wish that it might have been followed yesterday in the House. But the responsibility is not the responsibility primarily of the minority in either the Senate or the House. The responsibility is upon the majority party. The responsibility is mainly ours. We have received splendid help and cooperation from outstanding patriotic Senators on the other side of the aisle who have stifled any desire to take advantage and make political capital out of this situation. The same statement is applicable to outstanding leaders in the House of Representatives. But, Mr. President, if upon this great issue before the American people we shall by our action here force a head-on collision between the executive and legislative powers in the American Government, we shall have done a great disservice to the war effort. We shall have weakened America.

Who is charged with the leadership of this country today? I have the highest respect for the President of the American Farm Bureau Federation, the able, suave, and powerful Ed O'Neal; and I regard Mr. Goss, the head of the National Grange, as a gentleman of patriotic impulses. At one time in his discourse before the Banking and Currency Committee he endorsed the joint resolution in its essentials. I have not the pleasure of acquaintance with the head of the Farm Cooperatives. I do know Mr. Holman, the head of the Milk Producers' Association, whose ideal with regard to the question before the Senate is 140 percent of parity for agriculture, as expressed in the hearings last December.

But, Mr. President, we should not turn the leadership of the legislative branch of the Government of the United States over to those gentlemen. They are not hired by the American people. They are hired by the people whose interests they serve. The man at the head of this Nation, who is asking that the majority and the minority stand by him in this great contest, is not the representative of any special group. He is the representative of all the people of the United States; and I think we should pause before we reject the measure which he has asked us to pass.

Think of the situation. A message is sent to Congress which carries with it the hope which has been in the hearts and minds of the American people on the question of prices and wages ever since the debate over the original price-control bill. The President sends a message to Congress and asks that the restrictions which prevent him from holding down the prices of essential commodities be removed. Those commodities are essential to the service of the Army, essential to our lend-lease operations, and essential to the safety of the people of the United States. The President asks that we remove the restrictions which wither the hands of those in charge of the administration of price-control legislation.

What is the result? The result is that in the House of Representatives the measure is used, in some instances, as a vehicle to go beyond the limitations which the President asked us to strike down. We need not close our eyes to actualities. The result here is very likely to be the same, if Senators continue to follow the leadership of the farm leaders, who, at this moment, are listening to what I have to say.

Mr. President, it is a question of who is conducting the affairs of this country. Everyone knows that it is easy for a minority group to heat the wires, send us telegrams, call us by telephone, and fill our offices with mail asking that we resist a certain measure; but you and I know that we do not hear from the vast majority of the American people. We do not hear from the great consuming class, the most inarticulate group in America, who are interested in this great problem.

The only representative whom the American people, as a group, have is the President of the United States. I represent, in part, my State of Michigan; the Senator from New Mexico, his State of New Mexico; but the President represents all the people of the country, and is the only official who does.

There is no doubt in my mind, based upon the hearings before the Banking and Currency Committee and upon frequent conferences which I had with Senators from farm States before the joint resolution was introduced, that the vast majority of Senators agreed with the general principles laid down. What are those general principles? First, that we should strike down 110 percent of parity;

and, second, that we should control wages. Those are the two essential things in the joint resolution. Senators agreed with those principles. I circulated among as many as possible a little statement setting forth those simple principles. Practically every Senator agreed with that statement and that statement was the genesis of this joint resolution. I violate no confidence when I say that the joint resolution was laid before the administrative authorities who will be in charge of the administration of this measure, and before the Chief Executive himself, after it had been generally approved by Senators; and it met with approval.

Then, when the news of what was to be contained in the joint resolution went out, the trains coming into Washington were filled with representatives of the farm bloc. I did not fear that situation, Mr. President. I had sat for weeks in the Banking and Currency Committees last December and heard Senators and representatives of farm organizations say, "We want 110 percent of parity; but, if you will control wages, all we want is parity."

I thought they were now coming here to say to us, "Your joint resolution controls wages. We are satisfied with it; and so long as 100 percent of parity is a floor for farm produce, a limit beyond which the President may not go, it will be satisfactory."

But, Mr. President, that was not the result. They did not say, "You have done what we asked you to do. You have controlled wages." Notwithstanding the fact that labor had put itself in the harness; notwithstanding the fact that labor leaders have said they accept this proposition, the farm leaders were not satisfied. It was no easy task for the President of the United States to persuade labor leaders to accept this curb on their rights. I was amazed that he could do so, but he has done it.

Did that satisfy the gentlemen who are in charge of the opposition to this measure? It did not. They said, "We want you to control wages, but we will not give up our 110 percent. We want more, we insist on 112 percent." That, Mr. President, is a fair and reasonable statement of the situation. Instead of this measure being used to stabilize the cost of living and stop inflation, if the Thomas amendment should be adopted, it would be used to send the spiral onward and upward, to the certain ruin and destruction of our national economy.

Mr. President, I do not know whom Senators wish to accept as the leaders of the Democratic Party. I know that the Democratic Party attained its success because of the leadership of President Roosevelt. I know that upon two occasions, under unprecedented circumstances, the American people approved his two administrations.

Men who have repeatedly stood upon platforms and said "I am going down the line in support of the President of the United States" are today joining in giving him the greatest jolt that any President of the United States has ever received in a time of stress, turmoil, and trouble. Thank God, I am going to take no part in administering such a rebuke to the President of the United States.

Shortly after Pearl Harbor I spoke before the Detroit Economic Club. That great organization of more than a thousand business leaders, labor leaders, and farm leaders in Michigan does not represent any one particular group. I told them that on many occasions in the past I had listened to what was requested of me by some particular group, that in peacetime we might accede to the requests when the questions were economic, but I said, "From now on I will recognize only one guide in my consideration of legislation, and that is the job of winning the war." I then stated that I would be with the President, even at times when I thought he was wrong, because he is the Commander in Chief. With respect to our international relations, and with respect to such important matters as this, I will accept his leadership, even when it is against my own judgment, though in this instance I am in complete agreement with him.

In a large sense the issue, as I see it today, is this: Are we going to be commanded by various groups representing special interests, or are we going to follow the leadership of the man who not only is charged with responsibilities in Washington but who has responsibilities in connection with the mighty struggle going on on the banks of the Volga, whose time must be taken up with consideration of what is happening upon the plains of China, who must be concerned with the problems facing us on the stormy Atlantic, in the Solomon Islands, at Midway, and on all the far-flung battle fronts of our Army and our Navy. He has asked us to do this thing. It is beyond my comprehension why Members of the majority party, many of whom were willing that this should be done, have changed their minds after hearing from the men who represent special interests in this picture, but who do not represent the American people.

Mr. President, it is with great regret that I make these statements; but I do so because I am confident that unless the Thomas amendment be rejected we shall draw down upon us the imprecations of the great majority of the American people. I do not want Senators to think that there is no substance behind the claim that the President of the United States could not accept the measure with the Thomas amendment in it. In my judgment, he could not do so after writing to the chairman of the Senate Banking and Currency Committee the letter dated September 15, 1942, in which he said:

> I should like to make clear my unalterable opposition to any recomputation of parity at this time.

The President meant exactly what he said.

I know that with respect to the matter which I am about to discuss I shall collide with the views of my good friend the senior Senator from Ohio [Mr. TAFT] who has done yeoman service in assisting me and the chairman of the committee in bringing before the Senate a measure which would deal fairly with these great economic questions. I say I regret to do so because it is plain from the remarks made the other day on the floor of the Senate immediately after hearing the President's somewhat abrupt message that the senior Senator from Ohio heatedly dissented. I did not then make reply because I had not time to study the question. I do not place myself on a par with the great constitutional lawyers in this body, of whom I consider the senior Senator from Ohio to be one.

However, Mr. President, I have not the slightest doubt that the situation after a veto of the pending measure would be such that the American people would demand that the President take action. It is well known that his legal counsel has advised him that he has the power to do so. Otherwise he would not say so in his message. I lay aside for the moment his power as Commander in Chief of the Army and Navy, and I base it upon legislation sponsored by the able senior Senator from Wyoming [Mr. O'MAHONEY] and carried forward by the able chairman of the Committee on the Judiciary, the senior Senator from Indiana [Mr. VAN NUYS].

I shall paraphrase and shall use the applicable language of the Second War Powers Act. Remember that the Second War Powers Act was passed in March 1942, a little over a month after the price-control bill was passed, and therefore it supersedes the Price Control Act as to any matters with respect to which the two laws may conflict.

What does title 3, section 301, of the Second War Powers Act say in substance? I have composed in sentence form a paraphrase of the provisions of the act which apply to the present situation:

> That whenever the President is satisfied that the fulfillments of requirements for the defense of the United States will result in a shortage in the supply of any material—

At the present time there are very few materials which do not come within that category, for we are short of almost everything.

For what? First—

> for national defense—

The Army and Navy. Second—

> or for export—

That means the lend-lease operations, the support of Russia, of England, of China, and of our other Allies. Third—

> or for private account.

That is the exact language of the law. What does "private account" mean? It could mean nothing other than the use of the things that you and I wear and the things that you and I eat. That is the subject matter of title 3 of the Second War Powers Act.

Continuing with the paraphrase—

> he may allot such material—

How may he allot it? He may allot it—

> in such manner—

That means the manner of getting it to those who need it—

> upon such conditions—

What can that mean other than the conditions of the price, terms, and so

forth, by which the materials and supplies will reach the public for private account, will reach the Army, and will reach the lend-lease operations? He shall, when he finds it necessary for the defense of the United States, allot the supplies to those three great divisions of consumption—

in such manner, upon such conditions, and to such extent as he shall deem necessary in the public interest and to promote the national defense.

Mr. President, I can conceive of no language which could be written in general terms which would give the President of the United States greater power over the economic life, the service of supply, and the prices of the things we have to buy and sell, than would the language contained in the Second War Powers Act.

In my own mind I have not the slightest doubt that the President can handle the entire situation in that way. If the Thomas amendment be agreed to and if the joint resolution as thus amended be vetoed—and I doubt that even the proponents of the proposal feel that it could be passed over a veto—certainly, under the powers referred to, the President could do many things if he were minded so to do.

That brings me to this thought: What is it about the record of Franklin D. Roosevelt as a friend of the farmer that causes the senior Senator from Oklahoma [Mr. THOMAS], and the senior Senator from South Carolina [Mr. SMITH], and other Senators to assume that he will be unfair to agriculture? As the Senator from Illinois [Mr. LUCAS]—and I always like to say "the courageous Senator from Illinois"—pointed out yesterday, of all the Presidents in the history of our country, President Roosevelt has been the greatest friend of the American farmer. He is the man who caused the enactment of the first Agricultural Adjustment Act. He is the man who urged the enactment of the soil conservation program. He is the man who, through wise advice to Congress, has reduced by over 40 percent the rates of interest paid by farmers.

He is the man under whose administration the parity concept which the farmers long looked to as the ideal they wanted was put into the statute law of the United States. He is the man under whose administration farm income has stepped ahead of nonfarm income. The increase in per capita farm income in the last 3-year period has been 115 percent. The per capita nonfarm income has increased by only 49 percent. I ask why is this man who has been the farmers' best friend mistrusted by the very men he has helped?

Mr. President, when he asks a sacrifice it is my judgment, which is based upon substance and fact, that the American farmer is willing to make the sacrifice. The Gallup poll, which specifically mentioned the measure before the Senate, found that farmers were 71 percent in favor of and 7 percent opposed to the general principles of the pending joint resolution. Undoubtedly, after all the agitation, that result will be somewhat changed; but certainly they are willing to make the sacrifice.

Mr. President, all the farmers do not feel, nor do all the farm leaders feel, as do the four gentlemen who are in charge in Washington of this drive against the President. The organization which probably to a greater extent than any other represents the dirt farmers of the United States has this to say in a statement before the Banking and Currency Committee of the Senate:

Prominent farm leaders no longer ago than July were fighting the release of Government-owned grain for feeding and loans to more small farmers, using the argument that he already had ample production, now raise the threat of lowered farm production in attempting to secure further benefits for themselves. The hollering for 10 percent, 20 percent, 30 percent more than parity is the voice of the 10 percent of farmers operating big commercial farms who harvest more than 50 percent of the total agricultural income.

I quote further from the legislative chairman of the National Farmers' Union.

The marines on the Solomon Islands are not debating the fine points of parity. Farmers are entitled to parity and no more.

He says further—

We stood and stand for full parity for agriculture and no more. Let others try to explain any formula which asks for more at this time. We have no explaining to do.

Mr. President, that was a brave statement on the part of the legislative chairman of the National Farmers' Union.

I have not the slightest hesitancy in saying that it was known in the Banking and Currency Committee that the O'Mahoney compromise, prepared by the senior Senator from Wyoming [Mr. O'MAHONEY] and submitted to me and accepted by the committee, was satisfactory and it was so stated to us by Senators—not by the Senator from Wyoming, I will say, but by other Senators—to have been satisfactory to two of the four national farm leaders here in Washington. The other two, however, evidently had sufficient power to overcome the views of these more conservative men.

Mr. President, it is rather interesting to compare the provisions of the pending joint resolution with the measure introduced at the request of the organization that is generally conceded to hold the highest concepts and ideals of patriotism. I refer to the great organization of veterans, the American Legion. I read a statement filed by their legislative counsel in a letter written to me:

DEAR SENATOR: As you know for 22 years the American Legion has been requesting the Congress to enact universal service legislation so as to take the profit out of war and equalize the burdens of war. Therefore the American Legion is very much gratified—

He is talking about the Wagner-Brown bill—

that the Congress intends to give consideration to some control over the prices of farm products and wages.

In his official statement he said this:

The American Legion wishes to go on record as being wholeheartedly in favor of controlling all prices, including farm products and wages. * * * We believe that if the necessity exists to peg prices, the cost of labor and the price of materials should be covered in the same legislation.

Mr. President, what is the legislation the American Legion proposed? The bill was introduced by the chairman of the Military Affairs Committee of the Senate, the able Senator from North Carolina [Mr. REYNOLDS], and I should like to have the Senate note how closely we followed the principles of the American Legion bill. I read from that bill:

That whenever Congress shall declare war, the President is hereby authorized to determine and publicly proclaim it to be unlawful to buy, sell, or otherwise contract for any article, service, or thing enumerated in such proclamation, or proclamations, at a higher rate, rent, price, commission, compensation, or reward than was in effect at a date determined and set forth in such proclamation or proclamations.

That is identical, in principle, Mr. President, with the September 15 date for the stabilization of wages and prices in the pending joint resolution. Someone may say that was a "freezing"; but it was not a "freezing", as will be seen by section 2, which reads:

Whenever in the discretion of the President he shall determine that any maximum price, rent, rate, commission, compensation, or reward previously proclaimed shall be adjusted either upward or downward, he is authorized to make and publicly proclaim such adjustment, and such adjustment shall have the full force and effect under this statute of such price, rent, rate, commission, compensation, or reward before such adjustment.

That is identical, in principle, Mr. President, with the provisions in sections 3, 4, and 5 of the price-control bill whereby the President, if he finds gross inequities in the stabilization as of September 15, shall adjust it up or down, both ways, or either way in the interest of equity and justice. That is almost identical in terms with the measure which was not considered under the stress of war times but which the American Legion thought should be the law whenever our Nation declared war.

Now, I desire to speak briefly upon another angle. Suppose, Mr. President, that the Thomas amendment should be adopted. As I have said, there is no doubt of the result, for the majority leader of the House of Representatives, who can speak with greater authority than I can upon the subject, said that it woud mean we would have no legislation whatsoever.

Under the War Powers Act, the President has complete control over our economic life so far as prices, the conditions upon which goods shall be allotted, the manner in which they shall be distributed, and the conditions upon which they shall be paid for are concerned. So in the event there should be no legislation would the farm group have what it has been wanting all through these months since the passage of the Price Control Act? Certainly not. There is contained in that act no language I can find that would give the President power to control industrial wages. It is not there; it cannot be found. It is true he

has a general policy laid down for him at the present time in the Price Control Act; but the President cannot, as the senior Senator from Ohio [Mr. TAFT] and myself have many times told the Senate in debate upon this subject, exercise any control over wages in the field where capital and labor get together and agree upon their own scale of wages.

The only power in the War Labor Board lies when a dispute arises between capital and labor. When such a dispute arises, they may then exercise control over wages. As it is now the President has no right to do what the senior Senator from Texas wants to do. He would have no right to plug up the gap. When employer and employee get together and agree, there is no lawful authority which can abrogate their agreement, though the American people may be intensely concerned, in the interest of stabilization of prices and wages, in inquiring into the agreement. It could be done with respect to war contracts, but, of course, a vast part of our industry and our labor is engaged in the production of civilian supplies which have no direct connection with war contracts.

I say to those who are supporting the Thomas amendment, if they want wage control, now is their chance to get it, and it is my deliberate judgment that they will never again during this emergency have an opportunity of this kind.

Mr. President, I do not know how other Senators are affected by letters such as one I have received and have before me, excerpts from which I shall read to the Senate. It came to me with the insignia of the Air Force upon it. We all know that that is one of the most dangerous services in all the armed forces of the United States. I do not know whether or not the young man who wrote the letter is from my home State; he might be from Texas, he might be from New Mexico, he might be from Georgia; but just as the pending measure came up for consideration he wrote a letter which touched me very deeply. The letter was written the day after the President's Labor Day speech. It is from Chanute Field, Ill., one of the great air training centers in the Middle West. He said this:

> While in civilian life I never hesitated to speak my opinion on any public matter and feel that as a soldier I still retain that right That our Commander in Chief—for, to me, and I believe to the majority of the people, he is now that and not merely President—should have to take his time off from matters of war to ask Congress to do something they should have done long since is disheartening, to say the least. May I urge you to see prompt passage of a complete price and wage control bill?

I think this is worthy of long remembrance:

> May the soldiers on the Hill get in step. You will find that the whole army back home is behind you.

Mr. President, I close my general observations upon this situation with an appeal to the Members of the Senate, even if it takes us some time to do the job, to stop, look, and listen before we reveal to the world of our enemies this tremendous difference between the executive and the legislative branch of the Government, and that we endeavor to find some means, some way, of avoiding a situation which, throughout the world of our enemies, will be interpreted as evidence of disunity and dissension in the Government of the United States.

With that general appeal—and I am afraid this is going to be somewhat disappointing to some of my listeners—I shall now proceed to a technical discussion of the mechanics and the effects of the Thomas amendment upon the question before the Senate.

Mr. President, the concept of parity is one of a relationship between prices and is not based on costs of production. I do not like to make strong statements, but I affirm that from my study of the question, from my inquiry of those who know the subject matter, to adopt the Thomas amendment would be to bring into the calculation of parity a factor which has never heretofore been figured in the calculation of that subject matter.

According to the Thomas amendment, the President is directed to use the cost of farm labor—which means the labor of the farmer himself, of his wife, of his children, and of his hired men—in calculating parity. That, Mr. President, is a question of the cost of producing goods. As every economist knows, it has nothing to do directly with an exchange relationship between prices which are fixed upon the economic markets of the world. How can the Senator from Oklahoma say that increased farm labor costs are to be considered in the calculation of parity, and that we must forget and eliminate the increase in the cost of labor involved in the manufacture of the products which the farmer buys? His amendment does not provide that, if cotton textiles are subjected to a higher cost because of a larger percentage of cost of labor in the textile mill, or if farm machinery has a higher percentage of cost because of the increase of labor costs to the producer of farm machinery, we shall take those factors into consideration in determining the prices of the goods the farmer buys. Unless it does, the amendment is totally unfair and illogical. Indeed, parity, as calculated today, includes increased-wage costs in the things farmers buy. Parity is not based upon costs of production. It is an exchange relationship between the things the farmer buys and the goods he sells.

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

Mr. BROWN. I yield.

Mr. DOWNEY. Does the Senator mean to imply by his remarks that when Mr. Henderson fixes the price of a shirt, a pair of shoes, or steel, he does not first of all, and certainly with consistency all the way through, consider the labor costs? Is that the implication to be drawn from the statement of the Senator from Michigan?

Mr. BROWN. Certainly not. The Senator is away off from the subject of parity. He is talking now about the prices of things. Mr. Henderson certainly goes into those elements in determining the prices of commodities, although the market place is still pretty largely the source of the main factors used in the determination of those prices. However, we are talking about parity.

Mr. DOWNEY. Will the Senator yield again ?

Mr. BROWN. I yield.

Mr. DOWNEY. It seems that either the Senator misunderstands me, or, more likely, I misunderstand him. Let me, then, put the question directly to the Senator. If, in fixing the price of steel, Mr. Henderson considers the cost of the labor entering into the steel, why, in fixing the prices of oranges or prunes, should he not consider the cost of labor to the farmer when fixing the price which the farmer is to be allowed for his oranges or prunes?

Mr. BROWN. The Senator is not at all talking about the same thing I am discussing. I am talking about parity, which is the relationship between the things which the farmer buys and the things which he sells. He buys many things which are not used in production yet which go into the parity index. In the calculation of the price of beef, the price of wool, the price of hogs, of pork, Mr. Henderson unquestionably takes all those factors into consideration. However, parity is a limitation upon the power of the Administrator to act which refers to the relationship between the farmer's produce and what we might call, for want of a better term, the manufacturer's product during the period from 1909 to 1914. This is the critical point. Maximum prices are not fixed upon the basis of parity, but parity is a limitation on fixing maximum prices.

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

Mr. BROWN. I yield.

Mr. DOWNEY. The distinguished Senator from Michigan uses the word "parity" as though it were a complete expression of the idea around which our discussion is revolving. It is not. "Parity price" is. When Mr. Henderson says that under the parity rule, as now existing, the California producer shall get $4 a case, or whatever it may be, for his oranges, he is saying identically a parallel thing to what he says when he says a steel manufacturer may get $20 a ton for his steel, or whatever the commodity may be.

Mr. BROWN. Mr. President, under the present price-control act, the provisions of which the Senator, I think, knows fairly well, Mr. Henderson is required to take all those things into consideration under section 2 (a), as I recall, of the present Price Control Act. But the Senator apparently does not get this conception at all. In fixing a maximum price the Price Administrator is bound by certain standards and guides in the Price Control Act. These standards and guides take account of increases in costs of production. But parity as it has been brought into this picture is a limitation, not a standard, and the revision of parity to include farm labor merely raises the limitation without changing the standard.

Mr. DOWNEY. Mr. President, will the Senator again yield to me?

Mr. BROWN. I yield.

Mr. DOWNEY. I must admit I am totally confused by what the Senator is saying. Apparently he is stating my position to be that, while we should consider the cost of labor in determining the price the farmer should justly pay, we should not consider the cost of labor in determining a fair price for other commodities.

Mr. President, I have not said that. I have said it is wholly illogical to consider the cost of labor in fixing the prices for commodities generally. If we say to the farmer, "Even though the cost of your labor doubles or trebles so that you cannot make any profit under parity, still you must sell at parity, and we will not compute the cost of your labor in reaching parity costs."

Mr. President, if I may add a further word at this time, in California thousands of acres of farm products are wasting away because the present price will not allow the farmer to pay out of the parity price what he has to pay for the cost of the farm work.

Mr. BROWN. Mr. President, the Senator from California, I regret to say, is in a complete fog as to what parity means, and as to what function parity serves in this legislation.

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

Mr. BROWN. I yield.

Mr. DOWNEY. I started to say to the distinguished Senator that for many years I have thought that I knew what parity meant. I have discussed this question with most of the economists in Washington and have found them in agreement with me. I have a very high admiration for the distinguished Senator from Michigan. I think there is a misunderstanding and confusion between him and me.

Mr. BROWN. I was not talking about prices at all. I was talking about parity as a limitation.

Mr. DOWNEY. The Senator was talking about parity price, which is identically the same thing. The price that is fixed—the rule that is established—is parity, and that is the price presumably at which the farmer is to sell his products. The word "parity" should not be used alone. The expression is "parity price."

It happens, Mr. President, that since we established parity prices farm wages have remained reasonably stable, and it was not necessary to consider farm labor as a factor in arriving at a fair price for the farmer. But now we have arrived at a stage when farm labor is out of all proportion to what it was from 1910 to 1914 and during the past few years. I say to the distinguished Senator from Michigan, based on talks I have had with hundreds of farmers, that unless they are allowed a special computation above parity or parity price—term it what you will—because of the ever-increasing cost of farm labor, parity or parity price will not permit the farmers of California to produce food for the Nation.

Mr. President, I shall not further intrude upon the Senator from Michigan. I thank the Senator.

Mr. BROWN. I hope the Senator will do so. I always like to discuss these matters with him on the floor. Let me call his attention to a very significant figure. Farm wages per month, exclusive of board, have risen from $36.26 on July 1, 1939, to $56.97 on July 1, 1942, an increase in the last 3 years—and that is the war period—of 56 percent. With what does the farmer pay those wages? He pays them with his additional income. The average of all prices received by farmers, that is the prices of the goods they produce, rose in the same period by 73 percent. If those figures are accurate—and they are given to me by the Government authorities in charge—there is not any doubt that relatively the farmer is better off with respect to wages paid in comparison with prices of goods received than he was in 1939.

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

Mr. BROWN. I yield.

Mr. HATCH. While the Senator is juggling with figures, which is always most interesting, I am going to give him some more with which to juggle. I hold in my hand a telegram from Mr. Oscar Johnston, president of the National Cotton Council.

Mr. BROWN. And he is quite a juggler, too, I suppose.

Mr. HATCH. He may be; anyway he is one of the best-informed men in the United States——

Mr. BROWN. On cotton.

Mr. HATCH. Yes.

Mr. BROWN. He frequently appears before the Finance Committee.

Mr. HATCH. Yes. He says in his telegram:

> National Cotton Council just completed survey current cotton farm labor costs. September 1942 labor costs 251 percent of same costs in 1940.

Mr. BROWN. I have no doubt that there has been a marked increase in farm labor costs, but does the Senator recall the figure of 356 percent rise in industrial wages, if I remember the figures correctly? If Mr. Johnston's farm labor costs have increased 250 percent for the production of cotton, and if the figure of labor cost furnished by Mr. McCormick of Chicago—I am not referring to the Chicago Tribune—if the labor cost on the part of the producer of farm machinery has increased 356 percent, I think Mr. Johnston is a little bit better off than the producer of agricultural machinery. That is the burden of the entire argument. If we are going to allow for a factor of increased wages on the farm we have got to allow for the increased wages on nonfarm goods which the farmer buys.

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

Mr. BROWN. I yield.

Mr. HATCH. I think that is exactly what is done now.

Mr. BROWN. No; not by parity. Parity as we are discussing it here is a limitation on the fixing of maximum prices, not the basis on which prices will be fixed.

Mr. DOWNEY. Mr. President, will the distinguished Senator from Michigan again yield to me?

Mr. BROWN. Yes; I yield.

Mr. DOWNEY. I have such a deep sense of confidence in the leadership and the ability of the Senator from Michigan that I should like to appeal to him and try to make him see directly the problem of one of the California farmers whose farm I visited. I do not believe the distinguished Senator understands the farm situation in California.

Mr. BROWN. I do not.

Mr. DOWNEY. And I should like to indicate to him a specific case. A man planted a large acreage of tomatoes. He had been accustomed to pay 40 cents an hour to his workers. Under the increased price of tomatoes he could pay 55 cents or 60 cents an hour for the same work, but unfortunately he was unable to get labor even at 75 cents an hour or a dollar an hour. He lost a large part of his crop because he either lacked the money with which to pay the wage to have the work done or could not get the workers.

I now wish to say to the distinguished Senator—alas and alack—the problem is much more fundamental and difficult than the ipse dixit of the President of the United States or any farm leader can cure, because we do not have sufficient labor to perform the job that is ahead of us.

Mr. BROWN. Certainly that is true.

Mr. DOWNEY. We are contemplating in the next calendar year the production of $75,000,000,000 of war material. That is almost as much as the rest of the world combined produces. Germany's maximum production will be only $30,000,000,000. In the next calendar year we are going to try to produce 75 billion dollars' worth of material—two and a half times as much as Germany produces in a year. We are going to try within the next 12 or 14 months to build up our armed services, including the Navy, to at least 10,000,000 men, and we have tried to step up farm production 20 percent.

So I desire to say to the distinguished Senator that there is a more serious problem than the one we are wasting our time arguing about on the floor of the Senate, because even if we put the farmer in a position to compete with industry by permitting him to pay a wage more nearly equal to industrial wages, still there will be a shortage of labor which will manifest itself someplace.

Mr. President, as a representative of California, I cannot follow the President of the United States and Mr. Henderson, or the distinguished Senator from Michigan, in trying to prevent the farmer from having his labor costs computed so as at least to give him a chance to have enough money to secure labor in competition with the other demands for a labor supply which is very much limited.

Mr. BROWN. Mr. President, the statement from which I have read goes somewhat more fully into the question

of farm wages and parity than I have so far done. I ask unanimous consent that the statement be printed in the RECORD at this point as a part of my remarks.

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

SEPTEMBER 22, 1942.

INCLUSION OF FARM WAGES IN THE PARITY INDEX

(1) Farm wages per month, exclusive of board, have risen from $36.26 on July 1, 1939, to $56.97 on July 1, 1942—an increase of 56 percent. The average of all prices received by farmers rose in the same period by 73 percent. (The increase in farm prices from August 1938 to August 1942 was 85 percent.) The increase in farm wages, it is clear, has fallen very consideraby short of the increase in prices received by farmers. There is no merit whatever in the contention that the increase in farm prices is not large enough to cover the increase in labor cost of production.

(2) The position of the farmer generally is clearly indicated by the fact that per capita farm income has increased 115.4 percent between 1939 and 1942. During the same period per capita nonfarm income increased by only 49 percent. Farmers have improved their position vastly as compared with nonfarmers. The income parity index, which stood at 94.3 in 1939 will reach 136 in 1942, which shows that farm income has increased in the period since 1910–14 by 36 percent more than has nonfarm income.

(3) The inclusion of all farm labor in the parity index, hired as well as family labor, would increase parity prices by 10 to 12 percent. Thus the change in the law replacing 110 percent parity, as presently provided, by 100 percent of parity, as the President has requested, would be completely offset by the redefinition of parity. On the basis of the redefinition of parity, we estimate that the value of farm marketings could increase by $4,000,000,000 with a resulting increase in the cost of food and clothing to consumers of $3,700,000,000. This would constitute an increase of 10.8 percent in the retail prices of food and clothing and an increase of 4.9 percent in the cost of living.

(4) The inclusion of hired labor only in the parity index would increase parity prices by 5 percent. This would permit an increase in the value of farm marketings of $2,700,000,000, which would increase the cost of food and clothing to consumers by $2,500,000,000. This constitutes an increase of 7.2 percent in the retail prices of food and clothing, and an increase of 3.3 percent in the cost of living.

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SEPTEMBER 23, 1942.

THE COST OF AN INCREASE IN FARM PRICES TO PARITY AS CALCULATED ACCORDING TO THE THOMAS AMENDMENT

According to the Thomas amendment to the price-control bill now before Congress, parity would be redefined to include the wages of all farm labor. Under this method of determining parity the new parity prices would be about 112 percent of the present parity prices.

If farm prices were to rise by the full amount permissible under the Thomas amendment, the initial increase in the value of farm marketing would be about $925,000,000. If we assume that feeds rise by the percentage increase in the price of corn necessary to reach the new parity level, or by 31 percent, it will be necessary to permit the prices of meats, poultry, and dairy products to rise if the production of these commodities is to be maintained. Assuming that the same feed-meat ratios which existed during June 1942 are maintained, the farm value of meats, poultry, and dairy products will increase by about $2,600,000,000 as a result in the rise in feed prices. After allowing for the effect of the increase in prices paid by farmers on the level of parity prices, the total increase in the value of farm marketings, excluding feeds, is $4,000,000,000. Deducting one-third of this amount for Army and lease-lend purchases, we have an increase in the value of farm commodities for civilian consumption of $2,700,000,000. Assuming normal farm to retail price spreads, this would result in an increase in the cost of food and clothing of $3,700,000,000. This represents an increase of 10.7 percent in the cost of food and clothing, or a 4.9 percent increase in the cost of living index.

What would this increase in farm prices mean in terms of the retail prices of individual commodities? To cite three important examples, pork chops now selling at 43 cents per pound would rise to 56 cents per pound; a leg of lamb now costing 38 cents per pound would cost 49 cents per pound; and round steak which can be purchased today for 44 cents per pound would rise to 57 cents per pound.

It is obvious that in the face of a 10.7 percent increase in the cost of food and clothing and a nearly 5 percent increase in the cost of living index, wages could not be stabilized. If wages were adjusted to changes in the cost of living, prices paid by farmers, including wages, and hence parity prices, would rise still further. The result would be an endless spiral of farm prices, wages, and the cost of living.

*Farm commodities whose prices are below 112 percent of parity as of Aug. 15, 1942*

| Commodity | Farm price Aug. 15, 1942 | 112 percent of parity price | Percentage by which Aug. 15, 1942, price must increase to reach 112 percent of parity |
|---|---|---|---|
| Buckwheat ... bushel | $0.88 | $1.24 | 41.0 |
| Flaxseed ... do | 2.26 | 2.88 | 27.4 |
| Soybeans ... do | 1.58 | 1.61 | 1.8 |
| Cowpeas ... do | 1.87 | 2.65 | 41.7 |
| Velvet beans ... ton | [1] 15.32 | 16.18 | 5.6 |
| Beans, dry edible ... hundredweight | 4.45 | 5.73 | 28.8 |
| Peanuts, for nuts ... pound | .06 | .08 | 33.3 |
| Peanuts, for oil ... do | .04 | .045 | 12.5 |
| Cotton ... do | .18 | .21 | 16.7 |
| Potatoes ... bushel | 1.15 | 1.21 | 5.2 |
| Sweetpotatoes ... do | 1.37 | 1.50 | 9.5 |
| Broomcorn ... ton | [1] 118.82 | 133.23 | 12.1 |
| Popcorn ... hundredweight | [1] 2.11 | 3.60 | 70.6 |
| Tobacco (cigar): | | | |
| Filler ... pound | [2] .12 | .15 | 25.0 |
| Binder ... do | [2] .17 | .22 | 29.4 |
| Wrapper ... do | 1.80 | .90 | 12.5 |
| Red-clover seed ... bushel | 9.85 | 16.91 | 71.7 |
| Alsike-clover seed ... do | 9.70 | 13.72 | 41.4 |
| Sweet-clover seed ... do | 3.54 | 5.88 | 66.1 |
| Timothy seed ... do | 1.91 | 3.24 | 69.6 |
| Oranges ... box | 2.07 | 2.67 | 29.0 |
| Limes ... do | [1] 2.65 | 3.93 | 48.3 |
| Lemons ... do | [1] 2.00 | 2.33 | 16.5 |
| Apples ... bushel | 1.16 | 1.64 | 41.4 |
| Strawberries ... crate | 2.58 | 4.13 | 60.1 |
| Peaches ... bushel | [2] .89 | 1.94 | 118.0 |
| Pears ... do | [2] .97 | 1.52 | 56.7 |
| Plums, Michigan and California ... ton | [3] 62.28 | 79.77 | 28.1 |
| Prunes: | | | |
| Dried ... do | [1] 70.82 | 145.04 | 104.8 |
| Fresh ... do | [3] 25.81 | 39.44 | 52.8 |
| Cherries: | | | |
| Sweet ... do | [3] 114.04 | 172.86 | 51.6 |
| Sour ... do | [3] 101.24 | 153.04 | 51.2 |
| Grapes ... do | [3] 25.70 | 40.61 | 58.0 |
| Apricots, Calif ... do | [3] 56.40 | 68.98 | 22.3 |
| Pecans, seedlings ... pounds | [2] .085 | .17 | 100.0 |
| Pecans, improved ... do | [2] .13 | .43 | 230.8 |
| Walnuts ... tons | [3] 252.26 | 451.56 | 79.0 |
| VEGETABLES FOR PROCESSING | | | |
| Beans, snap ... tons | [3] 51.49 | 65.52 | 27.2 |
| Corn ... do | [3] 9.70 | 15.01 | 54.7 |
| Cucumbers ... bushels | [2] .69 | 1.05 | 52.2 |
| Peas, green ... tons | [3] 48.71 | 62.68 | 28.7 |
| Spinach ... do | [3] 21.35 | 22.69 | 6.3 |
| Tomatoes ... do | [3] 15.21 | 15.94 | 4.8 |

*Farm commodities whose prices are below 112 percent of parity as of Aug. 15, 1942*—Con.

| Commodity | Farm price Aug. 15, 1942 | 112 percent of parity price | Percentage by which Aug. 15, 1942, price must increase to reach 112 percent of parity |
|---|---|---|---|
| VEGETABLES FOR MARKETS | | | |
| Asparagus ... crates | [3] $1.58 | $2.65 | 67.7 |
| Beans, green lima ... bushels | [3] 1.65 | 2.15 | 30.3 |
| Beans, snap ... bushel | [3] 1.37 | 1.96 | 43.1 |
| Beets ... do | [2] .45 | .66 | 46.7 |
| Cabbage ... ton | [3] 20.42 | 21.40 | 4.8 |
| Cantaloup ... crate | [3] 1.23 | 1.60 | 30.1 |
| Carrots ... bushel | [3] .64 | .76 | 18.8 |
| Cauliflower ... crate | [3] .81 | 1.25 | 54.3 |
| Celery ... do | [3] 2.00 | 2.07 | 3.5 |
| Corn, New Jersey ... 1,000 ears | [3] 15.00 | 20.17 | 34.5 |
| Cucumbers ... bushel | [3] 1.19 | 1.65 | 38.7 |
| Eggplant ... do | [3] .82 | 1.46 | 78.0 |
| Kale, Virginia ... do | [3] .23 | .47 | 104.3 |
| Lettuce ... crate | [3] 1.67 | 1.76 | 5.4 |
| Onions ... sack | [3] 1.94 | 2.24 | 15.5 |
| Peas ... bushel | [3] 1.22 | 2.02 | 65.6 |
| Peppers ... do | [3] .94 | 1.48 | 57.4 |
| Tomatoes ... do | [3] 1.52 | 2.04 | 34.2 |
| Watermelons ... 1,000 | [3] 134.00 | 195.78 | 46.1 |
| Sheep ... hundredweight | 5.62 | 7.72 | 37.4 |
| Butter ... pound | .36 | .44 | 22.2 |
| Wheat ... bushel | .95 | 1.50 | 57.9 |
| Corn ... do | .83 | 1.09 | 31.3 |
| Oats ... do | .43 | .68 | 58.1 |
| Barley ... do | .57 | 1.05 | 84.2 |
| Rye ... do | .49 | 1.22 | 149.0 |
| Grain sorghums ... 100 pounds | 1.15 | 2.06 | 79.1 |
| Hay ... ton | 8.89 | 20.20 | 127.2 |

[1] 1941–42 season average.
[2] Mar. 15, 1942, price.
[3] Ceiling price, March 1942.

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SEPTEMBER 22, 1942.

Subject: Cost to consumer of agricultural price limitations in pending price-control legislation.

The best estimate presently available is that an increase in farm prices to the minimum levels specified in the current legislation would result in an increase in retail value of $1,750,000,000. This does not include food and clothing going to lend-lease and represents a 5.1-percent increase in the cost of food and clothing to the consumer and a 2.8-percent rise in the cost of living.

The nature of the procedure followed and the assumptions involved are shown in the following table and footnotes:

| | |
|---|---|
| (1) Increase in farm value, excluding feeds but including wheat marketed | $819,000,000 |
| (2) Net increase in farm value of dairy and poultry products | 446,000,000 |
| (3) Farm value equivalent of required increase in beef and veal, pork and rice | 664,000,000 |
| Total increase in farm value | 1,929,000,000 |
| (4) Increase in farm value going into civilian consumption | 1,286,000,000 |
| (5) Increase in retail value | 1,750,000,000 |

(1) This represents the difference between the value of 1942 marketings (excluding feeds except for wheat marketed) at August 1942 prices and the value of 1942 marketings at either the August 1942 parity price or the highest price between January 1 and August 15, 1942, in all cases where the value of marketings at August prices is lower. This is a minimum figure, however, since in the case of many fruits and vegetables, monthly prices are not reported and it was necessary to use

the parity price only. For many such items the actual price during 1942 was in excess of the parity price.

(2) It is assumed that an increase in all feed prices, except hay, to 90 percent of parity could not be absorbed by producers of dairy and poultry products without a proportionate increase in the price of these products. Accordingly the farm value of these products was increased by 11.3 percent, which is the average increase in feed prices after reaching 90 percent of parity.

(3) If rice prices were to reach the highest levels of 1942, the squeeze on distributors would amount to $8,000,000 of farm value. Similarly, if current prices of pork and beef and veal must be maintained, the squeeze on distributors would amount to $352,000,000 of farm value for pork and $304,000,000 of farm value for beef and veal. It is assumed that the current prices of pork and of beef and veal are sufficiently high relative to feed prices to be able to absorb an increase in feed prices to 90 percent of parity.

(4) This assumes that one-third of the total value of food and clothing will go to lend-lease. Accordingly two-thirds of the increase in the farm value was allocated to civilian use.

(5) The increase in retail value was obtained by using a factor of 1.361, developed from studies made by Mr. R. O. Been, in the United States Department of Agriculture Marketing Research Division.

Mr. BROWN. I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an editorial from the Detroit News entitled "Congress Is on Trial."

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

[From the Detroit News]

CONGRESS IS ON TRIAL

A Washington report suggests that success of the farm bloc effort to continue agriculture's position of special privilege would compel the President to veto the price control bill and proceed with price regulation by Executive order.

It is earnestly to be hoped this will not come to pass. Yet in the circumstances mentioned the President would have slight choice but to act in the manner described.

The farm bloc's new definition of parity now in the House bill would destroy, as the President has said, all possibility of stabilizing the cost of living. That is precisely the intent of it, so far as the cost of food is concerned, and it needs no economist to see that with food prices free to rise nothing can be stabilized.

If Congress should adopt that kind of one-way ticket to the inflation chute-the-chutes, the President certainly would use his veto. He probably also would go on to govern prices by decree, in direct defiance of the congressional mandate. He would have to. His responsibility as Commander in Chief would not let him honor the constitutional authority of Congress, where to do so would risk losing the war.

It hardly needs saying that such an outcome would lend small credit to democratic government. Congress is on trial in this matter, and not alone in this but in all matters where the political interests of members run counter to their wartime responsibilities to the Nation. We should hate to see Congress fail the people.

Mr. BROWN. Mr. President, I think that concludes the remarks which I desire to make on the subject of parity. I anticipate that following the further discussions this afternoon, after the Senator from Oklahoma [Mr. THOMAS] has made such further remarks as he may wish to make, and other Senators have concluded their remarks, I may desire to submit some further observations on the general subject of parity, which is the subject matter of the Thomas amendment.

With that, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HERRING in the chair). The Clerk will call the roll.

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

| | | |
|---|---|---|
| Aiken | Green | Overton |
| Andrews | Guffey | Pepper |
| Austin | Gurney | Radcliffe |
| Bailey | Hatch | Reed |
| Ball | Hayden | Reynolds |
| Barkley | Herring | Rosier |
| Bilbo | Hill | Russell |
| Bone | Holman | Schwartz |
| Brewster | Johnson, Calif. | Shipstead |
| Bridges | Johnson, Colo. | Smathers |
| Brooks | Kilgore | Smith |
| Brown | La Follette | Spencer |
| Bunker | Langer | Stewart |
| Burton | Lee | Taft |
| Butler | Lodge | Thomas, Idaho |
| Byrd | Lucas | Thomas, Okla. |
| Capper | McCarran | Thomas, Utah |
| Caraway | McFarland | Tobey |
| Chandler | McKellar | Truman |
| Chavez | McNary | Tunnell |
| Clark, Idaho | Maloney | Tydings |
| Clark, Mo. | Maybank | Vandenberg |
| Connally | Mead | Van Nuys |
| Danaher | Millikin | Wagner |
| Davis | Murdock | Wallgren |
| Downey | Murray | Walsh |
| Ellender | Norris | Wheeler |
| George | Nye | White |
| Gerry | O'Daniel | Wiley |
| Gillette | O'Mahoney | Willis |

The PRESIDING OFFICER. Ninety Senators have answered to their names. A quorum is present.

AMENDMENT OF SOLDIERS' AND SAILORS' CIVIL RELIEF ACT—CONFERENCE REPORT

Mr. JOHNSON of Colorado 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. 7164) to amend the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, to extend the relief and benefits provided therein to certain persons, to include certain additional proceedings and transactions therein, to provide further relief for persons in military service, to change certain insurance provisions thereof, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the 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 matter proposed to be inserted by the Senate amendment insert the following:

"'SEC. 400. As used in this article—

"'(a) The term "policy" shall include any contract of life insurance or policy on a life, endowment, or term plan, including any benefit in the nature of life insurance arising out of membership in any fraternal or beneficial association, which does not provide for the payment of any sum less than the face value thereof or for the payment of an additional amount as premiums if the insured engages in the military service of the United States as defined in section 101 of article I of this Act or which does not contain any limitation or restriction upon coverage relating to engagement in or pursuit of certain types of activities which a person might be required to engage in by virtue of his being in such military service, and (1) which is in force on a premium-paying basis at the time of application for benefits hereunder, and (2) which was made and a premium paid thereon before the date of enactment of the Soldiers' and Sailors' Civil Relief Act Amendments of 1942 or not less than thirty days before the date the insured entered into the military service. The provisions of this Act shall not be applicable to policies or contracts of life insurance issued under the War Risk Insurance Act, as amended, the World War Veterans Act, as amended, or the National Service Life Insurance Act of 1940, as amended.

"'(b) The term "premium" shall include the amount specified in the policy as the stipend to be paid by the insured at regular intervals during the period therein stated.

"'(c) The term "insured" shall include any person in the military service of the United States as defined in section 101, article I, of this Act, whose life is insured under and who is the owner and holder of and has an interest in a policy as above defined.

"'(a) The term "insurer" shall include any firm, corporation, partnership, or association chartered or authorized to engage in the insurance business and to issue a policy as above defined by the laws of a State of the United States or the United States.

"'SEC. 401. The benefits and privileges of this article shall apply to any insured, when such insured, or a person designated by him, or, in case the insured is outside the continental United States (excluding Alaska and the Panama Canal Zone), a beneficiary, shall make written application for protection under this article, unless the Administrator of Veterans' Affairs in passing upon such application as provided in this article shall find that the policy is not entitled to protection hereunder. The Veterans' Administration shall give notice to the military and naval authorities of the provisions of this article, and shall include in such notice an explanation of such provisions for the information of those desiring to make application for the benefits thereof. The original of such application shall be sent by the insured to the insurer, and a copy thereof to the Veterans' Administration. The total amount of insurance on the life of one insured under policies protected by the provisions of this article shall not exceed $10,000. If an insured makes application for protection of policies on his life totaling insurance in excess of $10,000, the Administrator is authorized to have the amount of insurance divided into two or more policies so that the protection of this article may be extended to include policies for a total amount of insurance not to exceed $10,000, and a policy which affords the best security to the Government shall be given preference.

"'SEC. 402. Any writing signed by the insured and identifying the policy and the insurer, and agreeing that his rights under the policy are subject to and modified by the provisions of this article, shall be sufficient as an application for the benefits of this article, but the Veterans' Administration may require the insured and insurer to execute such other forms as may be deemed advisable. Upon receipt of the application of the insured the insurer shall furnish such report to the Veterans' Administration concerning the policy as shall be prescribed by regulations. The insured who has made application for protection under this article and the insurer shall be deemed to have agreed to such modification of the policy as may be required to give this article full force and effect with respect to such policy.

"'SEC. 403. The Administrator of Veterans' Affairs shall find whether the policy is entitled to protection under this article and shall notify the insured and the insurer of such finding. Any policy found by the Administrator of Veterans' Affairs to be entitled to protection under this article shall not, subsequent to date of application, and during the period of military service of the insured or during two years after the expira-

tion of such service, lapse or otherwise terminate or be forfeited for the nonpayment of a premium becoming due and payable, or the nonpayment of any indebtedness or interest.

"'SEC. 404. No dividend or other monetary benefit under a policy shall be paid to an insured or used to purchase dividend additions while a policy is protected by the provisions of this article except with the consent and approval of the Veterans' Administration. If such consent is not procured, such dividends or benefits shall be added to the value of the policy to be used as a credit when final settlement is made with the insurer. No cash value, loan value, or withdrawal of dividend accumulation, or unearned premium, or other value of similar character shall be available to the insured while the policy is protected under this article except upon approval by the Veterans' Administration. The insured's right to change a beneficiary designation or select an optional settlement for a beneficiary shall not be affected by the provisions of this article.

"'SEC. 405. In the event of maturity of a policy as a death claim or otherwise before the expiration of the period of protection under the provisions of this article, the insurer in making settlement will deduct from the amount of insurance the premiums guaranteed under this article, together with interest thereon at the rate fixed in the policy for policy loans. If no rate of interest is specifically fixed in the policy, the rate shall be the rate fixed for policy loans in other policies issued by the insurer at the time the policy brought under the Act was issued. The amount deducted by reason of the protection afforded by this article shall be reported by the insurer to the Administrator of Veterans' Affairs.

"'SEC. 406. Payment of premiums and interest thereon at the rate specified in section 405 hereof becoming due on a policy while protected under the provisions of this article is guaranteed by the United States, and if the amount so guaranteed is not paid to the insurer prior to the expiration of the period of insurance protection under this article, the amount then due shall be treated by the insurer as a policy loan on such policy, but if at the expiration of said period the cash surrender value is less than the amount then due, the policy shall then cease and terminate and the United States shall pay the insurer the difference between such amount and the cash surrender value. The amount paid by the United States to an insurer on account of applications approved under the provisions of this article, as amended, shall become a debt due to the United States by the insured on whose account payment was made and, notwithstanding any other Act, such amount may be collected either by deduction from any amount due said insured by the United States or as otherwise authorized by law.

"'SEC. 407. The Administrator of Veterans' Affairs is hereby authorized and directed to provide by regulations for such rules of procedure and forms as he may deem advisable in carrying out the provisions of this article. The findings of fact and conclusions of law made by the Administrator of Veterans' Affairs in administering the provisions of this article shall be final, and shall not be subject to review by any other official or agency of the Government. The Administrator of Veterans' Affairs shall report annually to the Congress on the administration of this article.

"'SEC. 408. (1) The provisions of this article in force immediately prior to the enactment of the Soldiers' and Sailors' Civil Relief Act Amendments of 1942 (hereinafter in this section called 'such provisions') shall remain in full force and effect with respect to all valid applications for protection executed prior to the date of enactment of the Soldiers' and Sailors' Civil Relief Act Amendments of 1942 and all policies to which such applications pertain shall continue to be entitled to the protection granted thereby.

"'(2) Any insurer under a policy accepted under such provisions shall, subject to the approval of the Administrator of Veterans' Affairs and upon complete surrender by it to the United States, within ninety days after the date of enactment of the Soldiers and Sailors' Civil Relief Act Amendments of 1942, of all certificates issued in accordance with such provisions together with all right to payment thereunder, be entitled to the guarantee of unpaid premiums and interest thereon and the mode of settlement for such policies as provided by this article, as amended. The privileges and benefits granted by the foregoing sentence shall be in lieu of the method of settlement, and the requirement for accounts and reports prescribed by such provisions. In the event any such insurer fails to surrender within the said ninety days all such certificates and rights to payment, the accounts, reports, and settlements required to be made by such insurer under such provisions shall continue to be made as required and shall be governed by such provisions.'"; and, on page 11 of the House engrossed bill, line 18 after the word "policy" insert ("except the insurer in connection with a policy loan)."

And the Senate agree to the same.

ROBERT R. REYNOLDS,
ELBERT D. THOMAS,
EDWIN C. JOHNSON,
WARREN R. AUSTIN,
CHAN GURNEY,
*Managers on the part of the Senate.*

A. J. MAY,
R. E. THOMASON,
JOHN SPARKMAN,
FOREST A. HARNESS,
CHARLES H. ELSTON,
*Managers on the part of the House.*

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent for the present consideration of the conference report.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Colorado?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the report submitted by the Senator from Colorado.

Mr. McKELLAR. Mr. President, will the Senator explain the conference report? I do not think we should agree to a conference report by unanimous consent without knowing what it is.

Mr. JOHNSON of Colorado. This is a conference report on the amendment to the Soldiers' and Sailors' Civil Relief Act.

Mr. McKELLAR. What does the bill seek to do?

Mr. JOHNSON of Colorado. It amends the act of 1940 in many particulars. It is a technical matter.

Mr. McKELLAR. I understand that; but what is the purpose of the bill?

Mr. JOHNSON of Colorado. The purpose of the bill is to protect the civil rights of the men in our armed forces. We already have such an act, and the bill is an amendment to that act, growing out of experience in the operation of the act. For example, it protects the men in the armed services in the matter of the private insurance which they carried before they went into the Army. It protects them in other rights with respect to their personal affairs at home while they are serving in the military forces.

Mr. TYDINGS. In connection with mortgages, debts, bills of sale, and all that sort of thing?

Mr. JOHNSON of Colorado. Yes.

Mr. McKELLAR. In what respect does the bill amend the present law?

Mr. JOHNSON of Colorado. The bill covers four or five pages, all of them technical in nature. We had such legislation in the last war, and the act of 1940 was predicated upon that legislation.

Mr. McKELLAR. Is it practically the same as the legislation we had in the last war?

Mr. JOHNSON of Colorado. Yes. Perhaps it is a little more generous in some particulars and a little more explicit and somewhat improved. We have taken up the matter with the War Department and the Veterans' Administration, and we have virtually a definite agreement. The bill was originally passed by the Senate, subsequently was passed by the House, and thereafter went to conference. We have had many days of conferences between the conferees of the two Houses, and upon all occasions representatives of the Veterans' Administration have been present and have discussed and considered the matter fully.

Mr. McKELLAR. Does the bill meet with the approval of the Veterans' Administration?

Mr. JOHNSON of Colorado. Yes; it meets with the general approval of the Veterans' Administration. Of course, on policy matters the determination has to be made by the Congress; but the Veterans' Administration realizes the necessity for the legislation, and has agreed to the bill. In fact, it helped draw most of its provisions.

Mr. McKELLAR. Was there any statement as to the probable cost?

Mr. JOHNSON of Colorado. No; and I do not know what the probable cost will be. The cost to the Treasury will not be very great. The bill provides more or less protection of the soldier in his private affairs. While of course there will be some cost to the Treasury, the load upon the Treasury will not be heavy.

Mr. President, I ask that the conference report be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the report.

The report was agreed to.

STABILIZATION OF THE COST OF LIVING

The Senate resumed the consideration of the joint resolution (S. J. Res. 161) to aid in stabilizing the cost of living.

Mr. WHEELER. Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks a letter addressed to me by Albert S. Goss, master of the National Grange, with reference to the pending legislation, which was sent to me this morning.

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

THE NATIONAL GRANGE,
*Washington, D. C., September 24, 1942.*

Hon. BURTON K. WHEELER,
*Senate Office Building,*
*Washington, D. C.*

DEAR SENATOR WHEELER: The Grange believes that the issue on pending price legislation is whether or not farmers will be protected in a price level which will enable them

to produce food in the volume necessary without being forced under a subsidy program. We feel that three protective provisions are necessary.

First, is a parity formula which recognizes agriculture's chief cost—farm labor. The Thomas-Hatch amendment is the only provision under consideration which accomplishes this end, and while it does not give a completely satisfactory parity formula, it is a substantial step in meeting this problem.

Second, because of the failure to modernize parity, we need the limitation on ceilings of subsection 2, section 3.

Third, in order to avoid resorting to subsidies when production costs rise, we need the instructions to modify maximum prices substantially as contained in the last proviso of section 3.

We understand that an effort is being made to amend the last proviso of section 3 as a substitute for the Thomas-Hatch amendment. We have no objection to the amendment to this proviso, for it may strengthen its purpose. However, the amendment would in no sense serve as a substitute for the parity protection of the Thomas-Hatch amendment. The Thomas-Hatch amendment is just as necessary to make the parity protection effective, whether or not the proviso amendment is adopted. If parity is to be used at all, it should be based on sound principles, rather than leaving such a fundamental issue to the discretion of some administrator whom the President may appoint.

If production is to have a minimum of protection, we believe that these three protective provisions are necessary, and we deplore any effort to confuse the situation by amendments to the subsidy provisions in the name of giving parity protection for our rapidly increasing labor costs.

Yours sincerely,

A. S. Goss,
*Master, the National Grange.*

Mr. McKELLAR. Mr. President, I ask that there be printed in the body of the RECORD as a part of my remarks a letter received by me from Hon. C. C. Flanery, Commissioner of Agriculture of Tennessee, in reference to the pending measure, and also copies of telegrams attached thereto.

There being no objection, the letter and attached telegrams were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
STATE OF TENNESSEE,
*Nashville, September 21, 1942.*

Hon. KENNETH D. McKELLAR,
*United States Senate,*
*Washington, D. C.*

DEAR SENATOR McKELLAR: Knowing that one of the problems that is absorbing your interest at this time is farm labor, I attach hereto a compilation of a great many telegrams that I have received from prominent people of Tennessee who on account of their work are in position to know something about labor conditions and are endeavoring to solve it from their angles. I also received replies from a telegram sent to the commissioners of agriculture east of the Mississippi River, and they are included in the collection. I hope that you will take time to glance through these telegrams, as I believe they form a nucleus of a solution of this labor problem.

Tennessee in some way will wiggle through the labor difficulties this year, but unless something more tangible is worked out—something which will insure the farmer labor enough to produce and harvest the crops he has planned for 1943—he will of necessity reduce his acreage.

If you have anything relevant to the labor situation from time to time, I shall appreciate your advising me.

In a letter to the Governor today I am suggesting that a meeting of the State board of agriculture be called for the purpose of discussing this with the idea of solving it as nearly as we can here in our own State.

Assuring you of my best wishes, I am,

Yours very truly,

C. C. FLANERY,
*Commissioner of Agriculture.*

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TELEGRAMS PERTAINING TO FARM LABOR SITUATION IN TENNESSEE

MARTIN, TENN., *September 1, 1942.*

C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Draft board, war industries, Army-Navy installations drawing heavily. Agricultural labor serious, not yet critical. Next year's production decrease cotton, vegetables, milk. See you tomorrow.

J. P. CHASE.

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TRENTON, TENN., *September 1, 1942.*

C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Labor short 20 percent. Cotton pickers critical. Locate areas having surplus labor. Close schools during peak period. Teach Saturdays. Farmers swap labor as in haying.

T. R. WINGO.

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CLEVELAND, TENN., *September 1, 1942.*

C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Labor situation is very bad. Only children, women, the aged, and incompetents are on the farm. Looks like we will not be able to get cotton pickers. Most people have money and sneer at wages we can offer. Higher prices would help a lot.

NEAL VARNALL.

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CHATTANOOGA, TENN., *September 1, 1942.*

C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Farm labor is scarce. However, farmers are swapping work and with help of some women and children are able to meet present demand. Employment office and labor committee anticipate no major shortage this season.

BILL CARPENTER.

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DOUGLAS, GA., *September 1, 1942.*

C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Demand for farm labor much larger than supply. Best way to improve condition extend labor working in industry from 40 hours to 56 hours per week.

CLYDE B. AUSTIN.

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KNOXVILLE, TENN., *September 1, 1942.*

C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Labor situation critical, growing rapidly worse. Corn, hay, tobacco harvest delayed. If harvested at all, too late for seeding fall crops. Suggest farmers on draft boards to prevent stripping farms of men necessary to operate. Suggest allowing high-school students credit for farm work—at least, excuse absence for this purpose.

R. M. MURPHY,
*County Agent.*

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COLUMBIA, TENN., *September 1, 1942.*

C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Replying to your wire, farm labor becoming scarce, due to high industrial wages and Army needs. Suggestions for improvement: Prices for agricultural products sufficient for farmers to compete with industrial wages; careful consideration of importance agricultural production by local draft boards; further use of boys and farm women; exercise of very best management.

J. F. PORTER.

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MILAN, TENN., *September 1, 1942.*

C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Labor 60 percent normal. None listed with local employment office. Cotton and potatoes critical. Ask families of defense workers to assist. All others possibly urge all suggestions over radio with help.

DENTON FLY.

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CHILHOWIE, VA., *September 1, 1942.*

C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Labor short. However, think will be able get products harvested provided Work Projects Administration and National Youth Administration labor made available.

J. B. BONHAM.

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GREENFIELD, TENN., *September 1, 1942.*

C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Labor situation fair now. Will be very short when harvesting starts.

R. R. McUMBER.

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MOUNTAIN CITY, TENN., *September 1, 1942.*

C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Critical farm-labor shortage anticipated within few days when peak season reached. Efforts to recruit 250 additional colored farm workers from migratory camp unsuccessful to date. Labor camp of 400 thought adequate to meet problem.

Col. J. C. MUSE.

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NEWPORT, TENN., *September 1, 1942.*

C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Re telegram 31st. William Stokely. Agricultural labor situation in this section very acute and due to large number being called to armed service. This condition will very probably become worse. Our company's farming operations for 1942 largely over, however, and with the completion of the Douglas Dam, which has greatly aggravated the situation locally as result of agriculture not being able to compete with wages paid by Tennessee Valley Authority, we hope for improvement in 1943. But unless situation improves all agricultural operations will be badly curtailed due to inadequate labor.

STOKELY BROS. & CO., INC.
L. S. MOORE.

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KNOXVILLE, TENN., *September 1, 1942.*

C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Re telegram. Farm-labor situation. Very serious in this section. Farmers can't compete with Tennessee Valley Authority Aluminum Co. and Government agencies in wages

at the present price of their crops. Only even partial relief we see is State school superintendent permitting children to help harvest the heavy crops and plant the grain and lose credit in school. This may necessitate suspension of schools for a short time. Further, stop all Work Projects Administration work and utilize them on the farms.

DEAN BROTHERS.

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DANDRIDGE, TENN., *September 1, 1942.*
C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Re your wire farm-labor situation. Becoming critical here due primarily to draft and Tennessee Valley Authority construction, but anticipate crops will be gathered this fall without great loss. However, if present trend continues, expect very material reduction in next year's production. Many essential agricultural workers are being drafted. Suggest adding to State selective service board a man thoroughly familiar with and sympathetic to the needs of agriculture. Also suggest local board make use of county agriculture labor advisory committee, which are now practically ignored by many local boards. Also suggest elimination of every Tennessee Valley Authority construction project that is not directly tied to the war effort.

ALFRED A. SWANN.

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KNOXVILLE, TENN., *September 1, 1942.*
C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Retel. Labor situation growing tighter but not as acute as feared earlier in year. Suggest 6 weeks' closing of rural schools for harvesting and pooling of farm machinery.

S. T. MARSH.

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GREENEVILLE, TENN., *September 1, 1942.*
C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Farm labor situation for harvest is acute. Suggest some farm boys be deferred.

CHANCE.

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CROSSVILLE, TENN., *September 2, 1942.*
C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

The scarcity of farm labor is becoming very serious. Having a difficult time harvesting our 50,000-bushel crop of potatoes and other crops. Draft boards should exempt more essential farm labor. Everybody, including women and children, should be permitted to work and put in longer hours.

CUMBERLAND MOUNTAIN
POTATO CO. FARMS,
CARTER MYERS.

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JACKSON, TENN., *September 2, 1942.*
C. C. FLANERY,
*Commissioner of Agriculture*
*Nashville, Tenn.:*

Farm-labor survey of July estimated 20-percent shortage cotton pickers. Report 30-percent shortage. Efficient use of machinery and other equipment as well as more labor from young people, women, and older men.

JUDD BROOKS.

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SPRINGFIELD, TENN., *September 2, 1942.*
C. C. FLANERY,
*Commissioner of Agriculture*
*Nashville, Tenn.:*

Farm-labor situation extremely acute. Letter follows, giving my ideas of present emergency.

GRAYDON L. MORRIS.

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BATON ROUGE, LA., *September 1, 1942.*
C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Retel. Farm labor expected to be short when harvesting of rice, sugar, and cotton get under way. Rice section and parts of Cotton Belt rain is retarding harvesting. Good sugarcane crop in sight, with many young men in Army, high wages paid industrial workers, farm help will be short.

HARRY D. WILSON,
*Commissioner.*

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MADISON, WIS., *September 1, 1942.*
C. C. FLANERY,
*Commissioner of Agriculture*
*Nashville, Tenn.:*

Farm-labor situation in Wisconsin growing worse. Many dairy herds will be dispersed for lack of labor. Board of agriculture holding conference September 11 to discuss problem.

RALPH E. AMMON,
*Director,*
*Wisconsin Department of Agriculture.*

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JACKSON, MISS., *September 1, 1942.*
Hon. C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Agriculture labor 35 percent short. All efforts being made to secure surplus town labor. Delta cotton section securing Mexican labor as pickers. Early school opening, being closed at noon each day.

SI CORLEY.

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FRANKFORT, KY., *September 1, 1942.*
C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Horace Cleveland, Frankfort, Ky., is in charge of Federal Farm Placement Service, working with county farm bureaus and War Board. He has been successful in assembling and transporting labor from southeastern Kentucky to sections of the State where needed. Five hundred are now being assembled to harvest hemp crops. Wages paid by farmers $2.50 per day and board.

WILLIAM H. MAY.

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RALEIGH, N. C., *September 1, 1942.*
Hon. C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Nothing has been done about labor situation, but there has been much discussion.

W. KERR SCOTT,
*Commissioner of Agriculture.*

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BOSTON, MASS., *September 1, 1942.*
C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

At least 6,000 high-school boys working on Massachusetts farms. Vegetable and fruit production and harvest labor apparently under control. Dairy labor situation critical, with some curtailment of herds and delivery routes. State employment service and department of education have placed thousands of boys as part-time workers. Many schools and colleges releasing boys afternoons.

LOUIS A. WEBSTER,
*Commissioner of Agriculture.*

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COLUMBUS, OHIO, *September 1, 1942.*
C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Critical situation confronting Ohio farmers with abundant crops of corn, soybeans, apples, potatoes, followed by wheat seeding. Attempting to connect farmers needing help with available high-school and college students wanting work.

JOHN T. BROWN,
*Director, Ohio Department of Agriculture.*

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COLUMBIA, S. C., *September 1, 1942.*
C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Labor shortage becoming more serious each day. No concentrated action taken to avert. Mailing you copy of publicity story.

J. ROY JONES,
*Commissioner of Agriculture.*

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RICHMOND, VA., *September 1, 1942.*
Hon. C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Agricultural labor situation here most serious. I understand Federal Employment Service tried to get relief from southern Virginia for Tennessee beans without success. Lack of authority to require people to work, together with high wages paid defense industries, are our main problems. No relief from State prisons.

L. M. WALKER, Jr.,
*Commissioner of Agriculture.*

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ATLANTA, GA., *September 1, 1942.*
C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Farm labor shortage serious in Georgia. Will call Commissioner Linders' attention to your wire on his return to the city.

EARL WINGO, *Chief Clerk.*

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CHARLESTON, W. VA., *September 1, 1942.*
C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Your wire. Farm labor situation spotty; serious some sections. Dairy farmers affected by loss experienced workers to selective service and war industries. Just completing intensive campaign enlist workers fruit and tomato harvests. Apparently successful. School one county delaying opening week to aid tomato growers, canners. Schools two other counties expect suspend during apple harvest. Regards.

J. B. MCLAUGHLIN,
*Commissioner of Agriculture.*

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TALLAHASSEE, FLA., *September 1, 1942.*
Hon. C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Retel. Outlook on labor shortage this State appears serious due to service induction and voluntary work in defense projects at wage scale prohibitive to agricultural pursuits. Various large agricultural divisions such as citrus and truck farming are coordinating efforts to support request to National Government to temporarily suspend immigration laws to permit Bahama Island natives to enter Florida for agricultural purposes only. Florida's greatest need for agricultural workers is at harvest season beginning about November.

NATHAN MAYO,
*Commissioner of Agriculture.*

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SPRINGFIELD, ILL., *September 1, 1942.*
C. C. FLANERY,
*Commissioner of Agriculture,*
*Nashville, Tenn.:*

Labor situation for 42 fairly well taken care of except in isolated areas on special crops. These will be handled by local people using high-school boys for the next 2 or 3 weeks. This agricultural committee, State council of defense, the Illinois Agricultural

Association, the Agricultural College, the State department of agriculture, and the United States Farm Placement Service are cooperating on a survey and possible source of labor for 1943. Will cover more in detail with letter.

HOWARD LEONARD,
*Director, Illinois Department of Agriculture.*

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HARTFORD, CONN., *September 2, 1942.*
C. C. FLANERY,
*Commissioner of Agriculture, Nashville, Tenn.:*

Farm labor problem serious, but production maintained. Expected to get progressively worse.

OLCOTT F. KING,
*Commissioner of Agriculture.*

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AUGUSTA, MAINE, *September 2, 1942.*
Hon. C. C. FLANERY,
*Commissioner of Agriculture, Nashville, Tenn.:*

Agriculture labor situation very acute; growing progressively worse. Asking Federal aid to assist potato harvest. Schools cooperating fully. United States Employment Service helping all they can. No definite plan yet developed for 43.

CARL R. SMITH,
*Commissioner of Agriculture.*

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INDIANAPOLIS, IND., *September 2, 1942.*
C. C. FLANERY,
*Commissioner of Agriculture, Nashville, Tenn.:*

Farm labor situation Indiana very acute. In midst tomato harvest now. Have recruited boys and girls for tomato picking through local school systems. Making provision for leaves of absence of students needed to harvest crops.

CHARLES W. DAWSON,
*Commissioner of Agriculture.*

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AUSTIN, TEX., *September 2, 1942.*
Hon. C. C. FLANERY,
*Commissioner of Agriculture, Nashville, Tenn.:*

Retel. Taxes experiencing acute farm labor shortage. Have thoroughly investigated importation labor from Mexico and consider such impracticable because of the many restrictions. Patriotism and high farm wages are attracting maximum amount of local labor and this is what we must depend on for harvesting. Regards.

J. E. MCDONALD,
*Commissioner.*

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ROCHESTER, N. Y., *September 2, 1942.*
C. C. FLANERY,
*Commissioner of Agriculture, Nashville, Tenn.:*

Submitting report direct at Commissioner Noyes' request. Every recruiting method has been used. Supply of labor within State is exhausted. Increased acreage and high yields requires that at least 1,000 additional harvest workers be brought into western New York within 1 week if crops of tomatoes, beans, apples, and peaches are to be saved.

J. P. KING,
*State Farm Placement Supervisor.*

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MONTGOMERY, ALA., *September 2, 1942.*
Hon. C. C. FLANERY,
*Commissioner of Agriculture, Nashville, Tenn.:*

Retel. Agricultural labor situation in Alabama very serious. State Defense Council plan organization of harvesting groups of young people to do the job. School authorities cooperating by recessing schools for necessary time.

HAYGOOD PATERSON.
*Commissioner of Agriculture.*

KNOXVILLE, TENN., *September 1, 1942.*
C. C. FLANERY,
*Commissioner of Agriculture, Nashville, Tenn.:*

Retel. Farm labor situation very serious in this section. Farmers can't compete with T. V. A., aluminum company, and Government agencies in wages at the present price of their crops. Only even partial relief we see is State school superintendent permitting children to help harvest the heavy crops and plant the grain and not lose credit in schools. This may necessitate suspension of schools for a short time. Further stop all W. P. A. work and utilize them on the farms.

DEAN BROS.

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CONCORD, N. H., *September 3, 1942.*
C. S. FLANERY,
*Commissioner of Agriculture, Nashville, Tenn.:*

Present agricultural labor situation tough. Shortage comes from need of increased apple pickers. United States and State labor employment offices meeting supply probably 80 percent. Students from high school and college being listed will probably lift supply to 90 percent. Balance of 10 percent must be voluntary labor by women, girls, and older people who cannot climb trees for picking. State Department of Agriculture soliciting week-end labor of employees in State service. This labor will be utilized locally near homes of such employees. No outside camps established for itinerant or emergency labor.

ANDREW L. FELKER,
*Commissioner of Agriculture.*

Mr. MCKELLAR. Mr. President, I also ask permission to have printed in the body of the RECORD certain other telegrams on the same subject received from various individuals and organizations.

I believe that in the adjustment of parity for farm commodities, increased labor costs should be included by all means.

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

FRANKLIN, TENN., *September 23, 1942.*
Hon. K. D. MCKELLAR,
*Senator, Washington D. C.:*

Farmers, this county, endorse ceiling prices farm products provided wages ceiled also.

H. C. MEACHAM,
*President, Williamson County Farm Bureau.*

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DRESDEN, TENN., *September 23, 1942.*
Senator K. D. MCKELLAR,
*Washington, D. C.:*

In opinion of the Weakley County Farm Bureau the new price-control bill now before Congress should provide ceilings on wages in line with ceilings on farm price. Also ceilings on agriculture commodities should not be fixed less than parity prices, adjusted in line with advance labor cost. Increase labor cost would necessitate raising farm price floor 85 to 90 percent parity.

L. F. BURK,
*President, Weakley County Farm Bureau.*

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UNION CITY, TENN., *September 23, 1942.*
Senator K. D. MCKELLAR,
*Washington, D. C.:*

We, the Farm Bureau of Obion County, Tenn., representing the farmers, do urge that you support a bill for floor of 90-percent parity of all farm commodities, price adjusted for all increase labor costs.

H. S. WOOD,
*President, Obion County Farm Bureau.*

MEMPHIS, TENN., *September 24, 1942.*
Hon. K. D. MCKELLAR,
*United States Senator, Washington, D. C.:*

Unless provision made in ceiling on farm commodities to take care of increased labor costs next season, crops will fall below requirements for feeding and clothing ourselves and Allies. Hope you will support such an amendment and ask the other Tennessee Congressmen to do likewise.

STOVAL JETER.

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KENTON, TENN., *September 23, 1942.*
Senator K. D. MCKELLAR,
*Washington, D. C.:*

Gibson County farmers are disturbed as never before at the continuing rising cost of farm labor. Farmers in one accord are expecting you to consider this item as a tremendous increase in cost of production while arriving at a conclusion on price-control bills now before the Senate and House.

A. J. HARRIS,
*President, Gibson County Farm Bureau.*

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SPRINGFIELD, TENN., *September 23, 1942.*
Hon. K. D. MCKELLAR,
*United States Senator, Washington, D. C.:*

We are asking that new price-control bill should include ceilings on wages in line with ceilings on farm prices. Ceiling on farm products not to be fixed less than parity prices adjusted to cover cost of production. Raising farm price floor from 85 to 90 percent parity price adjusted for all increase labor cost.

JOEL V. BELL,
*President, Robertson County Farm Bureau.*

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PARIS, TENN., *September 23, 1942.*
Senator K. D. MCKELLAR,
*Senate Office Building, Washington, D. C.:*

Henry County farmers expect your support in seeing that new price-control bills before Senate and House provide ceiling on wages comparable with ceiling on farm prices.

ED MCCLURE,
*President, Henry County Farm Bureau.*

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BOLIVAR, TENN., *September 22, 1942.*
K. D. MCKELLAR,
*Senate Chamber, Washington, D. C.:*

We heartily endorse the bill providing ceiling on wages comparable with ceiling on farm prices and that ceiling on agricultural commodities include increased labor cost raising farm prices floor from 85 cents to 90 percent of parity.

W. F. RICHARDSON,
HARDEMAN COUNTY FARM BUREAU.

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CHARLESTON, TENN., *September 22, 1942.*
Senator K. D. MCKELLAR,
*Washington, D. C.:*

Will appreciate your support to the amendment price-ceiling resolution by Senator THOMAS of Oklahoma and HATCH, of New Mexico, which provides for including of all farm labor in parity determination for price ceiling purposes.

N. R. WILSON,
CHATTANOOGA AREA MILK PRODUCERS ASSOCIATION.

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NASHVILLE, TENN., *September 22, 1942.*
Hon. KENNETH D. MCKELLAR,
*United States Senate, Washington, D. C.:*

Want to urge your support proposal pending House and Senate to amend party farm bill by including cost of farm labor. Am informed that all farm organizations with possibly one exception are in favor of such action.

C. C. FLANERY.

SMITHVILLE, TENN., *September 23, 1942.*
Senator K. D. MCKELLAR,
*Washington, D. C.:*

De Kalb County farmers favor ceiling on wages comparable ceilings on farm prices provided agricultural commodity prices not be fixed less than parity prices adjusted to cover increases and labor cost. Farmers feel that both wages and farm prices should be controlled but on an equitable basis.

DEKALB COUNTY FARM BUREAU.
GROVER EVANS, *President.*

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FAYETTEVILLE, TENN., *September 24, 1942.*
Hon. K. D. MCKELLAR,
*Washington, D. C.:*

Please support anti-inflation farm-wage bill as passed by the House of Congress yesterday as farmers in many instances are having to pay as much as 300 percent increase for farm labor.

LINCOLN COUNTY FARM BUREAU,
JNO. C. HAMPTON.

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MEMPHIS, TENN., *September 23, 1942.*
Hon. KENNETH MCKELLAR,
*Senate Office Building,*
*Washington, D. C.:*

National Cotton Council just completed survey current cotton farm labor costs. September 1942 labor costs 251 percent of same costs 1940.

Bureau Agricultural Economics estimates cost production 1940 crop 9.6 cents per pound lint cotton. Using Bae formula and applying increases in labor and other costs prevailing September 1942, cost production 1943 and subsequent crops will be increased to approximately 21.5 cents per pound lint cotton, based on preceding 10-year average yield, assuming pending legislation freezes all labor and other costs at current levels.

Cotton production cannot be maintained unless these facts are recognized. Strongly urge your support of amendment requiring inclusion farm labor costs in calculating parity price.

OSCAR JOHNSTON,
*President, National Cotton Council.*

Mr. SHIPSTEAD. Mr. President, I ask that the pending amendment be read by the clerk.

The PRESIDING OFFICER. The pending amendment offered by the Senator from Oklahoma [Mr. THOMAS] will be stated.

The CHIEF CLERK. On page 4, at the end of line 13, it is proposed to add the following new paragraph:

For the purposes of this section, parity prices and comparable prices for any agricultural commodity shall be determined as authorized by existing law but shall also include all farm labor.

Mr. SHIPSTEAD. Mr. President, the amendment just read being the subject before the Senate, I shall address myself to it and to its purpose, as well as to the necessity for agreeing to it, as I see it, in view of the way in which parity is now defined in the law.

The cost of labor to the farmer is not recognized or accounted for in the fixing of prices under the parity formula. The necessity for recognition of the cost of labor is the reason for the pending amendment. The amendment has the support of the Senate Committee on Agriculture and Forestry, the main farm organizations of the country, and other patriotic citizens who realize that there is an unbalance in the economy of our war program.

It is surprising that in these days of war profiteering and cost-plus contracts there should be any objection to giving the farmer the cost of his labor when fixing the prices of his products. The battle cry of American industry and industrial labor has been to provide a living wage and profits based on inclusion of the difference between the costs of production at home and abroad. With that battle cry, our industrial labor, trusts, and monopolies have succeeded in having passed protective legislation for the industrial employer and employee. A Federal Tariff Commission was created to investigate the difference between the costs of production, including wage scales at home and abroad, in order to obtain through the protective tariffs a living wage for industrial workers and the cost of production plus a profit for the industrial employers. That has been the fundamental theory of the so-called protective tariff system.

For more than 50 years the battle cry I have just mentioned has been the particular battle cry of the Republican Party, ably supported by the Senators and Representatives coming from the industrial centers of the country. Industry and labor must have, it was said, cost of production plus a profit, and labor must have a living wage at the same time that the industrialists receive all their costs plus a profit. When the industrialists receive all their costs they also receive in their prices the cost of labor.

The amendment now before the Senate providing for the inclusion of the cost of labor to the farmer in the determination of parity is now opposed by both Republican and Democratic Senators who have voted to give the cost of production plus a profit to industrialists, plus a living wage to the industrial workers. The cold-blooded fact is that in this day of war profiteering the farmer and his family are expected to produce food on the home front without having their own labor cost or the cost of their hired labor being added to the prices for their products. That is the theory advanced by the present administration.

That theory of economics is based upon the fraudulent claim that the country is in danger of financial and economic ruin by the farmers if the farmers are allowed compensation for their own labor as well as compensation for the hired labor on their farms. In his Labor Day speech the President indicated that such a calamity would result; and later in a letter which he wrote he said he would veto a bill providing for farm prices high enough to compensate the farmer for the costs of labor performed on the farm. He even said that if Congress did not repeal certain provisions of existing law in accordance with his wishes he would do so himself under powers he claimed to have, but whose source he did not divulge. It seems to me that the President, as the announced author and prophet of the four freedoms and as expounder of the democratic processes, should send us another message making known the source of the powers which he claims to have.

In the debate on the amendment various claims have been made relative to the increase of farm prices since the depression, and it has been intimated that the increases in farm prices have been at a higher percentage than have the increases in prices of industrial products and wages to labor. That assumption is not true; but if it were true it could be based only upon the fact that industrial labor as such did not sink to the low level of income that the farmers had during the depression. Although there was a great deal of unemployment during that period, the wages of those employed in industry did not sink to the level of the wages received by W. P. A. workers; but the income of farmers did.

So we must remember that when the war program commenced, and even before then, when prices and wages started to rise, the income of farmers started from a lower level than did the wages of industrial workers. Therefore, the farmers had further to go, and still have a long way to travel upward in income before their income can be on a basis of equality or parity with that of industrial labor, not to say that of industrial employers.

The Senator from Michigan [Mr. BROWN] made an eloquent defense of the President's position. I do not know of anyone who could have made a better defense. The Senator made the statement, if I understood him correctly, that unless wages were fixed and frozen now, it would never be done. The President could have done that a long time ago if he had wanted to have them fixed.

The President said he would handle the industrial wages and leave the bargaining power to employer and labor and to the War Labor Board, appointed by himself and under his direction. The farmer has no bargaining power. He cannot bargain with the miller or the packer or the butcher. He must take his product to the market and take what the buyer will give him. He buys in a protected market and sells in an unprotected market; he buys in an organized market and sells as an individual; and when a bill is advanced to control farm prices, we have the imperial edict, even from the White House, that the cost of labor must not be included in the price to the farmer, in order to save the country from inflation and economic collapse.

What is it that causes inflation, but for one thing, shortage of production of necessary goods, of which food is the most important, and, further, the psychological effect of an irredeemable debt—a debt so colossal that it cannot be paid by taxes, because taxes to pay it would weigh so heavily on production as to throttle it. There are other factors, but those I have named are, in my opinion, the most important.

The best antidote to inflation is increased production at sufficiently high prices to bring about such production as is necessary to cause a turn-over sufficiently large to raise the national income high enough to furnish taxes sufficient to pay the debt. A low price level cannot produce income sufficient to

pay a debt growing faster than production.

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

Mr. SHIPSTEAD. I yield.

Mr. DAVIS. Does the Senator believe that the adoption of the Thomas amendment would increase production on the farms of America?

Mr. SHIPSTEAD. If I did not think so, I would not favor the amendment. I think I shall make that plain to the Senator. A low price level cannot produce income sufficient to pay a debt which is growing faster than is production. It is said production will win the war. In my opinion that of itself is not sufficient, but it is possibly the most important factor. It is also said that production of food will win the war. What is the outlook for the production of food at the present time and under present prices? From all over the country, from the agricultural communities, we find increasing distress in the farm areas due to shortage of labor.

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

Mr. SHIPSTEAD. I yield.

Mr. WHEELER. I did not catch the answer the Senator made to the question asked by the Senator from Pennsylvania; but let me say that I have just come from among the farmers, and certainly one of two things must happen: Either the farmer has got to reduce his production because he cannot afford to pay the price for labor that is being paid in the defense industries or it will be necessary to raise the price of farm products so that he can afford to pay higher wages to farm labor. Either that has got to happen, or the price of labor has got to come down, or production will be stopped. I know the farmers of my State—and I think the same condition exists in every other State—are not going to be able to plant crops next year, and the cattlemen are going to have to sell their cattle, because they cannot get help and cannot pay the prices necessary to be paid in order to keep their sheep and hogs and cattle. So, in this situation, one of the things I have mentioned is bound to happen.

Mr. SHIPSTEAD. I thank the Senator for his contribution.

Because of low prices the farmer cannot compete for labor with industry having war contracts on a cost-plus basis, paid by the taxpayers of the country. There has been a drain of farm labor to the industries. Young men and experienced farm men have left their $60 and $75-a-month jobs on the farm to go to defense industries where they receive that much a week. The draft has taken possibly as many more. With this the farmer at present prices cannot compete. Consequently, we have farm sales all over the farming areas. I happen to know that it is true not only in Minnesota, Wisconsin, North and South Dakota, but it is universal, as letters and correspondence from farm communities will show. Farmers are selling their horses, cattle, machinery, pigs, and chickens on a flooding market, because the operator of the farm and his wife cannot continue to carry on without the necessary labor. Breeding herds are being dumped on the market. Do you realize, Mr. President, that it takes 3 years to restore a herd of breeding cattle? Yet they are now being sent to the market. The feed lots of the Corn Belt hold 20 to 30 percent less animals for finishing this year than last year.

Mr. WHEELER. Mr. President, will the Senator yield at that point?

Mr. SHIPSTEAD. I yield.

Mr. WHEELER. I have just received a letter from a constituent of mine in southeastern Montana. He has 1,800 head of sheep, 500 head of cattle, and several hundred head of hogs. He is about to be called by the draft, and, of course, he will have to sell all his sheep and all his cattle and all his hogs because there is nothing else he can do. He is one of the very substantial breeders in the State, but he is being taken into the draft notwithstanding the fact that he is the only man on that farm and has large herds of sheep, cattle, and hogs.

Mr. SHIPSTEAD. I expect to go into that subject in detail a little later.

Mr. WILEY. Mr. President, will the Senator yield at that point?

Mr. SHIPSTEAD. I yield.

Mr. WILEY. I have before me an excerpt from the Inter-Mountain Leader, a newspaper published in Frederic, Wis., showing that auction sales from September 10 to September 19—9 days—averaged about two and a half or more a day during that period; so that each day practically three farmers are selling all their machinery and cattle. I quote the following statement from the Inter-Mountain Leader.

> Labor cannot be kept on the farm unless the farmer can pay somewhere in line with industry. The proposed price ceiling will not permit it. It is leading to families sustaining farms where the owner must do all the work himself. Those unable to work are having sales.

Let me add that Frederic and its environs have about a thousand population. Think of it! Think of a community of that size having such a number of sales. As I stated on the floor of the Senate a couple of days ago, quoting the dean of the College of Agriculture of my State, tens of thousands of milk cows are being thrown upon the market. What will that mean next year when we want cheese and butter and milk?

Mr. President, with permission of the Senator from Minnesota, I ask unanimous consent that the statement to which I have referred be printed in the RECORD in full.

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

> The following material has just been received from Allan Fahland, Clam Falls, Wis., relative to tendency of farmers to sell out their property, thereby reducing the future output of food products.
>
> The intercounty leader, Frederic, published the following auction sales for the Frederic area:
>
> Thursday, September 10, two auction sales.
> Friday, September 11, four auction sales.
> Saturday, September 12, two auction sales.
> Monday, September 14, three auction sales.
> Tuesday, September 15, three auction sales.
> Wednesday, September 16, three auction sales.
> Thursday, September 17, two auction sales.
> Friday, September 18, one auction sale.
> Saturday, September 19, three auction sales.
> (Above only for one small community.)
>
> In a recent letter, Mr. Fahland, who is director of the Land O' Lakes Creamery, himself a farmer operating a 200-acre dairy farm, said: "It is not so much a question relative to the proposed price ceilings on farm products hurting the farmer in his efforts of making a living as it is that the Nation will be in a desperate situation in a very short time for want of food and fibers. They (Government) must be warned before it is too late.
>
> "Labor cannot be kept on the farm unless the farmer can pay somewhere in line with industry. The proposed price ceiling will not permit it. It is leading to families sustaining farms where the owner must do all the work himself. Those unable to work are having sales. Others are having sales so as to go and work in defense plants."

Mr. SHIPSTEAD. Mr. President, I have letters from my State which advise that in various localities the auctioneers are billed for farm auctions every day until Christmas.

There is evidence all over of a greatly reduced production of agricultural products of all kinds for another year or two that may cut production from one-third to one-half. We know that production in foreign countries must be at a very low ebb. If we permit production of food to be reduced instead of producing to the limit, I fear we will bring on a calamity of such dire proportions as has never been imagined in our Nation's history.

There have been times when we have had surpluses for our own use, but now under lend-lease policy we are committed to feed the world. Our future commitments seem to be unlimited. With our present outlook for production of food and our present outlook for future necessities, both at home and abroad, not only for our own forces abroad, but for populations abroad, it is not beyond reason to anticipate not only a shortage in our own country, but extreme need and suffering.

The only way to get production in industry is to pay the price—cost of production plus a profit. Agriculture is an industry. Shall the farmer be deprived of relative equality because he is chained to his farm and his home by financial obligations, family ties, and the memories of a lifetime effort of struggle and privation where he has been able to hang on in spite of political and economic forces that have exploited him down through the ages? Is it planned that way because the farmer is inarticulate? Is he subject to the constant attack by newspapers because he is not an advertiser? Is he looked upon as legitimate prey by organized industry and capital, organized into great corporations, because the farmer is still an individual and a small capitalist?

The small businessman is a small capitalist, as is the farmer. It is a fundamental theory of communism that the first road to communism is to eliminate the petit bourgeoisie, the small capitalist. He is the foundation of representative and democratic form of government—constitutional government. He has his little property, his little farm, or

his home, and he wants to defend it. Eliminate him, and the few who have gathered the wealth at the top will be easy to take, as it is planned that way.

While fighting a world war on the seven seas to free exploited people from economic slavery abroad, are we going to increase our exploitation of the weak minorities at home? Talk about the rights of minorities—of course, the farmer is a minority, and the combination ganging up on him in politics and economics is overwhelming.

While fighting for the economic and political minorities abroad, how can we reconcile our economic pogroms on our agricultural minority at home?

On February 18, 1937, our Ambassador to Russia, Mr. Joseph E. Davies, wrote a letter to Senator Pat Harrison, of whom we were so fond, which I placed in the RECORD on July 6, 1942. In speaking of conditions in Russia, he said:

> Bureaucracy has an ironclad tie-up with the industrial workers against the farmers.

In other words, the Government, its bureaucracy, and industrial workers, were ganging up against the farmers. Is it planned that way here? One would almost be led to believe so when one realizes that with industry having Government contracts on a cost-plus system, the contractor, to protect and increase his profits, can hire an extra thousand, 2,000, 3,000 men more than he needs, put them on higher wages than they ever received before, in order to increase his cost and so increase his profit; and do not forget that that is being done. No one denies that that is being done on a wholesale scale. I have protested to high authorities in the war production set-up and was asked to bring the proof. I replied, "I am not a detective. You have your inspectors. If they are honest, they can get the evidence." I have people writing me, confidentially, telling me what is going on. I have even had workers write and tell me that though being unskilled they were put on a high-skilled pay roll and told not to work too fast. Failure to remedy this waste, which is one of the great factors in the threat of inflation, will lead to the suspicion that it is all done with connivance of higher authorities.

At any rate, whoever is responsible, they are sabotaging not only the taxpayer but the war effort.

I quote now the statement of a man who has huge defense contracts, disclosing how these profits are accumulated. He states:

> Inflation resulting from industry taking men from farms at $80 per month and putting them in industrial and construction jobs at $4,000 per year cannot be controlled until Renegotiation Law 528 is repealed or modified. Two contractors take contracts for identical material at identical contract prices, and the efficient contractor finishes his job in half the time and at half the cost of the inefficient contractor. Then renegotiation forces the efficient contractor to give back all the funds he has saved through efficient operation and then forces him to take new contracts at half price. The inefficient contractor takes twice as long to deliver, gets his full anticipated profit, is not renegotiated out of anything, and is called honest by congressional investigators. Because renegotiation bases profit on cost, the highly efficient contractor can double his profit by hiring a thousand unnecessary men or merely adopting a passive attitude which automatically slows up shipments, thereby increasing his cost and protecting himself against taking future contracts at reduced prices. Renegotiation and high taxes have stopped private expansion, so Government must provide additional manufacturing facilities to obtain urgently needed increased output. Private industry is all confused because of renegotiation and hesitates to take additional contract burden, forcing contracts into inefficient, high-cost, Government-operated plants, thereby forcing further building of Government-owned facilities and wasting material needed for ships and guns. This war will require a hundred times as much ordnance machinery as the last war, and there is absolutely no possible way for any law to control inflation resulting from waste when the only way a manufacturer can insure his existence is to increase his costs by hiring thousands of unnecessary employees so, when unforeseen contingencies arise, he can decrease his costs by eliminating the unnecessary employees. Remember, it takes 10 years' taxes from a worker to pay his wages for 1 year. Then add the cost of additional manufacturing facilities required for each worker and you have a staggering picture. Germany is highly efficient in machinery production, and we must win the war on the margin of profit which exceeds Axis output. Manufacturers are not opposed to high taxes or profit limitation based on sales instead of cost and imposed after paying Federal taxes. This plan encourages rapid turn-over because the contractor knows that efficient production will not boomerang and destroy him.

The farmer cannot negotiate any contracts for his own protection. It appears doubtful now that his Government will protect him. He is charged publicly by high officials to be public enemy No. 1, endangering the war effort and the national economy because of inability to continue production under the present and proposed price set-up. There is plenty of evidence of this statement to be found in practically every State in the Union.

I am going to vote for the amendment to include labor costs in the price to be received by the farmer, but, even with that included in the bill, I doubt that in consideration of all handicaps with which the farmer has to contend, that that will give him a price level making it possible for him to continue production to the necessary peak of anticipated requirements.

Parity in the present law is based on the income to farmers in the 5 years 1909–14, compared with that of the city dwellers in the same period. In those years the average individual income on the farm for each member of the family was $135, and in the city the average income of the individual was $487. That is the ratio of income attainable under the present parity law that we are trying to amend.

Can it be that the average per capita farm income of $135 is parity with the average nonfarm income of $487 for people in the city?

Farmers represent about 24 percent of our population and in 1939 received 7.6 percent of our national income. The newspapers do not carry these facts to the people.

The President says he wants to eliminate gross inequities. I call this gross inequity to his attention and to the attention of the Congress.

Mr. President, I have received and can produce hundreds of letters from representatives of farming communities stating what the conditions are, but I shall not produce them because they would clutter up the RECORD. I have some letters from farm organizations and a communication from the Cooperative Milk Producers of Minnesota. I have received letters from members of the National War Production Boards of various sections of Minnesota explaining the drafting of men away from the farms. I sent one of the letters to General Hershey, Director of the Selective Service System, and he sent me a very courteous answer.

I ask to have placed in the RECORD, following my remarks, a letter from Martin M. Olsen, chairman of the W. Otter Tail County, U. S. D. A. War Board.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Is there objection? The Chair hears none, and it is so ordered.

(See exhibit A.)

Mr. SHIPSTEAD. Mr. President, following that I should like to have printed in the RECORD the letter from General Hershey to me, explaining how the Selective Service System is handicapped, and offering a remedy.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit B.)

Mr. SHIPSTEAD. Mr. President, I am sure General Hershey is an honest man. However, I wish to point out how impossible it is under his formula to get any labor on the farm. I shall read from the letter, and then will make some remarks to show in what respects I think he is mistaken. I do not think he makes any intentional misstatements at all, but nevertheless I think he leaves the problem unsolved after he has made the suggestion for a remedy. In his letter he says:

> It is not the desire of the Selective Service System to contribute toward the decrease of the productivity of the farms of this Nation. Our policy relative to the selection and induction of persons engaged in agriculture was formulated only after a thorough study of the farm situation was made and after several conferences with representatives of the Department of Agriculture.
>
> Statistics indicate that a large percentage of persons who have left the farms have done so for the purpose of securing more lucrative positions in industry.

That, Mr. President, is, of course, true.

> A large percentage of the persons who have left the farms to enter the armed forces have done so voluntarily—

Of course that is true.

> I believe that the farmers of this Nation fully appreciate the fact that it will be necessary for them to furnish a proportionate share of the manpower for the armed forces.

Of course, the farmers understand that.

> In our contacts throughout the Nation this has been generally ascertained to be true. Men will have to leave the farms, in some instances, to enter the armed forces, just as it has been necessary for employees in other essential industries to enter the armed forces. It is imperative that only "necessary men"

be deferred. "Necessary men" in agriculture are eligible for deferment, just as are "necessary men" in other industries. The farming industry, however, will have to do a certain amount of recruiting to secure replacements for the persons entering the armed forces.

Mr. President, there is where we are up against it. Let us take, for example, a county in which there are 2,000 men employed upon the farms. They are receiving two or three dollars a day. Along comes a defense plant and offers men $75 a week. One reason for offering such wages is to get men so as to bring about defense production. Another reason is that a contractor usually has a cost-plus contract, and the higher wages he pays the more he makes, and wages are to be based upon the level of the going wages of labor in the locality. Suppose the defense plant takes a thousand men out of the county; that leaves only 1,000 men to do the work on the farms. Then along comes the Army and takes 500 of those men. Then there are only 500 men left to do the work on the farms which 2,000 formerly did. It simply cannot be done.

General Hershey says that the farming community as a whole must recruit men and get them back on the farm. How are they to be recruited unless they are offered a wage which would induce them to come back to the farm? Unless the farmers receive a price for their production sufficient to enable them to offer wages which will bring about recruiting of farm labor we are not going to get the needed production in America.

Mr. President, it seems to me we are in a very tragic situation. I think that is due to faulty planning. If the present condition had been anticipated, if the whole program had been handled by men who understood the problem, who could foresee and anticipate the present situation, who could foresee what would happen to agriculture and the production of food by reason of the war, the present unfortunate condition could have been prevented. There was little thought, however, at the time the program was inaugurated, and the "thought" came too late. Too little in the beginning, and too late.

Mr. President, I do not think the pending amendment will solve the problem, but at least it is a beginning. The farmers are waking up to the condition they are in. I do not believe we can win the war with a lopsided economy of driving the farmers out of production and threatening the country with a shortage of food, food to feed those engaged in industry, as well as those in the armed forces, and to meet our commitments to foreign countries. I do not believe we can supply the food that is needed when farmers are being obliged to get rid of productive animals, breeding animals. The hired man on the farm may be taken in the draft. Perhaps one of the farmer's boys is taken. The farmer has perhaps 160 acres of land, and 10 or 20 or 30 cows. The only thing he can do is to sell everything, and trust to being able to live on a little garden, with a pig or two and a couple of cows, and do the best he can.

Mr. President, I hope the amendment now pending will be adopted following the action of the House on yesterday. The Members of the House come from every district of the United States; they are nearer to home than are Members of the Senate; they are nearer to home than are the advisers to the President. They are nearer to those who produce the Nation's food.

Friends of the President have said on the floor of the Senate that they have a great deal of confidence in the President, but that they do not have so much confidence in his advisers. The trouble is that the President has to depend upon advisers in whom we have very little confidence. I am sure the advisers who prepared the speech for the President which he delivered on Labor Day gave him very bad advice. I think those who are familiar with agricultural conditions throughout the country know that it was bad advice. The President's advisers said that if the country is to be saved from economic inflation agricultural prices must be reduced. They felt that such action must be taken in order to save the country from economic collapse. As a matter of fact, Mr. President, farm prices are now so low as to threaten a shortage of production of the food necessary to supply the population of the United States and our armed forces abroad. That is the first possible collapse we may have, unless some measure far more drastic than that now before us is adopted. The best I can say for the pending amendment is that I think it is a step in the right direction.

Mr. President, no one fears inflation more than I do. We know that inflation means ruin for our national economy. With our tremendous national debt, far outrunning our production, far outrunning our price level, how are we going to get the taxes with which to pay the bonds on the basis of the price level we now have? The only way they can be paid is by means of correspondingly high price levels. Unless the people are able to begin to pay taxes somewhat in proportion to the increase of the national debt, we shall have the psychological suspicion that we are not going to be able to pay at all, and then we shall have real inflation. The people cannot pay taxes in sufficient amount to hold down inflation unless the general price level is raised so the people will receive the money with which to pay the taxes.

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

Mr. SHIPSTEAD. I yield.

Mr. WHEELER. I hold in my hand a booklet entitled "Land Policy Review," published by the Bureau of Agricultural Economics, Department of Agriculture. It is stated that it is published by the Department of Agriculture with the approval of the Bureau of the Budget.

On page 3 of the booklet is an article written by Raymond C. Smith, in which he says:

> It seems quite likely that agriculture will lose more than one million additional workers before the end of 1943.

It is my understanding that 2,000,000 workers have been taken from agriculture thus far, and that another 1,000,000 will be taken.

I then call attention to an article on page 8 of the same booklet in which the following appears:

> Increased production called for in January, 1942—production goals—will require 143,000,000 more 10-hour days of work than were required by agriculture in 1941.

So, Mr. President, 143,000,000 more 10-hour days are going to be required next year than were required in 1941, and 1,000,000 more men are to be taken from the farms. I wish someone would explain to me how 143,000,000 more 10-hour days of labor are to be secured on the farms if the prices of farm products are to be kept down, and, in addition, a million more men are taken off the farms.

Mr. President, I agree with what the Senator from Minnesota has just said. I agree with the President of the United States that one of the most disastrous things that could happen to the United States would be a runaway inflation. I was in Germany and Austria in 1923, and saw the result of inflation in those countries. That inflation brought about the collapse of Germany, and probably was the reason for bringing Hitler finally into power. But how, Mr. President, can the farmers of the country furnish the food required by the civilian population as well as our armed forces when 3,000,000 workers are taken from the farms, and when farmers are losing help because of high wages paid in industry. Goodness knows, I have been in favor of high wages for workers, but the farmers cannot compete with industrial plants in that respect.

Mr. SHIPSTEAD. I thank the Senator. Mr. President, I yield the floor.

EXHIBIT A

UNITED STATES DEPARTMENT OF AGRICULTURE,
U. S. D. A. DEFENSE BOARD,
*Fergus Falls, Minn., September 1, 1942.*

Hon. HENRIK SHIPSTEAD,
*Washington, D. C.*

DEAR SENATOR SHIPSTEAD: During the past weeks, there has been a continual stream of reports that a very large percentage of our farmers will hold auction sales this fall and quit farming. The reason given for the auction sales is the utter lack of the help needed to carry on our type of farming. There is adequate machinery to plant and harvest crops, but the feeding of livestock still needs a high percentage of manpower and better than average farm-hand training.

We feel that a review of the farm-labor situation will result in great help to secure the production of the foods that we will need.

There has been a double drain on manpower in the farming area. We know that the fighting forces need our men to help win the war. But in addition to the drafted men there has been a steady flow of labor to the high-pay area that has been granted defense contracts. Furthermore, it is not only the higher pay that attracts men, but there is also the feeling that men in defense industry are receiving special deferment privileges. The deferments granted act as a third drain of manpower in a strictly agricultural community.

We are just finishing a harvest of grain crops and have honestly tried to produce about 20 percent more food with 20 percent less help. Besides the transient help, women

and children have pitched and will continue pitching. But this work is of the type that can be done by transient help and we are now coming to the feeding. Livestock needs continuous attention and cannot be carried on by picking up a man today and going without tomorrow. If we are to satisfy the needs of our country in the way of meats, butter, cream, and eggs, it will be necessary to leave a portion of trained farm help in our area.

We believe that industry also should be asked to replace the young men fit for active service with older men and women wherever possible. The local draft boards should be asked to gradually cancel the deferments given migratory factory workers, thereby leaving a larger portion of trained men in livestock-farming sections. Next with ceilings on farm products and no curb to wages in industry, the farmer cannot compete for help.

There is perhaps no immediate danger as this year's production of meats is still to be put on the market. We are looking forward to the possible production 6 to 12 months in the future. The trend is here, but we feel that it can be turned in the right direction by the use of a little ordinary horse sense. We should have the ability to smooth out the dips and keep our people ever confident of the future. We can win by just a little harmonious planning.

Very truly yours,

MARTIN M. OLSON,
*Chairman, West Otter Tail County, United States Department of Agriculture, War Board.*

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EXHIBIT B

NATIONAL HEADQUARTERS,
SELECTIVE SERVICE SYSTEM,
*Washington, D. C., September 19, 1942.*

The Honorable HENRIK SHIPSTEAD,
*United States Senate.*

Subject: Deferment of persons engaged in agriculture.

DEAR SENATOR SHIPSTEAD: Your letter dated September 4, 1942, together with enclosure relative to the above-mentioned subject, has been received in this headquarters.

It is not the desire of the Selective Service System to contribute toward the decrease of the productivity of the farms of this Nation. Our policy relative to the selection and induction of persons engaged in agriculture was formulated only after a thorough study of the farm situation was made and after several conferences with representatives of the Department of Agriculture. Our policy is expressed in Memorandum to All State Directors (I-375) and Local Board Release No. 115, copies of which are being enclosed for your information.

Statistics indicate that a large percentage of the persons who have left the farms have done so for the purpose of securing more lucrative positions in industry. A large percentage of the persons who have left the farms to enter the armed forces have done so voluntarily and have not been inducted through the Selective Service System. I believe that the farmers of this Nation fully appreciate the fact that it will be necessary for them to furnish a proportionate share of the manpower for the armed forces. In our contacts throughout the Nation this has been generally ascertained to be true. Men will have to leave the farms, in some instances, to enter the armed forces, just as it has been necessary for employees in other essential industries to enter the armed forces. It is imperative that only "necessary men" be deferred. "Necessary men" in agriculture are eligible for deferment, just as are "necessary men" in other industries. The farming industry, however, will have to do a certain amount of recruiting to secure replacements for the persons entering the armed forces. It is well appreciated that adjustments will have to be made, but similar adjustments are being made in every occupation.

I wish to assure you that this Headquarters fully understands and comprehends the importance of the farms at this time. I believe that the record crops that are being produced this year are records that this Nation should be proud of. The farmers have done and are doing a good job. However, as I have said above, a certain proportion of the manpower for the armed forces should come from the farms.

I have given your letter and Mr. Olson's letter careful consideration and appreciate the motive that compelled Mr. Olson to write to you. This headquarters welcomes criticism and suggestions. We believe that the Selective Service System has operated and is operating efficiently. We realize, however, that errors may be made in certain isolated cases. We desire to have those cases called to our attention.

I wish to assure you that we are continually observing and considering the problems that are confronting the farmers, and we will, from time to time, issue directives to the local boards as changing circumstances may warrant.

The enclosure that accompanied your letter is being returned.

Sincerely yours,

L. B. HERSHEY,
*Director.*

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. THOMAS].

Mr. O'MAHONEY obtained the floor.

Mr. SMATHERS. Mr. President, will the Senator yield to me for the purpose of suggesting the absence of a quorum?

Mr. O'MAHONEY. I yield.

Mr. SMATHERS. 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:

| | | |
|---|---|---|
| Aiken | Green | Overton |
| Andrews | Guffey | Pepper |
| Austin | Gurney | Radcliffe |
| Bailey | Hatch | Reed |
| Ball | Hayden | Reynolds |
| Barkley | Herring | Rosier |
| Bilbo | Hill | Russell |
| Bone | Holman | Schwartz |
| Brewster | Johnson, Calif. | Shipstead |
| Bridges | Johnson, Colo. | Smathers |
| Brooks | Kilgore | Smith |
| Brown | La Follette | Spencer |
| Bunker | Langer | Stewart |
| Burton | Lee | Taft |
| Butler | Lodge | Thomas, Idaho |
| Byrd | Lucas | Thomas, Okla. |
| Capper | McCarran | Thomas, Utah |
| Caraway | McFarland | Tobey |
| Chandler | McKellar | Truman |
| Chavez | McNary | Tunnell |
| Clark, Idaho | Maloney | Tydings |
| Clark, Mo. | Maybank | Vandenberg |
| Connally | Mead | Van Nuys |
| Danaher | Millikin | Wagner |
| Davis | Murdock | Wallgren |
| Downey | Murray | Walsh |
| Ellender | Norris | Wheeler |
| George | Nye | White |
| Gerry | O'Daniel | Wiley |
| Gillette | O'Mahoney | Willis |

The PRESIDING OFFICER. Ninety Senators have answered to their names. A quorum is present.

Mr. O'MAHONEY. Mr. President, the issue before the Senate today is one which, in my judgment, requires a great deal of plain speech. I hope that I shall be able to carry on this discussion without heat and without any artificial attempt to arouse emotion. I wish to indicate quite clearly that the impression which has been spread abroad in this country, that the farmers of America constitute a privileged class, is absolutely without basis. I wish to show—and I think I can show—that the only privilege which the farmer is being called upon to exercise today is the privilege of serving his country, and of doing it in a patriotic and restrained manner.

The letter which the distinguished sponsor of the pending joint resolution read, from a flyer about to be engaged in conflict upon the battle front, is an illustration of the perfectly outrageous misrepresentation of this issue which has been carried on day after day and month after month through the press and over the radio, by persons who have not troubled to acquaint themselves with the facts. I wish to lay the facts before the Senate, and I hope also before the country.

Let me say, Mr. President, that when I think of the letter which the Senator from Michigan read, my personal feeling is that the boy who wrote that letter, and millions of boys like him who are being called upon to carry the flag of the United States and the flags of the United Nations upon the battle front, are not asking for anybody at home to tell them whether or not they shall make the sacrifice. They are acting upon their own patriotic determination. They are not counting the cost, whether the cost be in votes or in blood. Though I rise today as an acknowledged and proud member of the farm bloc to say that I think it would be a mistake to adopt the amendment sponsored by my friends, the Senator from Oklahoma [Mr. THOMAS], and the Senator from New Mexico [Mr. HATCH], I am doing so in the knowledge and with the feeling that the great majority of the Members of this body and of the House are as ready to do their duty, as they see it, as are the boys who are going abroad to fight.

In the letter which the junior Senator from Michigan [Mr. BROWN] has read, the young man said—I made note of the words as the Senator from Michigan read them—that Congress is today being called upon to do something which it should have done long since.

Ah, Mr. President, that is the impression which was created throughout the country; that is the message which the editorial writers and the radio commentators have sent to the people of the country. However, the truth is that Congress would have done this job last January if it had not been for the fact that the administration said "No." When Mr. Henderson appeared before the Banking and Currency Committee in August 1941, he was asked whether wages should be brought under control in legislation undertaking to control inflation. He said "No." Mr. President, I say that plain speech is the order of the day.

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

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. In all fairness I think it should be said that there was no visible sentiment in the Committee on Banking and Currency of either House which found its expression in any amendment giving to the Price Administrator the power to put ceilings on wages.

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

Mr. BARKLEY. Not only that, but the Senator has emphasized the fact that the administration said "No." That is not quite accurate.

Mr. O'MAHONEY. It did not say "No" publicly; that is correct.

Mr. BARKLEY. Mr. Henderson did state what the Senator has said. However, without regard to party, without regard to farm bloc, business bloc, or any other bloc, it was generally recognized at that time—the committees may have been mistaken and the Congress may have been mistaken—that there was no human being wise enough to put a ceiling upon all the wages earned by 50,000,000 wage earners in the United States. Before the committee came Mr. Herbert Hoover, former President of the United States, who could not be described as an enthusiast about labor; but as an administrator, both as President and as Food Administrator during the war, in giving the committee the benefit of his experience, he made the most emphatic statement and argument against the inclusion of wage ceilings, on the ground that it would be impracticable and unworkable, and that no human mind could work out such a provision.

So it was not altogether the administration as such which kept wage control out of the bill; and in fairness to everyone, I think that should be stated.

Mr. O'MAHONEY. Mr. President, I shall be glad to withdraw the word "administration," in order to be perfectly fair. I know that the members of the Committee on Banking and Currency were of the opinion that it would be practically impossible to control wages; but I know that Members of the Senate said on this floor when the bill was under consideration, "Unless you control wages, the bill will not work."

Mr. BARKLEY. It is undoubtedly true that Members of the Senate did take that position; and no doubt it is comforting to them to be able to say that they have been vindicated. I am perfectly willing to accord to those Senators such vindication. However, Congress as such did not see fit to include wages. As a matter of fact, I think that is water which has gone over the dam or under the dam, whichever way it went. [Laughter.] We are now faced with a condition, not a theory.

Mr. O'MAHONEY. The Senator is quite correct. I am ready to acknowledge that; and by the time I finish the explanation I think I shall make clear what I have in mind.

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

Mr. O'MAHONEY. I yield to my good friend the Senator from New Mexico.

Mr. HATCH. The very able Senator from Wyoming is making his argument, as he says, against the amendment which the Senator from Oklahoma [Mr. THOMAS] has offered. I desire to commend him for always being absolutely fair, and for the frank and emphatic way in which he points out conditions as they actually exist.

A moment ago he said that in the Congress there were Senators who said that unless wages were included in the price-control bill, along with farm commodities, in effect we would have no Price Control Act.

Mr. O'MAHONEY. Exactly.

Mr. HATCH. In the Congress in January of this year that sentiment did exist, to some extent at least. Is it not also true that throughout the entire Nation, from that time to this time, the prevailing sentiment has been that in order to have any effective price control, both those very essential elements must be included?

Mr. O'MAHONEY. There never has been any doubt at all about that in my mind. However, Mr. President, I do not want anyone to think that I do not comprehend the terrific task which the President of the United States has had to shoulder in handling the problem of wages.

The burden on the President is beyond imagination. It was his duty to bring all the people along with him. If it was his judgment that at that time he could not make organized labor understand that there should be a freezing of wages, I am not one who would question him or doubt his judgment. Nevertheless, this I do know, Mr. President, that when the bill was under consideration in committee, both in the House and, I think, also in the Senate—I am not a member of the committee—members of those committees propounded the question to Mr. Henderson, and always it was decided "We shall not deal with wages."

When the bill came to the floor, in what was perhaps an inadequate way, a way which may not have been wise, I endeavored to add to it an amendment which would tie together farm prices and industrial wages. I did that in the belief, which I expressed at that time, that if the amendment were agreed to it would be impossible for industrial wages to get out of line as they have since gotten out of line, and that we would have some kind of balance. I may have been wrong. I do not urge that point now.

Mr. ELLENDER. Mr. President, will the Senator yield at that point?

Mr. O'MAHONEY. I yield.

Mr. ELLENDER. In order to keep the record straight, let me ask whether it is not a fact that the Senate did agree to the amendment which was proposed by the distinguished Senator from Wyoming?

Mr. O'MAHONEY. By an overwhelming vote the amendment was agreed to by the Senate.

Mr. ELLENDER. But the amendment was rejected in conference, was it not?

Mr. O'MAHONEY. That is correct; it was rejected in conference.

Mr. President, at that time, and almost every day since then, the word has gone out through all the avenues of publicity that the responsibility for the failure to include wages lies upon the farm bloc, those Members of the House and of the Senate who insisted that, with no provision to control wages in the bill, no ceilings should be fixed upon agricultural products below certain levels—110 percent of parity; October 1, 1941; December 15, 1941; or the average prices in the period 1919 to 1929.

When the so-called "farm bloc," with the support of the entire Congress and the approval of the Executive, when his name was signed to the bill, fixed those levels, they were doing so for the purpose of preventing a continuing dislocation of agriculture and industry. They were doing so because they felt that if agricultural production were to be maintained it was necessary to make sure that prices which would bring the commodities into the market were maintained.

However, was that the story which went out to the country? Not at all, Mr. President. The story which went out to the country was that the farmers and their representatives, their organized representatives, their representatives on this floor, were guided merely by a petty, cheap, pilfering desire to obtain profit.

The Senator from Minnesota [Mr. SHIPSTEAD] a few moments ago demonstrated very clearly that during a generation the condition of agriculture has been consistently and constantly becoming worse. Now we have a debate as to whether the farmer should have some consideration for the labor which is paid upon the farm. O Mr. President, to my mind that argument is not debatable. Those who have urged that the costs of agriculture and labor be taken into consideration in fixing parity have right on their side; they have equity on their side; they have justice on their side, and no person can deny it. Least of all do I.

I think that only realistic considerations should be urged.

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

Mr. O'MAHONEY. I yield.

Mr. HATCH. As one of those who has sponsored the amendment, let me say that if right and justice are not on our side I hope the amendment will be rejected.

Mr. O'MAHONEY. Mr. President, I know what animates the distinguished senior Senator from New Mexico. I know that in this country there is no person who can claim a more patriotic devotion to the interests and welfare of his country than can the senior Senator from New Mexico; and I, for one, resent with all the power I have the constant and continued affronts which have been offered to those who have seen fit to speak for agriculture, and the constant and continuous misrepresentation which has been of such a character, Mr. President, that it can be written on the wall and become apparent to all who care to read. I have the demonstration in my hand. Here [indicating] are the charts presented to the Banking and Currency Committee by the Bureau of Labor Statistics. I did not draw these charts, Mr. President, the National Grange did not draw them, the American National Livestock Association did not draw them, nor did the Farm Bureau Federation, nor did any farm organization prepare these charts; they were prepared by the Bureau of Labor Statistics. Here [indicating] is a chart which shows the retail cost of all foods for 51 large cities. This is a chart which was sent out to the

consumers of the country. Mr. President, night before last, as I listened on the radio, I heard a commentator talk about prices and discuss the "greedy farm bloc." I wrote down a sentence he used. "What this means," he said, in a hectic voice, "is higher prices for us." He was suggesting openly and blatantly to the consumers that the farm bloc was trying to increase the prices they have to pay for food.

Mr. President, let us see what the facts are with respect to the retail cost of all foods in the United States. The chart to which I now refer is on the basis of 1935 to 1939. In understanding these charts, prepared by the statisticians and economists, it is essential to remember that the all-important factor is the base which is selected. Choose the base, and you know how far you have got to run; put the base up or put the base down and a different result follows.

In determining the fluctuations of the retail prices of foods in the United States in 51 large cities the Bureau of Labor Statistics used the years 1935 to 1939 as the base, and that is line in black, labeled 100, which runs across the chart. All this graph means is that in 1918, 1919, and 1920, the retail cost of all foods in the 51 cities was about 183 as compared with 1935 to 1939. It means that in 1925 to 1929 the retail price was about 135 as compared with 1935 to 1939, and that today, in 1942, the retail price of foods on this basis is about 123. Observe the significance of the fluctuating on the chart. If, instead of 1935 to 1939, the statisticians who drew the chart had taken the level of 1925 to 1929, then, it is obvious that the retail cost of food today is below a hundred. What that means is simply that today the consumers in the United States are not paying as much for their food as they paid in the period from 1925 to 1929.

The Senator from Oklahoma [Mr. THOMAS] is absolutely correct when he says, "I do not see any inflation in a price that has not reached the levels of 1925 to 1929." Was anybody complaining about the high cost of food in those days? Not at all. Then why was the date 1935 to 1939 chosen as a base from which to make this computation? Because it was the low point in foods.

But the significant thing, Mr. President, is that in 1939 agricultural prices had taken another toboggan ride and had reached a level lower than at any time since 1932 or 1933. The farmer was suffering economic disaster again; a huge percentage of the farm population was living on less than $500 a year; and yet they choose 1939 as the basis on which to estimate the rise in the cost of living.

We are told that the cost of living has risen 12 percent since 1939. So be it. Though it has risen, let us say, 12 percent or 15 percent or 20 percent, it is still not so high as it was in the period from 1925 to 1929.

Someone may say, Mr. President, "That was the time when all prices were inflated; that was the period when we were moving wildly toward the destruction of 1929." Very well, Mr. President, if that suggestion is made, then I ask, How does it happen that the Bureau of Labor Statistics, in making its computation of factory pay rolls and employment, does not use the base of 1935 to 1939, but uses as a base the period 1923–25?

Mr. DOWNEY. Mr. President, before the able Senator passes from the chart he has been so ably demonstrating, and with such interest to us all, can he advise us as to what would be the effect upon that graph showing retail prices in 1940 if poultry products and meat which have been within the control of the Government were eliminated?

Mr. O'MAHONEY. Mr. President, I did not draw the graph; but this graph, of course, takes into consideration the prices of poultry and meat. I am glad the Senator from California asked the question, because it also leads me to point out a device of misrepresentation which has been used in describing this condition of the country. The statisticians took the controlled and uncontrolled prices. The country imagines that the uncontrolled prices are those upon which the farm bloc has prevented action and that uncontrolled prices are those exclusively upon which, because of the action of the farm organizations, the Office of Price Administration has had no power to fix prices. That, however, is not the case. In some instances, as in the instance of hogs and beef, the power was there but it was not exercised. It was not exercised because of inherent difficulties. I can understand why the Office of Price Administration did not exercise it because of the great difficulty of fixing a price upon live animals and providing and adhering to a standard; but, Mr. President, we cannot regulate this country by ukase; we must regulate it and this problem of economics by the cooperative action of all our people, by the united action of our people; and, more than anything else, by the free, untrammeled decision of Congress and the Executive with respect to these matters.

I point out upon the chart to which the Senator from California has just drawn my attention that if the base of 1925 to 1929 were used, as it is used in computing increased pay rolls, the 100 line would be at the point I now indicate; and not down at this point [indicating], and when the 100 line is at that point [indicating], it becomes clear that the prices of food to the consumer have not yet reached the level that was reached in those years before the date on which the graph is based.

What would be the case with respect to employment and pay rolls? Here I have a chart, not with 1939 regarded as the base, the period being 1923 to 1925, and the chart clearly shows that beginning in 1930, as we would expect, employment and pay rolls began to fall off, and took a terrible dip. Then, as a result of the legislation sponsored by the present administration, legislation in which—and I say this with pride—the Democratic Party in Congress and in the executive branch can take a great deal of pride, employment and pay rolls began to rise, and they continued to rise until 1937, when they took a dip, just as farm prices took a dip.

If we were to use as the standard of measurement of industrial pay rolls and employment the same one that is used to measure the standard of farm prices, we would find the line at the point I now indicate, almost 10 points below the line which is adopted, and that would mean that a chart which shows that industrial pay rolls have risen in July 1942 to 204.3, on the index of 1923 to 1925, would, if stated in the same standard that is used to crucify the farmer, be at least 219.3.

Mr. President, the Senator from Wisconsin [Mr. WILEY] asked me, in an aside, to indicate what the farm index is. In August 1942 it was about 123. If it were figured upon the basis of 1925 to 1929, as in the case of industrial wages and employment, it would now be about between 85 and 90, certainly not above 93.

Mr. President, the charts which have been submitted to us by the Bureau of Labor Statistics indicate to my mind one thing above all others—that up to date the consideration of price control has been weighed solely and exclusively by the standards of the consumers of the large cities, and no consideration whatever has been given to the farmer, to the farmer's needs, or to the country's need of production. Is that an idle matter?

Mr. President, a few days ago I sent word to the Secretary of Agriculture to learn from him what the Army ration is—what food we are giving to the boys in the Army and the Navy who are going to wage the fight for the United Nations. This is the weekly ration:

Six and a half pounds of meat; 3½ pounds of milk; 1½ pounds of evaporated milk; 1 pound of butter; 7 eggs; 5½ pounds of bread and cereals; 5 pounds of potatoes; 5 pounds of fresh vegetables; 4½ pounds of tomatoes and citrus fruits. There are other things on the diet list, of course, but I cite only these.

Assume the consumption of these products by an army of a million men. It means every week 6,500,000 pounds of meat; 3,500,000 pounds of milk; 1,500,000 pounds of evaporated milk; 1,000,000 pounds of butter; 5,500,000 pounds of bread and cereals; 5,000,000 pounds of potatoes; 5,000,000 pounds of fresh vegetables; and 4,500,000 pounds of tomatoes and citrus fruit.

Day before yesterday General Hershey, of the Selective Service, announced that we may expect an army of 10,000,000 men in 1943. Very well. Multiply the figures I have given by 10—6,500,000 pounds a week for 1,000,000 men means exactly 65,000,000 pounds a week for 10,000,000 men—or General Marshall and Secretary Stimson are going to cut the ration. Where are we to get the meat? Are we to get the meat upon the basis of consulting only what the consumer pays in the 51 large cities? Are we to be guided solely by what the real wages of the men and women in industry are, or are we to be guided by considerations of what must be done to feed the boys who carry the flag?

There is no question about what the answer is to be. Is it a dangerous step toward inflation to say that we will have a system which will recognize the cost of

production, not that it will be guided by it, but will recognize it? I do not think that follows at all.

Mr. President, if we are to be guided by the cost of production, we are merely making the effort to make it possible for the farmers and ranchers of America to produce. That is becoming a serious problem, because the men on the farms and on the ranches are going into industry and into the armed forces. More than 2,000,000 men have already been drawn from the farms and ranches of America. The farmer's son and the cowboy do not want to be deferred from the draft, although the production of meat and agricultural commodities in a total war is a part of the total war. So some of them volunteer, and others are drawn off by high wages.

A colonel in the Selective Service System, who recently made a survey of the conditions in the agricultural West, has reported to me his experience in California, for example, where he found that dairymen in that State have been compelled, when they could do so, to pay as much as $230 a month for dairy labor. Wealthy dairymen, who are capable of paying competitive wages by drawing upon their reserves, can do that, but the little dairyman who has no reserve is going out of business.

Last week, or the week before, I was at home in Cheyenne. Fort Warren, where thousands of soldiers are being trained, lies upon the southern boundary of that city. There is a shortage of milk in Cheyenne. The civilian population of the city is not able to get the milk which it has been accustomed to receive. There is no complaint, because the milk is being received by the boys at Fort Warren. What I point out is that production is an essential war industry.

I wish to refer to another matter which was mentioned this morning by the junior Senator from Michigan [Mr. BROWN], whose eminent fairness in this and in all other matters is recognized, I am sure, by every Senator upon this floor. Never have I heard a single criticism of the Senator with respect to his presentation of any matter, or with respect to his treatment of the facts as he saw them, and his recognition of the independent judgment of his colleagues.

Mr. BROWN. I thank the Senator.

Mr. O'MAHONEY. The Senator said this morning that the second war powers bill—which was passed by the Senate when, by the action of the Committee on the Judiciary, I happened to be in charge of the measure—gives the President of the United States the power to do this thing which we are now attempting to do by legislative enactment. Mr. President, I do not agree with that construction of the second war powers bill, and I feel that the record should be made perfectly clear as to why I do not agree with it.

Title III of the War Powers Act is entitled "Priorities Power." It undertook to amend the act of June 28, 1940, which was entitled "An act to expedite national defense, and for other purposes." It was an act which gave the Secretary of the Navy certain powers with respect to making contracts. It deals with the delivery of materials to which priority may be assigned, and so forth, and then at the conclusion of paragraph (2) of section 2 (a) this sentence appears:

> Whenever the President is satisfied with the fulfillment of requirements for any material or of any facility for defense, or for private account, or for export, the President may allocate such material or facility in such manner, upon such conditions, and to such extent, as he shall deem necessary or appropriate in the public interest and to promote national defense.

That is merely a delegation of the power to make allocations of raw material. It has nothing to do with fixing the levels of wages or prices or salaries. I think it would be a great mistake to regard that law as conferring authority for independent action by the Executive. But let me say, I have no doubt whatsoever that the country in time of war will grant the utmost latitude to the Chief Executive of the Nation. When the President finds it necessary to preserve the Nation's life he will act and he will be sustained in his action. Let it not be said, however, that this law gives such right. The right proceeds inherently from the fundamental law of human nature—the right of self-defense.

Mr. WILEY. Mr. President——

The PRESIDING OFFICER (Mr. BUNKER in the chair). Does the Senator from Wyoming yield to the Senator from Wisconsin?

Mr. O'MAHONEY. I yield.

Mr. WILEY. I think the distinguished Senator has anticipated, possibly, the question and has made the answer. I understood the Senator from Michigan [Mr. BROWN] to argue that the language which the distinguished Senator just quoted gave the President power in relation to the fixation of prices of commodities, but did not give him the power in relation to wages. My question is: Does the distinguished Senator claim that the President in wartime, in a time of great emergency, has the constitutional power to regulate wages and fix prices?

Mr. O'MAHONEY. Mr. President, I will say in answer to the Senator that a very great and distinguished constitutional lawyer who graced this body for many years, the late Senator Borah, when discussing some of the problems relating to farm prices and social relief during the early days of this administration, said in answer to the argument which was made that certain action would not be constitutional, "You cannot eat the Constitution."

I say, Mr. President, you cannot fight a war with the Constitution. You cannot depend upon a technical argument to win a war. Action, not deliberation, is what is needed in time of war. And so a democratic people will rise in its might and congeal in one united whole to bring about the united organization which is necessary to win the war. That Mr. President, is precisely the reason I am on the floor today pleading that there shall not be in this hour of national peril a constitutional conflict between the Congress and the President.

I say to you, Senators of the United States, though justice and equity and right are upon the side of those who say the cost of farm labor must be taken into consideration, this is no time to stand upon that right. This is the time for statesmen to say, "We will make a concession in order that we may achieve unity."

Oh, we must not forget that from the radio in Berlin for months on end there came the declaration:

> Democracies cannot agree. Democracies will be torn asunder. Democracies will be guided by selfish considerations, and one group will fight another group; labor will fight agriculture and agriculture will fight labor. The Congress will say, "This is my prerogative." The President will say, "I will run the war."

And so Herr Hitler would rejoice if we should present the spectacle now of tearing ourselves asunder upon a matter upon which, of course, our feelings have been stirred. I know they have been stirred, because I know how I resent the charges which have been carried over the radio by some of the spokesmen of those who seek to misrepresent the farmer and the farm bloc—men without information, who take what is handed to them in a release and then disseminate it throughout the country and refer to "the greedy farm bloc." Night after night it goes on. Then they make their appeal: "This means increased cost to us." They try to make the country believe that that is patriotism.

Mr. President, I say we should not undertake to endanger the unity of the United States by a controversy over this matter, because, as I see it, it is a psychological controversy and not a factual one. There is little now left to this debate except the satisfaction of saying, "We compelled you to do it." Why do I say that?

I repeat what I said in the beginning; and I am talking now to the Senators who represent the farm States. When the price-control bill was here in January some of us said, "This will not work because wages are not controlled." All during the months which have passed since then, wages were not controlled. The condition was getting out of hand. Why? Because from the farms and the ranches, to shipyards, to defense plants, to camps, and one place or another, went hundreds and thousands of workers who were drawn away by wages which were paid under Government contract. The power which drew the contract could have held down the wages. But it was not done. I am not here to point out mistakes, Mr. President. That is not the point. I am here merely indulging in some plain talk to point out the facts as I see them, and to say why I believe we should not now risk a controversy between two great branches of the Government.

Now, for the first time we have a measure before us which does regulate wages. The very thing for which we have been contending is here. Are we going to risk that great gain, a great gain, which, Mr. President, I am convinced will be supported by organized labor, as well as by all the farmers of the country? I say to the Senate that the people of the United States, out in the quiet places, beyond the mountains and the rivers, who never

come to Washington, have only one object, and that is to win the war. They have no patience with technical debates between the executive and the legislative branch. They are not concerned about discussions of constitutional power or constitutional authority. They want to see the manpower of America welded into one great instrument to preserve fundamental human liberty, and that is what we are fighting for. Now, are we going to endanger that because we say that in this measure, which for the first time undertakes to stop inflationary rises of wages, a provision is not made for a modification of the parity formula?

Mr. President, I think it is unnecessary, unnecessary because of an amendment which was offered to the committee and accepted, and which is now on page 4 of the joint resolution. It is the amendment which begins in line 2. Let us read that amendment. It is a proviso at the end of section 3. Section 3, by the way, begins with this statement, and let us not overlook it:

> No maximum price shall be established or maintained for any agricultural commodity under authority of this joint resolution or otherwise below a price—

And then the language continues. Here is a directive to the President—to use the new word which has come into such universal usage among the bureaus—here is a directive to the President which says, "You shall not decrease the prices of agricultural commodities below these levels." It does not say, "You may not allow them to increase." They may be allowed to increase, and as conditions develop I am confident that if the necessity should arise increases would be permitted. Already that has happened. For example, the Office of Price Administration has permitted the price of hogs to rise beyond the ceiling which was fixed by Congress in the law. So the appearance here of minimum ceilings is no guaranty that the farmer may not receive a better price if that should become necessary. To make that positively sure, this amendment was drawn. Let us read it:

> *Provided further,* That modifications shall be made in maximum prices established for any agricultural commodity and for commodities processed or manufactured in whole or substantial part from any agricultural commodity, under regulations to be prescribed by the President, in any case in which it appears that such modification is necessary to increase the production of such commodity for war purposes, or in which it is satisfactorily shown that by reason of increased labor or other costs to the producers of such agricultural commodity, the maximum prices so established will result in gross inequities.

When I used the phrase "will result in gross inequities" I used a phrase which had been used by the sponsors of the joint resolution. That phrase was merely intended to indicate that increases could be allowed when it appeared that the maximum prices established were not sufficient to enable the producers to meet the increased cost.

Mr. President, it seems perfectly clear to me that that provision meets every question which the farmer can ask. I know that the impression has gone forth, as a result of the constant barrage of the past 9 months, that the farmer is greedy, that he cannot be satisfied, that he is seeking special privilege, and all that.

It may be said that the defeat of the Thomas-Hatch amendment would be notice to the farmers of the country that the Congress and the President have no intention of recognizing the rising cost of labor. Mr. President, that is answered by the language of the amendment which I have read, because it is a mandatory amendment. It says that if it is necessary to meet the production required by the war, or if it is necessary to enable the farmer to produce, the maximum ceilings shall be raised.

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

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

Mr. O'MAHONEY. I yield.

Mr. WILEY. If that be the case, why does the Senator oppose the Thomas amendment, and why does the President oppose it?

Mr. O'MAHONEY. For this reason: The limits which are now placed in the joint resolution are parity, or the highest price which has been reached by September 15. When we wrote the joint resolution in January and asked for 110 percent of parity we did so for reasons which are well known—particularly well known to the Senator from Wisconsin. The situation with which we are now confronted is that for all agricultural commodities the general price level is now slightly above parity. In other words, we have attained practically the point which we sought when the Price Control Act was under consideration.

Mr. WILEY. The Senator does not mean that the prices of all agricultural products are above parity, does he?

Mr. O'MAHONEY. No; I said that we have practically attained that point. As I pointed out the other day, of 27 major agricultural products, the prices of 14 are still below parity.

I invite the Senator's attention to the chart at the back of the Chamber. That chart, prepared by the Bureau of Agricultural Economics, shows the wholesale prices of agricultural products and nonagricultural products from 1798 down to date. I had it brought up to the present time by the Bureau of Agricultural Economics for the purposes of this address.

The dotted line represents the variation of nonagricultural products, and the solid line represents the variation of agricultural products. Each of these "mountains" represents a war. There is one for the War of 1812, one for the War of 1861 to 1865, and one for the World War.

Observe that after every one of those wars the increase was followed by a sharp, perilous, and disastrous decline, a decline which in every instance brought in its wake disaster and suffering, and all the ills which the human mind can imagine.

Observe that in the early years there was a wide variation between agricultural prices and nonagricultural prices. This chart, like the charts of all economists, is based upon an arbitrary date. In this case the period from 1910 to 1914 is used as a base. So the line representing 100 merely represents the prices of agricultural commodities and nonagricultural commodities for that particular period, and the variations from the line indicate deviations and fluctuations. Those are all in terms of percentages.

After the World War came the terrible deflation period of 1920. The Senator from Oklahoma [Mr. THOMAS] has frequently called attention to the fact that Mr. Harding made his campaign for the Presidency that year upon a platform which called for courageous deflation of the currency. He got it. Prices for both agricultural commodities and nonagricultural commodities took a toboggan slide of almost 100 points; but that is beside the point.

In the period between 1925 and 1929 things were straightened out. That was the era of "Coolidge prosperity." Everybody was satisfied. Nobody was complaining about the cost of living. The farmers were getting along a little better than they had been. They had not yet been brought out of the bottom of the pit into which they had been thrown, but they were better satisfied.

Then came the crash of 1929, and agricultural prices went down from about 150 to below 75. Nonagricultural prices did not decline to such a great extent. The lowest point which they reached was somewhat above 100, because nonagricultural industry was so organized that it could protect itself better than could the farmer. So nonagricultural prices never reached as low a point as did agricultural prices.

Then came the Roosevelt administration. By legislation which was supported by both Republicans and Democrats we increased and improved the standard of agriculture and of labor. No Member of Congress who voted for those laws can fail now to look back with satisfaction and say, "I participated in that effort. We brought agriculture, industry, labor, and the professions out of the depths."

So prices rose until about 1937, when they had reached about 125. Was anybody saying then that agricultural prices were out of line? Was anybody complaining about wages? Not at all.

Observe what happened. I ask Senators to look carefully at the chart. Following 1937 and 1938 there came a sharp decline in the prices of agricultural commodities. They dropped from 125 to about 96. However, the prices of nonagricultural commodities dropped only about 2 points. In 1939 they were about 28 points above agricultural prices. As I pointed out at the beginning of this discussion, all our comparisons of the cost of living are based upon the low prices to which agricultural products fell, and not upon the high prices which were maintained for nonagricultural commodities.

Answering the question of the Senator from Wisconsin, I ask him to observe that as a result of this war prices again began to go up; and in 1941 agricultural prices, in relation to industrial prices, were almost back to equality. They are standing together upon the chart.

So I say, Mr. President, that when we look back upon the declivities which have followed the rises during the previous wars, we must realize that this is no time for us to debate a new formula for parity. When the present formula was drawn it was drawn by the best minds studying the agricultural problem. They said, "We shall measure what the farmer gets by the cost of the things which he must buy."

The pending joint resolution will control the prices of the things which the farmer must buy. I do not surrender for a moment my contention that the cost of labor on the farms should be taken into consideration in fixing parity; but in the realistic situation confronting us, and in the light of the amendment which has been accepted by the Committee on Banking and Currency, I think that those Senators who, like myself, feel that agriculture has been an industry which has not as yet received full benefits should be willing for the purpose of maintaining the unity of the Nation in this great hour of crisis to forego, until more time and attention can be given to it, any attempt to rewrite the formula of parity.

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

Mr. O'MAHONEY. I yield.

Mr. WILEY. I believe I have listened to every word of the Senator's argument. I think he devoted about half his speech to the one point, not parity, or lowering parity, or raising parity, but that the Nation needs, above everything else, an increased production of agricultural commodities. Everything said on this floor in the last 4 days has been to the point that the consumers of the country are in danger because the productivity of the country is decreasing tremendously, that beef cattle will not be available next year for beef, as the Senator himself has said, and that dairy cattle are being slaughtered by the tens of thousands.

It seems to me that that is the crux of the whole matter. If the Senator can demonstrate that acceptance of the joint resolution in the way he wants it accepted would give the country the production it needs, it seems to me he will have accomplished something. However, in his argument he has missed that point entirely, it seems to me. I should like to have him speak upon that point.

Mr. O'MAHONEY. I thank the Senator. I said that I feel that production will be taken care of because of the provision contained in the amendment which has been accepted:

*Provided further*, That modifications shall be made in maximum prices established for any agricultural commodity and for commodities processed or manufactured in whole or substantial part from any agricultural commodity, under regulations to be prescribed by the President, in any case in which it appears that such modification is necessary to increase the production of such commodity for war purposes.

Mr. WILEY. Does the Senator agree that it is necessary?

Mr. O'MAHONEY. Oh, certainly it is necessary; and I say that the language just now read is a positive direction; and I feel that the Office of Price Administration realizes it to be so. The spokesmen for that Office have told me within the last few days that they do recognize the necessity of using prices as an instrument for promoting production.

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

Mr. O'MAHONEY. I yield.

Mr. TYDINGS. Let us take a concrete case. Suppose that in the next 6 months or year the cost of labor on the farm were to rise to such a point that the parity formula previously in existence would be thrown out of scale, that the farmer would have the element of expense elongated, so to speak, beyond the original conception of parity, when agricultural wages were lower. If that were so and if it could be proven that a particular commodity, at the price fixed by the price ceiling, was selling so as not to give the farmer what might be called a reasonable profit or any profit at all, under the terms of the amendment it would become mandatory upon the Office of Price Administration to alter the ceiling so as to take into consideration the increased labor cost which occasioned that dislocation.

Mr. O'MAHONEY. Precisely. That was the exact purpose of the amendment.

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

Mr. O'MAHONEY. I yield.

Mr. VANDENBERG. It seems to me that the Senator cannot overemphasize what he has just now asked, because a further misunderstanding, let us say, will reach the country if the Thomas amendment is rejected. Then the country would be misled to believe that the Senate had turned its back upon the theory that the farmer is entitled to recognition for his higher labor costs; whereas the language in the amendment which the Senator from Wyoming has just now read, and for the text of which he is responsible, specifically, consistently, and in a mandatory fashion requires that the farmer's increased cost of labor shall be recognized in the price controls.

So when I vote against the Thomas amendment, as I intend to do because I do not believe this is any time to rewrite the parity formula, I shall not be voting against a full recognition of the farmer's right to compensation for increased costs of labor; but, on the contrary, I shall be voting for a measure which already provides that he must be compensated.

I do not think the Senator can overemphasize that point.

Mr. O'MAHONEY. Mr. President, I am very glad the Senator from Michigan interrupted me in order to make that statement. He has done it eloquently, forcefully, and factually. What he says is exactly the case.

The pending measure takes care of the farmer. For the first time it contains a provision which makes it mandatory on the Office of Price Administration to modify agricultural commodity prices upward, if the necessity arises. Let there be no mistake about that.

Furthermore, Mr. President, in the face of this mandatory direction let us not forget that the responsibility for production will lie wholly upon those who will administer the act. The responsibility will not be upon the Congress. However, if we insist upon writing into the joint resolution a directive to rewrite the parity formula, without giving the specifications upon which it shall be rewritten, the responsibility for failure will be upon us. As I said in the beginning, since war is a matter of action, not of deliberation, let us not now by agreeing to the Thomas-Hatch amendment undertake to compel the Bureau of Agricultural Economics and the Department of Agriculture to begin to debate what the formula shall be, how much weight shall be given to labor, and what labor, and how. Let us act. The hour calls for the limitation of prices. The hour calls for the prevention by legislation, not by Executive action, of the continued upward rise of the cost of living.

Mr. President, I hope that the Congress of the United States will do that thing.

Mr. BARKLEY. Mr. President, I wish to propound a parliamentary inquiry. As I understand the parliamentary situation, it is this: The committee amendment now under consideration, to which the Thomas amendment is offered as an amendment, is regarded as an amendment in the first degree, and the Thomas amendment is an amendment in the second degree. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. BARKLEY. Therefore, as I understand the situation, no amendment to the Thomas amendment is in order at this time, and no substitute for the Thomas amendment would be in order at this time; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. BARKLEY. So that no other proposal, either as an amendment, as a substitute for the Thomas amendment, or as an amendment to the text of the committee amendment, would be in order until the Thomas amendment has been disposed of. Is that the parliamentary situation?

The PRESIDING OFFICER. That is correct.

Mr. BARKLEY. Then I shall make a request for unanimous consent; but before doing so I wish to state that an honest and sincere effort has been made to reach a fair understanding among all those interested in the question regarding language which would be reasonably satisfactory to all parties involved, without regard to party, without regard to membership on the committee, or otherwise. Looking to that end, while we realized we could not call into conference every Member of the Senate, we have held various conferences between members of the committee and other Senators interested in the pending legislation, including the Senator from Oklahoma [Mr. THOMAS], the Senator from New Mexico [Mr. HATCH], the Senator from Wyoming [Mr. O'MAHONEY], who proposed in effect, if not literally, the language now in the committee amendment; the Senator from New York [Mr. WAGNER], the Senator from Michigan [Mr. BROWN], the Senator from Kansas [Mr. REED], the Senator from Ohio [Mr. TAFT], the Senator from Oregon, the dis-

tinguished minority leader [Mr. McNARY], who is always cooperative and constructive, and whose assistance I always cherish and appreciate; and the Senator from Maryland [Mr. TYDINGS], who, along with the Senator from Kansas [Mr. REED], yesterday suggested language which would go a considerable distance in ironing out the situation.

In an effort to work out a provision that might be satisfactory, we have been in conference, and language has been drawn which I will not say is satisfactory to all or any or most of those who have been in the conference, but which is acceptable to many of them, including the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Michigan [Mr. BROWN], the Senator from Maryland [Mr. TYDINGS]. We have among us prepared a substitute for the committee amendment on page 4, beginning with line 2, and with that substitute as a basis, in order that the Senate may have an opportunity to vote upon it before it is required to vote on the Thomas amendment, I ask unanimous consent that the Thomas amendment be temporarily laid aside without prejudice, which means that the yea-and-nay vote which has already been ordered upon it would not be affected, in order that the Senator from Maryland [Mr. TYDINGS] and the Senator from Kansas [Mr. REED] may join in offering an amendment, by way of a substitute, to the committee amendment as it appears on page 4.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky?

Mr. THOMAS of Oklahoma. Mr. President, reserving the right to object, let me say that the amendment which is now before the Senate is here at the order of one of the standing committees of the Senate. The Committee on Agriculture and Forestry, by a vote of 14 to 1, ordered this amendment submitted. Other members of the committee, who were not present, would have increased that majority to at least 16 to 1.

Mr. President, this amendment is before the Senate at the request of the great farm organizations of this Nation. The Committee on Agriculture and Forestry, and these great farm organizations, represent 30,000,000 citizens of this Republic. These 30,000,000 embrace 22 percent of the total population of America. Twenty-two percent of our population is receiving less than 10 percent of the national income. That is not satisfactory.

Mr. President, the Congress has been in recess now, virtually, for about 6 weeks. The Members of the House of Representatives have been to their homes; many Senators have been to their homes; the Members of the House have just returned from their districts, and on yesterday in that body the amendment now pending before the Senate was approved by a most substantial majority. With that amendment added to the bill the bill itself, with the amendment, was approved by a vote of 3 to 1 of the membership of the House, embracing both political parties, and at a time when the voices and demands of their constituents were still ringing in their ears.

Mr. President, 22 percent of the people of America are entitled to have a vote upon this amendment. It is now in a position where a vote may be had, and most certainly, as a member of the Senate, I shall object to the request made by the Senator from Kentucky.

The PRESIDING OFFICER. Objection is heard.

Mr. BARKLEY. Mr. President, the Senator from Oklahoma is, of course, within his rights in objecting to the request for unanimous consent which I have submitted, though I cannot refrain from expressing my regret that he is unwilling that this proposal be voted upon in advance of a vote upon his amendment. I feel it my duty, however, to the Senate to say that, following a vote upon his amendment, regardless of the result of the vote, the Senator from Maryland and the Senator from Kansas will then offer as a substitute for the committee amendment, whether it is amended by the Thomas amendment or not, the amendment which I send to the desk and ask to have read for the information of the Senate and the country.

The PRESIDING OFFICER. The clerk will read as requested.

The CHIEF CLERK. On page 4, line 2, it is proposed to strike out all after the word "inequities" through the word "inequities" in line 13, as amended, and insert in lieu thereof the following: *"Provided further,* That modifications shall be made in maximum prices established for any agricultural commodity and for commodities processed or manufactured in whole or substantial part from any agricutural commodity, under regulations to be prescribed by the President, in any case where it appears that such modification is necessary to increase the production of such commodity for war purposes, or where by reason of increased labor or other costs to the producers of such agricutural commodity, the maximum prices so established will not reflect such increased costs: *Provided further,* That in the fixing of maximum prices on products resulting from the processing of agricultural commodities, including livestock, a generally fair and equitable margin shall be allowed for such processing."

Mr. HATCH. Mr. President, there is some language in the proposal that I have not heard before.

Mr. BARKLEY. That is an amendment already agreed to by the Senate yesterday on motion of the Senator from Tennessee [Mr. McKELLAR], and must be included in any substitute for the committee amendment as amended.

I may say, in explanation, that the proposed substitute follows practically the language of the committee amendment down to the word "purposes", in line 9. The changes are made from there on, but it is necessary to have a clean page in which the substitute may be fully set out for the entire committee amendment. I shall not discuss it now but will at a later time.

Mr. CHAVEZ. Mr. President, I shall occupy the time of the Senate very briefly, but I desire to state my position in a few words.

It appears to me that the Senators who have discussed the pending measure have entirely missed the purpose of the original Price Control Act or what is intended to be accomplished by the pending measure. As I read the pending joint resolution, I find it provides—

> That in order to aid in the effective prosecution of the war, the President is authorized and directed—

to do certain things.

Under ordinary conditions and in normal times we could, with propriety, discuss new formulas of parity prices, but to do it at this time would be inconsistent with the purpose behind the pending joint resolution which, I repeat, is "to aid in the effective prosecution of the war." Times are not normal. We are at war, a war that can only be won by the sacrifice of all, by industry, by the farmer, by labor, and by every household and home and citizen in the country. We will not win this war if we proceed on the assumption that this war means profits to anyone. When we get over the idea of profits in connection with the war, this body will do something "to aid in the effective prosecution of the war."

I intend to vote against the Thomas-Hatch amendment and for the joint resolution as reported by the Senator from Michigan [Mr. BROWN].

Mr. SMITH. Mr. President, I have been amazed at the amount of talk in the opposition to the Thomas amendment. As I see it, the Thomas amendment simply provides that agricultural labor shall be considered in the price of agricultural products. It is said that the parity formula must not be changed. When that formula was first promulgated we were at peace and the difference in the relation between agricultural labor and industrial labor was not so emphasized as it is now. This amendment simply provides that—

> For purposes of this section, parity prices and comparable prices for any agricultural commodity shall be determined as authorized by existing law but shall also include all farm labor.

It was stated here today by the Senator from Michigan that if we adopt the Thomas amendment it will inevitably lead to a conflict between the Congress and the President. If the Senator's statement is accurate, it is tantamount to telling us we might just as well go home, that if we do not by legislative act adopt the action suggested, the President will. The President said that himself, and the Senator proceeded to read statutes to back up his statement.

I resent the implication in the Senator's speech that we who are in favor of this very fair proposal have been seduced by the farm leaders. I would far rather follow some of them than some of those who call themselves leaders.

With every other Member of this body, I want to see the Allied Nations win the war, but I do not desire to have any group of men punished by an injustice and an inequity when they are endeavoring to produce the wherewith to prosecute the war. There is not a Senator on this floor who does not know that the Thomas amendment is fair and just and

equitable, an amendment providing that the farmer be allowed to calculate farm labor in his costs.

Mr. President, I resent the implication in the speech of the Senator from Michigan, wherein he set out to prove that we were nothing but a body acting at the will of the Chief Executive, that we legislate according to his dictation, or not legislate at all. Two hundred and eighty-four Members of the House of Representatives went on record as favoring the amendment. I know that the farmers are not considered a noticeable body in the eyes of the great powers that be. They are disorganized; they are individualists.

Among the speeches to which I have listened today was one by the Senator from Wyoming, which pleased me greatly, until he got to the end, when he kicked over everything he had said by stating that although so many inequities had been visited upon the farmer, he was in favor of visiting one more on him. I like to hear a logical speech, one which appeals to my sense of reason, but that speech was the greatest disappointment I have suffered so far during the debate; and I have suffered much.

I ask the Members of this body, What is back of the unalterable opposition of the President to this very simple amendment? No one can convince me that his opposition to the amendment is all that is inspiring the opposition to it here. If we fail to put the amendment on the joint resolution, we will find out what the cause of the opposition is, I have a suspicion.

To think that the President would say, "I am unalterably opposed to the inclusion of this amendment because it may raise the cost of living 12 percent." No one said anything about the cost of living in connection with other workers, but when it comes to the farmer a different situation prevails. I do not know the reason behind the opposition. I want to say for the record that we, as a legislative body, are not responsible for the inevitable conflict. We never said to the President, "No matter what you think about it, we are going to do as we please." It is our constitutional privilege to do as we please. I would rather take the opinion of 284 Members of the House of Representatives and a majority of this body than the opinion of gentlemen who have been laboring, I presume, to get the baptism of the Chief Executive as the election draws near. I have a suspicion that some of their zeal is inspired by their desire to warm the leather of the seats in the Senate Chamber and not to do justice to the people of the country. I have been a Member of the Senate for 33 years and 9 months, and I have never know this body to degenerate or descend to such levels as we have now witnessed. The amendment before us merely amounts to saying to the farmer, "You may include the cost of your labor in your prices." Who can object to that, and why should that result in an inevitable conflict between the power at the other end of the Avenue and the power here?

What is our duty? Our duty is to legislate as we think is right and proper, regardless of vetoes. The President has the constitutional right to veto any measure which is passed by the Congress. We have the constitutional right to legislate, and if we do not think the President's veto is proper we can pass a bill over his veto.

I am not awed by any of the gentlemen who issue certain orders.

There is the gas rationing. We are told there is a scarcity of gas; that there is just a little trickle. And rubber—they have picked out 17 States and said, "You must conserve gas in order to conserve rubber," but the other States can use all the gas they want or can get.

I do not care to go into the details of this subject matter and present charts concerning what was done in past wars. I am standing upon the equity and righteousness of giving to those upon whom we are dependent for food and for the raw materials out of which the major part of our clothing is made absolute justice in this hectic time—a square deal. Not a new deal. God help them if they get a new deal in opposition to a square deal or an honest deal. The people are getting fed up on being gerrymandered about at the will of certain appointees.

We are not any more than a mere speck—we are not even that—in the legislative economy of the country. We are scared to death of an Executive order, whether legal or otherwise. I think it is high time for Congress to assert itself. The House has shown a splendid spirit. It is high time for the Senate to express its opinion. What are we here for? To follow Executive orders? No; but to provide the bases for those orders.

I have never been able to understand why a great furor should be raised about saying to the farmers, "You are entitled to have incorporated into your prices the wages you pay."

Compromises have been offered, but the consent of the "miserable," "detestable," "greedy," "unpatriotic" farm bloc could not be obtained! Why, we ought to be kicked out of America. Farm bloc! Nothing has been said about a wage bloc. Nothing has been said about other lobbyists. However, we have witnessed the farm bloc, members of the great farm organizations, held up in the body of the Senate to ridicule and charged with being greedy and grasping when attempting to secure for the farmers prices which would include what they have been compelled to pay for labor. It is boiled down to that. That is all there is to the amendment under consideration. It may upset the parity price. The opponents of the amendment have said, "You asked for 110 percent." The suggestion of 110 percent did not come from the Senate or the House.

That was sent here by members of the administration, and anyone analyzing it will see that it is perfectly fair. Now they say, "If you include this amendment the farmers will have more than 110 percent, there will be an increase in the cost of living of 12 percent."

It makes no difference now, Mr. President, whether it is increased 200 percent. I am here to do my full duty to everyone, as I see it. Those who vote against this amendment vote against their innate sense of honesty and equity. But let us put in an amendment so that when it is administered the farmer will get a swift kick in his pants!

No man has said here that the Hatch-Thomas amendment is not fair, just, and equitable. It is said wages have risen. Farm wage earners have almost disappeared, and I wanted to say a few words in behalf of the farm organizations, who come direct from the farmers themselves. Many of us sit down in the Senate restaurant each day and fill ourselves with the products of the farm, and then come to the floor and "cuss" the source from which they came. If I felt about the farmers as some Senators do, I would not go into the Senate restaurant. I would eat what I produce, and be independent.

Mr. President, I hope the proponents of the Thomas amendment will stand out against any compromise. Since the yeas and nays have been ordered on it, let us vote on the Thomas amendment.

Mr. President, every one of us knows why the Senate has recessed from day to day. It has been to try to get recruits against the Thomas amendment. Let us know where we stand. Let us be men and not a lot of childish politicians running around trying to induce this Member and that Member and the other Member to vote a certain way.

Mr. President, I hope we shall have a vote on the Thomas amendment, and I hope those who are denouncing the farm bloc will meet each Member of it personally and tell him that he is an "unpatriotic dog."

Mr. HATCH. Mr. President, may I inquire of the majority leader, the Senator from Kentucky [Mr. BARKLEY], what his purpose is with respect to adjourning or recessing? I had wanted to speak on the amendment, but as a matter of fact I have a cold and am hoarse.

Mr. BARKLEY. Mr. President, it is obvious that we cannot vote this afternoon. If the Senator from New Mexico is next on the list to address the Senate——

Mr. HATCH. I do not know about the list. That is the reason I rose now to inquire. I was hopeful that after I had been recognized and obtained the floor I should have an understanding that I could proceed when the Senate reconvenes tomorrow.

Mr. BARKLEY. Mr. President, has the Senator from New Mexico been recognized?

The PRESIDING OFFICER. Yes; the Senator from New Mexico has been recognized.

Mr. HATCH. I now yield to the Senator from Kentucky.

Mr. BARKLEY. Because of his cold the Senator feels he would not like to proceed now?

Mr. HATCH. I should rather not proceed now.

Mr. BARKLEY. Then it will be entirely agreeable to me, under the circumstances, for the Senate to recess until tomorrow.

Mr. HATCH. That will be entirely agreeable to me, Mr. President, with the understanding that I shall be recognized tomorrow. I make that request.

Mr. BARKLEY. That is agreeable to me.

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

EMERGENCY PRICE CONTROL AND PREVENTION OF INFLATION

The PRESIDING OFFICER laid before the Senate the bill (H. R. 7565) to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes, which was read twice by its title.

Mr. BARKLEY. I move that the bill lie on the table.

The motion was agreed to.

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 REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. WALSH, from the Committee on Naval Affairs:

Sundry officers for appointment and promotion for temporary service in the Navy.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

That completes the calendar.

Mr. BARKLEY. I ask that the President be immediately notified of the nominations this day confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

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 4 o'clock and 28 minutes p. m.) the Senate took a recess until tomorrow, Friday, September 25, 1942, at 12 o'clock noon.

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CONFIRMATIONS

Executive nominations confirmed by the Senate September 24 (legislative day of September 21), 1942:

POSTMASTERS

ALABAMA

Lyman W. Ramsey, Grand Bay.
Lorenzo D. McCrary, Prattville.

CALIFORNIA

Anthony J. Foster, Hayward.
Phillip J. Dougherty, Monterey.
Maude Dawson Shea, Redondo Beach.
Grace E. Patterson, Samoa.
Leon L. Dwight, San Pedro.
Richard T. Ambrose, Santa Barbara.
Robert B. Montgomery, Sequoia National Park.
Harold B. Lull, South Gate.
Lloyd L. Long, Veterans Home.
Harry Bridgewater, Watsonville.
Charles A. Graf, Winters.

PENNSYLVANIA

Harry R. Tomlinson, Andalusia.
James P. Bryan, Beaver.
Francis P. Kelly, Carbondale.
Alice E. Shoemaker, Fayetteville.
Walter C. Blessing, Hellam.
Emery C. Mahaffey, Mahaffey.
Emily V. Homsher, North Hills.
Dora Cowen, Roscoe.
Joseph R. Ganly, Tower City.

RHODE ISLAND

Grace B. Almy, Little Compton.

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# HOUSE OF REPRESENTATIVES

THURSDAY, SEPTEMBER 24, 1942

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, whose nature is to have mercy and forgive, we pray Thee to hear our humble prayer. Grant that we may seek Thy fellowship and the good will of all men. Give the reality of Thy blessing to all lonely people and to the infirm, to those far from home and among strangers that they may feel the helpful atmosphere of true brotherhood. We praise Thee that we are not in a finished world, that Thou wilt, through the stir of Thy inner might, make old things new, the little things big, and inspire the temple of the soul to arise without the sound of a hammer and fill it with the tides of Thy holy presence.

O eternal Light, shine in our hearts and if our understanding be darkened, deepen our faith and allow not suspicion nor criticism to quiver on any brow. Let every peril arouse in us a beckoning challenge to unity and to the determined performance of duty until our people shall not look back, but move forward in unbroken ranks; do Thou direct us in all our ways until all jarring discords are caught up into the symphony of a rhythmic flow of one patriotic purpose. The Lord God, bless our America forever and may the Master, whom the eternities adore, be our inspiration for all time and Thine shall be the glory forever. Amen.

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

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 6196. An act to amend the Canal Zone Code in relation to the control of marihuana.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 2655. An act to amend the Judicial Code to authorize the Chief Justice of the United States to assign circuit judges to temporary duty in circuits other than their own; and

S. 2725. An act to increase by $600,000,000 the amount authorized to be appropriated for defense housing under the act of October 14, 1940, as amended.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 5503) entitled "An act to authorize the Attorney General to stipulate to the exclusion of certain property from condemnation proceedings," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McCARRAN, Mr. O'MAHONEY, and Mr. NORRIS 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 a bill of the Senate of the following title:

S. 2670. An act to amend section 61 of the National Defense Act of June 3, 1916, as amended, for the purpose of providing State and Territorial military forces with such arms, ammunition, clothing, and equipment as is deemed necessary to enable them to execute their internal security responsibilities within their respective States and Territories, and for other purposes.

REGISTRATION OF TRADE-MARKS USED IN COMMERCE, TO CARRY OUT THE PROVISIONS OF CERTAIN INTERNATIONAL CONVENTIONS

Mr. LANHAM. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 895) to provide for the registration of trade-marks used in commerce, to carry out the provisions of certain international conventions, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the committee amendments.

The Clerk read the committee amendments, as follows:

Page 1, line 4, strike out "Trade-marks", and insert "The owner of a trade-mark."

Page 1, line 4, after the word "may", strike out "be registered in the following manner:", and insert "register his trade-mark under this act on the principal register hereby established:".

Page 1, line 7, after "application," insert "in such form as may be prescribed by the Commissioner,".

Page 1, line 7, after "applicant," insert "or by a member of the firm or an officer of the corporation or association applying, specifying applicant's domicile and citizenship, the date of applicant's first use of the mark, the date of applicant's first use of the mark in commerce, the goods in connection with which the mark is used and the mode or manner in which the mark is used in connection with such goods, and."

Page 1, line 8, strike out "applicant" and insert "person making the verification."

Page 1, line 10, strike out "application" and insert "verification."

Page 2, line 1, strike out "trade-".

Page 2, line 1, after "registered," insert "that the mark is in use in commerce,".

Page 2, line 3, after "of", strike out "the applicant's", and insert "his."

Page 2, line 4, strike out "trade-"; also strike out "the United States" and insert "commerce."

Page 2, line 5, after "form" insert "thereof."

Page 2, line 6, after the word "deceive" insert a colon, strike out the remainder of line 6, and all of lines 7, 8, and 9, and insert "*Provided*, That in the case of every application claiming concurrent use the applicant shall state exceptions to his claim of exclusive use, in which he shall specify, to the extent of his knowledge, any concurrent use by others, the goods or services in connection with which and the areas in which each concurrent use exists, the periods of each use, and the goods and area for which the applicant desires registration."

Page 2, line 23, after "leaving", insert "with him or mailing to him."

Page 2, line 24, strike out "last" and insert after "address" "specified in the last designation."

Page 2, line 25, after "the", second occurrence, insert "last."

Page 3, line 4, after "No", insert "trade-."

Page 3, line 6, strike out "as a trade-mark" and insert in lieu "on the principal register."

Page 3, line 9, strike out "tends to" and insert in lieu "may"; after "disparage", insert "or falsely suggest a connection with."

Page 3, line 11, strike out "to"; strike out the semicolon at the end of the line, insert a comma and add "or disrepute."

Page 3, line 15, strike out the semicolon and insert a period.

Page 3, line 16, strike out "the" and insert in lieu "a."

Page 3, line 17, strike out "of a" and insert in lieu "identifying a particular"; strike out "unless" and insert in lieu "except"; strike out the semicolon, insert a comma, and add "or the name, signature, or portrait of a deceased President of the United States during the life of his widow, if any, except by the written consent of the widow."

Page 3, line 19, strike out "previously"; after "registered", insert "in the Patent Office or a mark or trade name previously"; strike out "or"; after "used", insert "in the United States."

Page 3, line 22, strike out the semicolon and insert a colon; add the following: "*Provided*, That the Commissioner may register as concurrent registrations the same or similar marks to more than one registrant when they have become entitled to use such marks as a result of their concurrent lawful use thereof in commerce prior to any of the filing dates of the applications involved and the Commissioner or a court on appeal determines that confusion or mistake or deceit of purchasers is not likely to result from the continued use of said marks under conditions and limitations as to the mode or place of use of the goods in connection with which such registrations may be granted, which conditions and limitations shall be prescribed in the grant of the concurrent registrations thereof; and concurrent registrations may be similarly granted by the Commissioner with such conditions and limitations when a court has finally determined that more than one person is entitled to use the same or similar marks in commerce. The Commissioner shall give not less than 30 days' written notice to all applicants, registrants, and users specified by any of the parties concerned of any application for concurrent registration and of the time and place of the hearings thereon. When the Commissioner decides to grant a concurrent registration the proposed registration shall be published in the Official Gazette of the Patent Office and the application shall be subject to opposition as hereinafter provided for other applications to register marks. Concurrent registrations may be ordered by a court in an action under the provisions of section 4915, Revised Statutes, under such conditions and limitations as the court considers proper in accordance herewith."

Page 3, line 24, after "descriptive", insert "or deceptively misdescriptive"; after "them", insert "or."

Page 4, line 1, after "descriptive", insert "or deceptively misdescriptive."

Page 4, line 2, after "hereof", insert "or."

Page 4, line 6, strike out "any" and insert in lieu "a."

Page 4, line 7, strike out "as a trade-mark."

Page 4, line 8, strike out the sentence beginning with the word "Substantially" and continuing to the end of line 11; insert in lieu thereof: "The Commissioner may accept as prima facie evidence that the mark has become distinctive, as applied to the applicant's goods in commerce, proof of substantially exclusive and continuous use thereof as a mark by the applicant in commerce for the 5 years next preceding the date of the filing of the application for its registration."

Page 4, line 12, strike out "AND CERTIFICATION."

Page 4, line 13, strike out "same."

Page 4, line 14, strike out "may be" and insert in lieu "are."

Page 4, line 15, strike out "and certification."

Page 4, line 16, insert after "effect" and before the comma "as are trade-marks."

Page 4, line 18, strike out the period, insert a comma, and add "except when used so as to represent falsely that the owner thereof makes or sells the goods on which such mark is used."

Page 4, line 19, strike out "and certification."

Page 4, line 21, strike out "may" and insert in lieu "shall."

Page 4, line 23, strike out "ASSOCIATION" and insert in lieu "CERTIFICATION."

Page 4, line 25, strike out "may be" and insert in lieu "are."

Page 5, line 1, after "collective", insert "and certification"; after "origin", strike out the comma.

Page 5, strike out lines 2 to 8, inclusive, and insert in lieu "in commerce, shall be registrable under this Act, in the same manner and with the same effect as are trade-marks, by persons, and nations, States, municipalities, and the like, exercising legitimate control over the use of the marks sought to be registered, even though not possessing an industrial or commercial establishment, and when registered they shall be entitled to the protection provided herein in the case of trade-marks, except when used so as to represent falsely that the owner or a user thereof makes or sells the goods or performs the services on or in connection with which such mark is used. Applications and procedure under this section shall conform as nearly as practicable to those prescribed for the registration of trade-marks."

Page 5, line 10, strike out "the", both occurrences, and insert in lieu "a", both occurrences.

Page 5, line 11, strike out "subsidiary or."

Page 5, line 12, strike out "or by the members of an association."

Page 5, line 13, strike out the remainder of the line after "shall"; strike out lines 14 to 18, inclusive, and insert in lieu "inure to the benefit of the registrant or applicant for registration, and such use shall not affect the validity of such mark or of its registration, provided such mark is not used in such manner as to deceive the public."

Page 5, line 20, strike out "may" and insert in lieu "shall."

Page 5, line 25, strike out "right" and insert "rights."

Page 6, line 2, after "applicant's", insert "or owner's"; after "goods" and before the period, insert "or services."

Page 6, line 13, after "shall" insert "reproduce the drawing of the mark, contain the statement of the applicant and state that the mark is registered on the principal register under this act, the date of the first use of the mark, the date of the first use of the mark in commerce, the particular goods or services for which it is registered, the number and date of the registration, the term thereof"; strike out "State."

Page 6, line 14, strike out the period at the end of the sentence, insert a comma, and add "and any conditions and limitations that may be imposed in the grant of the registration."

Page 6, line 15, strike out "The" at the beginning of the sentence and insert in lieu "A."

Page 6, line 17, strike out "mark" and insert in lieu "registration, registrant's ownership of the mark."

Page 6, line 18, strike out "same" and insert in lieu "mark"; after "commerce" and before the period, insert "in connection with the goods or services specified in the certificate, subject to any conditions and limitations stated therein."

Page 6, line 19, strike out "Certificates" and insert in lieu "A certificate"; strike out "marks" and insert in lieu "a mark."

Page 6, line 20, strike out "assignees" and insert in lieu "assignee."

Page 6, line 21, after "of", strike out "succession or."

Page 6, line 22, after "shall,", insert "at the request of the owner and."

Page 6, line 23, after "showing", strike out "at the request of the owner or successor."

Page 6, line 24, after "and" strike out "upon."

Page 6, line 25, strike out "owner or successor" and insert in lieu "assignee."

Page 7, line 1, strike out "owner or successor" and insert in lieu "assignee."

Page 7, line 2, after "the" insert "unexpired part of the."

Page 7, line 3, strike out "The" and insert after "(d)" "At any time, upon application of the registrant and payment of the fee herein provided, the"; after "Commissioner" strike out "upon application of the registrant."

Page 7, line 4, strike out all after the word "registration" and lines 5, 6, 7, 8, and 9, excepting the word "the" at the end of the line and insert in lieu "in the Patent Office to be surrendered, canceled, or for good cause to be amended, and he may permit any registered mark to be disclaimed in whole or in part: *Provided*, That the registration when so amended shall still contain registrable matter and the mark as amended shall still be registrable as a whole, and that such amendment or disclaimer does not involve such changes in the registration as to alter materially the character of the mark."

Page 7, line 9, capitalize "the" and begin a new sentence.

Page 7, line 11, strike out the comma after "registration" and insert a comma after "or" on line 12.

Page 7, line 12, insert a comma after "destroyed."

Page 7, line 16, after "registration," insert "when."

Page 7, line 23, after "Whenever a" insert "material."

Page 8, line 2, strike out "may" and insert in lieu "shall."

Page 8, line 3, at the end of the line after "thereof" insert "shall be."

Page 8, line 4, strike out the comma after "registration" and insert "certificate."

Page 8, line 5, before "certificate", insert "corrected"; after "thereafter", strike out the remainder of the sentence down to the word "form." on line 9 and insert in lieu "have the same effect as if the same had been originally issued in such corrected form, or in the discretion of the Commissioner a new certificate of registration may be issued without charge."

Page 8, line 9, strike out "such."

Page 8, line 10, after "certificates", insert "of correction."

Page 8, line 16, strike out "certificate."

Page 8, line 19, after correction", insert "or, in his discretion, a new certificate"; strike out the comma after "fee" and insert a colon; capitalize "*provided*."

Page 8, line 20, strike out all of this line and "such as to necessitate" on line 21 and

insert in lieu "That the correction does not involve such changes in the registration as to require."

Page 8, line 23, after "SEC. 8.", insert "(a)."

Page 8, line 26, after "canceled", insert "by the Commissioner"; strike out "five" and insert "six."

Page 9, line 1, strike out "three months" and insert in lieu "one year."

Page 9, line 2, strike out "five" and insert in lieu "six."

Page 9, line 3, after "affidavit" strike out "in such form as may be prescribed by the Commissioner stating" and insert in lieu "showing."

Page 9, line 4, strike out the period after "use"; strike out "If however", and insert in lieu "or showing that its."

Page 9, line 5, after "circumstances" insert "which excuse such nonuse"; after "and" insert "is"; after "not" insert "due."

Page 9, line 6, after "intention", strike out "not to use or"; strike out "such" and insert in lieu "the"; strike out "the affidavit" and the remainder of the sentence down to "nonuse." on line 8.

Page 9, line 8, strike out "Forms" and insert in lieu "Special notice of the requirement"; strike out "affidavits" and insert in lieu "affidavit."

Page 9, line 9, after "registration", insert the following subsections:

"(b) Any registration published under the provisions of subsection (c) of section as of this act shall be canceled by the Commissioner at the end of 6 years after the date of such publication unless within 1 year next preceding the expiration of such 6 years the registrant shall file in the Patent Office an affidavit showing that said mark is still in use or showing that its nonuse is due to special circumstances which excuse such nonuse and is not due to any intention to abandon the mark.

"(c) The Commissioner shall notify any registrant who files either of the above prescribed affidavits of his acceptance or refusal thereof and is a refusal, the reasons therefor."

Page 9, line 11, after "Sec. 9", strike out the remainder of the line and insert in lieu "Each."

Page 9, line 12, strike out "like."

Page 9, line 13, strike out "on" and insert "upon the filing of an application therefor accompanied by an affidavit by the registrant stating that the mark is still in use in commerce and the."

Page 9, line 14, strike out "fees" and insert in lieu "fee"; insert a semicolon after "act" and strike out "if the registered mark is still in use."

Page 9, line 18, before "may", insert "it."

Page 9, line 19, strike out "an" and insert in lieu "the"; strike out "as."

Page 9, line 20, strike out "If the" and insert in lieu "An"; strike out "is."

Page 9, line 21, after "United States", strike out the comma and the remainder of the sentence down to "act" on line 25 and insert in lieu "shall be subject to and comply with the provisions of section 1 (d) hereof."

Page 10, line 3, before "has", insert "to register"; strike out "upon such terms and conditions as the parties may agree." and insert in lieu "with the goodwill of the business in which the mark is used, or with that part of the goodwill of the business connected with the use of and symbolized by the mark, and in any such assignment it shall not be necessary to include the goodwill of the business connected with the use of and symbolized by any other mark used in the business or by the name or style under which the business is conducted: *Provided*, That any assigned registration may be canceled at any time if the registered mark is being used by, or with the permission of, the assignee so as to misrepresent the source of the goods or services in connection with which the mark is used."

Page 10, line 7, strike out "the" first occurrence and insert in lieu "an."

Page 10, line 11, strike out "from" and insert in lieu "after."

Page 10, line 13, after "a", insert "separate"; after "of" insert "such"; after "assignments" and before the period, insert "submitted to him for recording."

Page 10, line 14, strike out "If the" and insert in lieu "An"; strike out "is"; strike out the comma after "United States" and the remainder of the sentence down to "Act." on line 19 and insert in lieu "shall be subject to and comply with the provisions of section 1 (d) hereof."

Page 10, line 20, insert the heading above sec 11 "Acknowledgments and verifications"; strike out "Any acknowledgment or verification" and insert "Acknowledgments and verifications required hereunder may be made before any person within the United States authorized by law to administer oaths, or, when made in a foreign country, before any diplomatic or consular officer of the United States or before any official authorized to administer oaths in the foreign country concerned whose authority shall be proved by a certificate of a diplomatic or consular officer of the United States, and."

Page 10, line 21, strike out "it complies" and insert in lieu "they comply."

Page 10, line 22, strike out "it is."

Page 10, line 24, after "Sec. 12.", insert "(a)."

Page 10, line 25, strike out "fees" and insert in lieu "fee."

Page 11, line 1, before "shall", insert "shall refer the application to the examiner in charge of the registration of marks, who."

Page 11, line 4, strike out "at least once."

Page 11, after line 5, insert the following new subsections:

"(b) If the applicant is found not entitled to registration, the examiner shall advise the applicant thereof and of the reasons therefor. The applicant shall have a period of 6 months in which to reply or amend his application, which shall then be reexamined. This procedure may be repeated until (1) the examiner finally refuses registration of the mark or (2) the applicant fails for a period of 6 months to reply or amend or appeal, whereupon the application shall be deemed to have been abandoned, unless it can be shown to the satisfaction of the Commissioner that the delay in responding was unavoidable, whereupon such time may be extended.

"(c) A registrant of a mark registered under the provisions of the act of March 3, 1881, or the act of February 20, 1905, may, at any time prior to the expiration of the registration thereof, upon the payment of the prescribed fee file with the Commissioner an affidavit setting forth those goods stated in the registration on which said mark is in use in commerce and that the registrant claims the benefits of this act for said mark. The Commissioner shall publish notice thereof with a reproduction of said mark in the Official Gazette, and notify the registrant of such publication and of the requirement for the affidavit of use or nonuse as provided for in subsection (b) of section 8 of this act."

Page 11, line 7, after "who", insert "believes that he."

Page 11, line 8, after "mark", insert "upon the principal register."

Page 11, line 9, after "Patent Office", insert a comma.

Page 11, line 10, after "therefor", insert a comma.

Page 11, line 11, strike out "in the Official Gazette" and insert in lieu "under subsection (a) of section 12 of this act."

Page 11, line 13, strike out the period after "Commissioner", insert a comma, and add "who shall notify the applicant."

Page 11, line 19, strike out "Whenever any" and insert in lieu "any"; strike out "is" and insert "who believes that he is or will be."

Page 11, line 20, after "mark", strike out the remainder of the sentence down to "thereof." on line 22 and insert in lieu: "on the principal register established by this act, or under the act of March 3, 1881, or the act of February 20, 1905, may upon the payment of the prescribed fee apply to cancel said registration—

"(a) within 5 years from the date of the registration of the mark under this act; or

"(b) within 5 years from the date of the publication under section 12 (c) hereof of a mark registered under the act of March 3, 1881, or the act of February 20, 1905; or

"(c) at any time if the."

Page 11, line 22, strike out "If a."

Page 11, line 24, strike out "section 2."

Page 11, line 25, strike out "hereof", and the remainder of the sentence down to "act." on page 12, line 3, and insert in lieu of section 2 of this act for a registration hereunder, or contrary to similar prohibitory provisions of said prior acts for a registration thereunder, or if the registered mark has been assigned and is being used by, or with the permission of the assignee so as to misrepresent the source of the goods or services in connection with which the mark is used, or if the mark was registered under the act of March 3, 1881, or the act of February 20, 1905, and has not been published under the provisions of subsection (c) of section 12 of this act."

Page 12, line 4, after "Sec. 15.", strike out all of this section and insert in lieu: "Except on a ground for which application to cancel may be filed at any time under subsection (c) of section 14 of this act, and except to the extent, if any, to which the use of a mark registered on the principal register infringes a valid right acquired under the law of any State or Territory by use of a mark or trade name continuing from a date prior to the date of the publication under this act of such registered mark, the right of the registrant to use such registered mark in commerce for the goods or services on or in connection with which such registered mark has been in continuous use for 5 consecutive years subsequent to the date of such registration and is still in use in commerce, shall be incontestable, provided—

"(1) There has been no final decision adverse to registrant's claim of ownership of such mark for such goods or services, or to registrant's right to register the same or to keep the same on the register; and

"(2) There is no proceeding involving said rights pending in the Patent Office or in a court and not finally disposed of; and

"(3) That an affidavit is filed with the Commissioner within 1 year after the expiration of any such 5-year period setting forth those goods or services stated in the registration on or in connection with which such mark has been in continuous use for such 5 consecutive years and is still in use in commerce, and the other matters specified in subsections (1) and (2) hereof.

"Subject to the conditions above specified in this section, the incontestable right with reference to a mark registered under this act shall apply to a mark registered under the act of March 3, 1881, or the act of February 20, 1905, upon the filing of the required affidavit with the Commissioner within 1 year after the expiration of any period of 5 consecutive years after the date of publication of a mark under the provisions of subsection (c) of section 12 of this act.

"The Commissioner shall notify any registrant who files the above-prescribed affidavit of the filing thereof."

Page 12, line 10, strike out "in the opinion of the Commissioner."

Page 12, line 13, after "goods", insert "or when used in connection with the services."

Page 12, line 14, strike out the comma after "applicant."

Page 12, line 17, after "and", insert "the registration of"; after "to", insert "the."

Page 12, line 19, after "SEC. 17.", strike out all of the section and insert in lieu: "In every case of interference, opposition to registration, application to register as an honest concurrent user, or application to cancel the registration of a mark, the Commissioner shall give notice to all parties and shall direct the examiner in charge of interferences to determine and decide the respective rights of registration."

Page 14, line 5, after "SEC. 18." strike out all the section and insert in lieu "In such proceedings the examiner may refuse to register the opposed mark, may cancel or restrict the registration of a registered mark, or may refuse to register any or all of several interfering marks, or may register the mark or marks for the person or persons entitled thereto, as the rights of the parties hereunder may be established in the proceedings: *Provided*, That in the case of the registration of any mark based on concurrent use, the examiner shall determine and fix the conditions and limitations provided for in subsection (d) of section 2 of this act."

Page 14, line 11, after "SEC. 19." strike out all of this paragraph down to and including line 16.

Page 14, line 17, strike out "(a)"; strike out "the doctrine" and insert in lieu "equitable principles"; insert a comma after "laches" and add "estoppel."

Page 14, line 18, strike out "shall" and insert in lieu "may."

Page 14, line 20, strike out "cases" and insert in lieu "proceedings."

Page 14, line 21, strike out the comma after "determined" and insert in lieu a period; strike out the remainder of the sentence.

Page 14, line 23, strike out "Appeal" and insert "An appeal."

Page 14, line 24, strike out "the" first occurrence, and insert in lieu "any"; after "examiner" insert "in charge."

Page 15, line 1, after "interferences" and before the period insert "or of the registration of marks upon the payment of the prescribed fees"; strike out all of the sentence beginning with the word "Appeals" and ending on line 3.

Page 15, line 4, strike out "If an" and insert in lieu "Any."

Page 15, line 5, strike out "or a" at the beginning of the line; after "interference" insert "proceeding,"; strike out "as to a mark, or"; after "party" strike out "who has filed opposition to the registration of a mark," and insert in lieu "to an opposition proceeding,".

Page 15, line 6, strike out "or a."

Page 15, line 7, strike out "on."

Page 15, line 8, strike out "an application for the cancelation of the registration of a mark," and insert in lieu "a cancelation proceeding, or any registrant who has filed an affidavit as provided in section 8, who."

Page 15, line 10, strike out "of Patents, he."

Page 15, line 11, after "Patent Appeals" strike out the remainder of the section and insert in lieu "or may proceed under section 4915, Revised Statutes, as in the case of applicants for patents, under the same conditions, rules, and procedure as are prescribed in the case of patent appeals or proceedings so far as they are applicable: *Provided*, That any party who is satisfied with the decision of the Commissioner shall, upon the filing of an appeal to the Court of Customs and Patent Appeals by any dissatisfied party, have the right to elect to have all further proceedings under Revised Statutes, 4915, by election as provided in Revised Statutes, 4911."

Page 15, line 22, strike out "under" and insert in lieu "on the principal register provided by"; strike out "and" and insert in lieu "or under."

Page 15, line 23, strike out "Acts" and insert in lieu "Act"; after "1881" strike out the comma and insert "or the Act of"; strike out "and March 19, 1920, is."

Page 15, line 24, before "notice" insert "shall be constructive".

Page 16, line 10, after "marks", insert "capable of distinguishing applicant's goods or services and."

Page 16, line 13, strike out "bona fide" and insert in lieu "lawful"; strike out "for not less than one year."

Page 16, line 15, strike out "of such proprietor," and insert in lieu "or services for the year preceding the filing of the application."

Page 16, line 16, strike out "filing" and insert in lieu "prescribed."

Page 16, line 17, strike out "to the Commissioner of Patents"; strike out "such formalities as the said Commissioner may require:" and insert in lieu "the provisions of section 1 so far as they are applicable."

Page 16, line 18, strike out "*Provided*,"; strike out lines 19 to 25 inclusive and lines 1 to 6 inclusive on page 17; insert in lieu thereof the following paragraph:

"Upon the filing of an application for registration on the supplemental register and payment of the fee herein provided the Commissioner shall refer the application to the examiner in charge of the registration of marks, who shall cause an examination to be made and if on such examination it shall appear that the applicant is entitled to registration, the registration shall be granted. If the applicant is found not entitled to registration the provisions of subsection (b) of section 12 of this act shall apply."

Page 17, line 7, strike out "this register" and insert in lieu "registration on the supplemental register"; strike out "include a" and insert in lieu "consist of any."

Page 17, line 9, strike out "or"; insert after "phrase," "surname, geographical name, numeral, or device or any combination of any of the foregoing,".

Page 17, line 10, after "goods" and before the period, insert "or services."

Page 17, strike out lines 11 to 15 inclusive and line 16 down to and including the word "That"; strike out "upon" and insert in lieu "Upon."

Page 17, line 18, strike out "bona fide" and insert in lieu "lawful."

Page 17, strike out all of lines 22 to 25, inclusive.

Page 18, line 4, after "registration" and before the period, insert "in the Official Gazette of the Patent Office"; strike out "shall deem himself injured by the inclusion" and insert in lieu "believes that he is or will be damaged by a registration."

Page 18, line 6, after "Commissioner", strike out "of Patents."

Page 18, line 9, after "interference", strike out "who is empowered to hear and determine this question, and."

Page 18, line 11, strike out "appear" and insert in lieu "is found."

Page 18, line 12, strike out "date" and insert in lieu "time."

Page 18, line 14, after "abandoned", strike out the remainder of the sentence down to "registration." on line 16 and insert in lieu "the registration shall be canceled by the Commissioner."

Page 18, line 16, strike out the sentence beginning with the word "Appeal" down to "appealable." on line 19.

Page 18, line 20, strike out "duration and renewal."

Page 18, line 21, after "Sec. 25.", strike out all of this section down to and including line 9 on page 19 and insert in lieu "The certificates of registration for marks registered on the supplemental register shall be conspicuously different from certificates issued for marks registered on the principal register."

Page 19, line 11, after "provisions of", strike out the remainder of the line and lines 12, 13, and 14; insert in lieu thereof "this act shall govern so far as applicable applications for registration and registrations on the supplemental register as well as those on the principal register, but applications for and registrations on the supplemental register shall not be subject to or receive the advantages of sections 2 (e), 2 (f), 7 (b), 12 (a), 13 to 18, inclusive, 22, 33, and 42 of this act."

Page 19, line 15, after "Registration", insert "of a mark."

Page 19, line 16, strike out "or expiration under section 25 hereof."

Page 19, line 17, after "by", insert "the."

Page 19, strike out all of lines 22 to 25, inclusive.

Page 20, line 2, after "SEC. 29", strike out the remainder of line 2, all of lines 3 to 7, inclusive, and line 8 down to and including "(T.M.R.)"; insert in lieu thereof "Notwithstanding the provisions of section 22 hereof, a registrant of a mark registered under the act of March 3, 1881, or the act of February 20, 1905, or on the principal register established by this act, shall give notice that his mark is registered by displaying with the mark as used the word 'Registered in U. S. Patent Office' or 'Reg. U. S. Pat. Off.' or the letter R enclosed within a circle, thus ®."

Page 20, line 9, after "by", insert "such"; strike out the comma after "mark" and insert "goods bearing the registered mark, or by a registrant under the act of March 19, 1920, or by the registrant of a mark on the supplemental register provided by this act."

Page 20, line 10, after "recovered", insert "under the provisions of this Act."

Page 20, line 11, after "notice" and before the colon insert "of the registration."

Page 20, line 12, after "respect to", insert "a registered mark used in connection with"; after "goods", insert "or services."

Page 20, line 13, after "the", strike out the remainder of the line, strike out lines 14, 15, and 16; insert in lieu thereof "mark as used is accompanied by the notice of registration used in the country of origin of the goods or services to denote registration there."

Page 20, line 18, strike out "may" and insert in lieu "shall."

Page 20, line 19, strike out "merchandise, services, and so forth," and insert in lieu "goods and services."

Page 20, line 22, after "goods", insert "or services."

Page 20, line 23, after "upon", insert "or in connection with"; strike out "has" and insert in lieu "is"; strike out "used" and insert in lieu "using."

Page 21, line 4, strike out "Fees payable to the Patent Office under this act shall be as follows:" and insert in lieu "The following fees shall be paid to the Patent Office under this act:"; then begin a new paragraph.

Page 21, line 6, after "mark", insert "in each class."

Page 21, line 8, after "renewal" and before the comma, insert "in each class"; after "renewal" second occurrence insert "in each class."

Page 21, line 9, after "$5;", insert "on filing notice of claim of benefits of this act for a mark to be published under section 12 (c) hereof, $5."

Page 21, line 11, strike out "the" and insert in lieu "an"; after "charge", insert "of the registration"; after "of" strike out "trade-."

Page 21, line 12, strike out "the" and insert in lieu "an."

Page 21, line 15, after "mark" and before the comma insert "or correction of a registrant's mistake."

Page 21, line 16, after "filing", insert "in each class."

Page 21, line 18, after "application", insert "in each class."

Page 22, line 3, strike out the comma after "additional."

Page 22, line 4, after "disclaimer", insert a comma and add "amendment, surrender, or cancelation."

Page 22, lines 15 and 17, strike out the comma each occurrence after the word "additional."

Page 22, line 18, strike out "copy" and insert in lieu "page."

Page 22, line 19, strike out the comma after "additional."

Page 22, line 21, after "assignment", strike out "power of attorney,".

Page 22, line 24, strike out "is authorized to" and insert in lieu "shall."

Page 23, line 2, after "SEC. 32.", insert "(1)"; after "commerce," insert "(a) use,".

Page 23, line 3, after "registrant", strike out the remainder of the line, all of lines 4, 5, and 6, and line 7 down to and including the word "thereof"; insert in lieu "any reproduction, counterfeit, copy, or colorable imitation of any registered mark in connection with the sale, offering for sale, or advertising of any goods or services on or in connection with which such use."

Page 23, line 8, strike out the comma after "purchasers" and the remainder of the line; strike out all of lines 9 to 17, inclusive, and insert in lieu "as to the source or origin of such goods or services; or (b) reproduce, counterfeit, copy, or colorably imitate any such mark and apply such reproduction, counterfeit, copy, or colorable imitation to labels, signs, prints, packages, wrappers, receptacles, or advertisements intended to be used upon or in connection with the sale in commerce of such goods or services, shall be liable to a civil action by the registrant for any or all of the remedies hereinafter provided, except that under subsection (b) hereof the registrant shall not be entitled to recover profits or damages unless the acts have been committed with knowledge that such mark is intended to be used to cause confusion or mistake or to deceive purchasers.

"(2) Notwithstanding any other provision of this act, the remedies given to the owner of the right infringed shall be limited as follows: (a) where an infringer is engaged solely in the business of printing the mark for others and establishes that he was an innocent infringer the owner of the right infringed shall be entitled as against such infringer only to an injunction against future printing. (b) Where the infringement complained of is contained in or is part of paid advertising matter in a newspaper, magazine, or other similar periodical the remedies of the owner of the right infringed as against the publisher or distributor of such newspaper, magazine, or other similar periodical shall be confined to an injunction against the future public presentation of such advertising matter: *Provided*, That these limitations shall apply only to innocent infringers. (c) Injunction relief shall not be available to the owner of the right infringed in respect of an issue of a newspaper, magazine, or other similar periodical containing infringing matter after the commencement or preparation of the engraving or composition work for the issue containing such infringing matter.

"(3) If goods bearing a registered mark have been put on the market by or with the authority of the registrant of a registered mark or in any package or other container bearing said mark and a notice that the goods may be resold only unaltered or in the original package or container and said goods or any part thereof have, without the authority of the registrant, been transferred to another package or container or been in any way altered, any person who shall, in commerce, make any use of or reference to said registered mark upon or in connection with the sale or advertising of such transferred or altered goods shall be liable to a civil action by the registrant for any or all of the remedies hereinafter provided."

Page 23, strike out all of lines 18 to 25, inclusive.

Page 24, strike out the entire page.

Page 25, strike out all of lines 1 to 6, inclusive; insert the following new section 33:

"SEC. 33. (a) Any certificate of registration issued under the act of March 3, 1881, or the act of February 20, 1905, or of a mark registered on the principal register provided by this act and owned by the plaintiff shall be admissible in evidence and shall be prima facie evidence of registrant's exclusive right to use the registered mark in commerce on the goods or services specified in the certificate subject to any conditions or limitations stated therein, but shall not preclude the defendant from proving any legal or equitable defense which would have been available to him if the plaintiff's mark had not been registered.

"(b) If the right to use the registered mark has become incontestable under section 15 hereof, the certificate shall be conclusive evidence of the registrant's exclusive right to use the registered mark in commerce on or in connection with the goods or services specified in the certificate subject to any conditions or limitations stated therein except when one of the following defenses is established:

"(1) That the registration or the incontestable right to use the mark was obtained fraudulently; or

"(2) That the mark has been abandoned by the registrant; or

"(3) That the registered mark has been assigned and is being used, by or with the permission of the assignee, so as to misrepresent the source of the goods or services in connection with which the mark is used; or

"(4) That the use by the defendant of the name, term, or device charged to be an infringement is a use, otherwise than as a trade or service mark, of the defendant's individual name in his own business, or of the individual name of anyone in privity with the defendant, or of a term or device which is descriptive of and used fairly and in good faith only to describe to users the goods or services of the defendant or their geographic origin; or

"(5) That the mark whose use by the defendant is charged as an infringement was adopted without knowledge of the registrant's prior use and has been continuously used by the defendant or those in privity with him from a date prior to the publication of the registered mark under subsection (a) or (c) of section 12 of this act: *Provided, however*, That this defense shall apply only for the area in which such continuous prior use is proved."

Page 25, line 7, strike out "33" and insert in lieu "34."

Page 25, line 12, strike out "under this act" and insert in lieu "in the Patent Office." Then insert the following: "Any such injunction may include a provision directing the defendant to file with the court and serve on the plaintiff within 30 days after the service on the defendant of such injunction, or such extended period as the court may direct, a report in writing under oath setting forth in detail the manner and form in which the defendant has complied with the injunction."

Page 25, line 14, strike out "or by a judge thereof."

Page 25, line 19, after "other" insert "United States"; strike out the comma after "court."

Page 25, strike out lines 20, 21 and "a judge thereof" on line 22; insert in lieu thereof "in whose jurisdiction the defendant may be found"; then begin a new paragraph.

Page 25, line 22, strike out ", or judges thereof."

Page 26, line 5, strike out "And it" and insert in lieu "It"; begin a new paragraph.

Page 26, line 9, strike out "of Patents."

Page 26, line 15, strike out "cross-bill."

Page 26, line 16, strike out "of Patents."

Page 26, line 17, insert a comma after "rendered" and add "appeal taken."

Page 26, line 18, strike out "of Patents."

Page 26, line 19, strike out "of Patents."

Page 26, line 23, after "said file" strike out "or file"; after "required" strike out "to be" and insert in lieu "and."

Page 26, line 24, strike out "of Patents."

Page 27, line 1, strike out "therewith" and insert in lieu "herewith."

Page 27, line 3, strike out "34" and insert in lieu "35."

Page 27, line 7, after "(3)" strike out "in the discretion of the court."

Page 27, line 11, insert a comma after "sales."

Page 27, line 13, after "may" strike out ", according to the circumstances of the case."

Page 27, line 14, after "judgment" insert a comma and add "according to the circumstances of the case."

Page 27, line 15, strike out the comma after "damages."

Page 27, line 16, change the comma after "amount" to a period and strike out "such sum to constitute compensation and not a penalty."; add the following sentences: "If the court shall find that the amount of the recovery based on profits is either inadequate or excessive the court may in its discretion enter judgment for such sum as the court shall find to be just, according to the circumstances of the case. Such sum in either of the above circumstances shall constitute compensation and not a penalty."

Page 27, line 18, strike out "35" and insert in lieu "36."

Page 27, line 21, strike out "or" and insert in lieu "and."

Page 28, line 1, strike out "or" and insert in lieu "and."

Page 28, line 3, strike out "36" and insert in lieu "37"; after "action" insert "involving a registered mark."

Page 28, line 6, after "register" and before the period insert "with respect to the registrations of any party to the action."

Page 28, line 10, strike out "37" and insert in lieu "38"; after "registration" insert "in the Patent Office."

Page 28, line 11, strike out "in the office of the Commissioner of Patents."

Page 28, line 16, strike out "38" and insert in lieu "39."

Page 28, line 17, strike out "and the District Court of the United States for the District of Columbia."

Page 28, line 18, strike out "and."

Page 28, line 20, strike out "for" and insert in lieu "of."

Page 28, line 21, strike out "civil."

Page 28, line 22, after "Act" strike out "respecting trade-marks registered in accordance with the provisions of this Act."

Page 29, line 1, strike out "39" and insert in lieu "40."

Page 29, line 5, strike out "40" and insert in lieu "41"; strike out "of Patents is authorized to" and insert in lieu "shall."

Page 29, strike out all of lines 8 to 19 inclusive.

Page 29, line 23, strike out "merchandise" and insert in lieu "goods"; strike out "its" and insert in lieu "their."

Page 29, line 24, after "any" strike out "registered mark or"; strike out line 25, lines 1 and 2 of page 30 down to and including "act,"; insert in lieu thereof "mark registered under the act of March 3, 1881, or the act of February 20, 1905, or on the principal register provided by this act, or any infringement of a mark so registered."

Page 30, line 9, after "such", strike out "merchandise shall be amenable" and insert in lieu "goods shall be subject."

Page 30, line 12, strike out "merchandise" and insert in lieu "goods."

Page 30, line 13, strike out "merchandise" and insert in lieu "goods."

Page 30, line 17, strike out "or owner"; after "of the" strike out "trade-"; after "shall" strike out "record the trade-mark" and insert in lieu "deposit."

Page 30, line 18, after "Treasury" and before the comma insert "a facsimile of the registration certificate."

Page 30, line 20, strike out "merchandise" and insert in lieu "goods"; strike out "its" and insert in lieu "their."

Page 30, line 21, after "bear the", insert "trade or commercial."

Page 30, line 22, strike out "manufacture or."

Page 31, line 7, after "person", strike out "selling, offering for sale, or dealing in such merchandise."

Page 31, line 8, after "from" strike out "dealing therein" and insert in lieu "selling, offering for sale, dealing in, or advertising such goods."

Page 31, line 9, strike out "merchandise" and insert in lieu "goods."

Page 31, line 10, strike out "merchandise" and insert in lieu "goods."

Page 31, line 14, after "shall", strike out "record his trade or commercial name" and insert in lieu "deposit."

Page 31, line 15, after "Treasury" and before the comma insert "a facsimile of his trade or commercial name."

Page 31, line 16, strike out "may" and insert in lieu "shall."

Page 31, line 18, strike out "merchandise" and insert in lieu "goods."

Page 31, line 19, strike out "paragraphs" and insert in lieu "paragraph."

Page 31, line 22, strike out "merchandise is" and insert in lieu "goods are."

Page 31, line 25, strike out "such."

Page 32, line 1, before "has been filed," insert "of a representative."

Page 32, line 4, strike out "merchandise" and insert in lieu "goods."

Page 32, line 5, strike out "names or marks which it bears" and insert in lieu "trade or commercial name or mark which they bear."

Page 32, line 8, strike out "merchandise is" and insert in lieu "goods are."

Page 32, line 9, strike out "merchandise" and insert in lieu "goods."

Page 32, line 15, strike out "designation" and insert in lieu "designations."

Page 32, line 18, strike out "article or articles of merchandise" and insert in lieu "goods or services."

Page 32, line 19, strike out "of the same" and insert in lieu "for goods."

Page 32, line 22, strike out "merchandise" and insert in lieu "goods or services."

Page 32, strike out all of lines 24 and 25, and "to be transported," on line 1 of page 33; insert in lieu thereof "with knowledge of the falsity of such designation of origin or description or representation cause or procure the same to be transported or used in commerce or deliver the same to any carrier to be transported or used."

Page 33, line 1, strike out "at the suit of" and insert in lieu "by."

Page 33, line 4, strike out the remainder of the sentence beginning with the words "or of any association" and insert in lieu "or by any person who believes that he is or is likely to be damaged by the use of any such false description or representation."

Page 33, line 8, strike out "article" and insert in lieu "goods."

Page 33, line 11, strike out "merchandise" and insert in lieu "goods."

Page 33, line 12, strike out "in" and insert in lieu "at."

Page 33, line 15, strike out "merchandise" and insert in lieu "goods."

Page 33, line 21, strike out "commercial and trade names" and insert in lieu "trade and commercial names."

Page 34, line 2, after "mark or", insert "trade or commercial"; after "name" second occurrence insert a comma; strike out "and residence" and insert in lieu "citizenship, and address."

Page 34, line 4, strike out "date" and insert in lieu "dates."

Page 34, line 5, after "was filed", insert "and granted."

Page 34, line 6, after "goods", insert "or services."

Page 34, line 11, after "Persons", insert "who are"; strike out "or" first occurrence; strike out "having" and insert in lieu "have."

Page 34, line 13, after "any", insert "foreign"; after "is", insert "a"; after "to", insert "(1)."

Page 34, line 14, strike out "concluded" and insert in lieu "signed."

Page 34, line 15, change the comma after "1883" to a semicolon; after "or", insert "(2)"; strike out "to any subsequent revision", strike out lines 16, 17, 18, 19, and line 20 to and including "1931"; insert in lieu thereof "the General Inter-American Convention for Trade-mark and Commercial Protection signed at Washington on February 20, 1929; or (3) any other convention or treaty relating to trade-marks, trade or commercial names, or the repression of unfair competition to which the United States is a party."

Page 34, line 21, after "act", insert "to the extent and under the conditions essential to give effect to any such conventions and treaties so long as the United States shall continue to be a party thereto."

Page 35, line 1, strike out "except."

Page 35, line 2, strike out "no such" and insert in lieu "the same."

Page 35, line 3, strike out "or" and insert in lieu "unless."

Page 35, line 10, strike out "section 1 or 23" and insert in lieu "sections 1, 2, 3, 4, or 23."

Page 35, strike out line 24.

Page 36, strike out lines 1 and 2.

Page 36, line 3, strike out "(4)" and insert in lieu "(3)."

Page 36, line 4, strike out "day" and insert in lieu "date"; after "of the" insert "filing of the."

Page 36, line 5, strike out "the" and insert in lieu "a."

Page 36, line 6, strike out "the" and insert in lieu "an"; strike out "under this paragraph; and" and insert in lieu "filed under this subsection (d);."

Page 36, line 7, strike out "(5)" and insert in lieu "(4)"; strike out "paragraph" and insert in lieu "subsection (d)."

Page 36, line 15, after "application" insert "therefor."

Page 36, line 16, after "copy of the", insert "application for or."

Page 36, line 21, after "duration", insert a comma.

Page 36, line 24, after "Trade names", insert "or commercial names."

Page 37, line 1, strike out "used in commerce"; strike out "in accordance with the provisions of this act" and insert in lieu "without the obligation of filing or registration whether or not they form parts of marks."

Page 37, line 6, strike out "business"; strike out "and in repressing acts of unfair competition,"; then insert "and."

Page 37, line 9, after "appropriate" and before the period insert "in repressing acts of unfair competition."

Page 37, after line 19, insert the following paragraph:

"The term 'principal register' refers to the register provided for by sections 1 to 22 hereof, and the term 'supplemental register' refers to the register provided for by sections 23 to 28 hereof."

Page 37, line 24, after "corporation", insert "union."

Page 38, line 1, strike out "similar" and insert in lieu "other."

Page 38, line 8, after "any", strike out the remainder of the paragraph down to and including "registrant." on line 12; insert in lieu thereof "person who is controlled by the registrant or applicant for registration in respect to the nature and quality of the goods or services in connection with which the mark is used."

Page 38, strike out lines 13 to 24, inclusive, and insert in lieu:

"The terms 'trade name' and 'commercial name' include individual names and surnames, firm names and trade names used by manufacturers, industrialists, merchants, agriculturists, and others to identify their businesses, vocations, or occupations; the names or titles lawfully adopted and used by persons, firms, associations, corporations, companies, unions, and any manufacturing industrial, commercial, agricultural, or other organizations engaged in trade or commerce and capable of suing and being sued in a court of law.

"The term 'trade-mark' includes any word, name, symbol, or device or any combination thereof adopted and used by a manufacturer or merchant to identify his goods and distinguish them from those manufactured or sold by others.

"The term 'trade-mark' means a mark used in the sale or advertising of services to identify the services of one person and distinguish them from the services of others and includes without limitation the marks, names, symbols, titles, designations, slogans, character names, and distinctive features of radio or other advertising used in commerce.

"The term 'collective mark' or 'certification mark' means a mark used to distinguish the products or services of two or more persons to certify or indicate regional or other origin, material, mode of manufacture, quality, accuracy or other characteristics of such goods or services or to indicate a membership in an association or other organization or that the work or labor on the goods or services was performed by members of a union or other organization.

"The term 'mark' includes any trade-mark, service mark, collective mark, or certification mark entitled to registration under this act whether registered or not."

Page 39, line 2, after "be", strike out the remainder of the line, and all of lines 3, 4, and 5; insert in lieu thereof "used in commerce (a) on goods when it is placed in any manner on the goods or their containers or the displays associated therewith or on the tags or labels affixed thereto and the goods are sold or transported in commerce and (b) on services when it is used or displayed in the sale or advertising of services and the services are rendered in commerce."

Page 39, line 9, after "two", insert "consecutive."

Page 39, line 11, after "When any", insert "course of"; after "registrant", insert a comma and "including acts of omission as well as commission."

Page 39, line 14, strike out "mark registered under this act" and insert in lieu "registered mark."

Page 39, after line 15, insert the following paragraphs:

"The term 'registered mark' means a mark registered in the United States Patent Office under this act or under the act of March 3, 1881, or the act of February 20, 1905, or the act of March 19, 1920. The phrase 'marks registered in the Patent Office' means registered marks.

"The term 'act of March 3, 1881', 'act of February 20, 1905', or 'act of March 19, 1920', means the respective act as amended."

Page 39, line 16, after "is a", insert "spurious."

Page 39, line 24, insert a comma after "State" and add "or Territorial."

Page 40, line 5, insert a comma after "trade-marks" and add "trade names."

Page 40, line 9, after "SEC. 46.", insert "(a)"; strike out "sixty days" and insert in lieu "one year."

Page 40, line 13, after "repealed" and before the comma, insert "effective one year from the enactment hereof."

Page 40, line 14, strike out ", namely" and insert in lieu "acts insofar as they are inconsistent herewith."

Page 41, line 2, strike out "March 3, 1911 (36 Stat. 1167)."

Page 41, line 15, strike out "except" and insert in lieu "provided."

Page 41, strike out lines 17 and 18, and insert in lieu "granted or applied for under any of said acts prior to the effective date of this act, or rights or remedies thereunder except as provided in sections 8, 12, 14, 15, and 47 of this act."

Page 41, line 19, before "Registrations", insert "(b)"; after "under the", insert "act of March 3, 1881, or the."

Page 41, line 21, strike out "term" and insert in lieu "terms."

Page 41, line 22, after "registrations", insert "and the renewals thereof."

Page 41, line 23, strike out "benefit" and insert in lieu "benefits."

Page 41, line 24, strike out "relating to marks registered on the principal register established by this act." and insert in lieu "to the same extent and with the same force and effect as though registered on the principal register established by this act except as limited in sections 8, 12, 14, and 15 of this act."

Page 42, line 6, strike out "trade-."

Page 42, line 8, after "expire" strike out "in 20 years from the date of registration and may not be renewed unless renewal is required to support foreign registrations. In that event renewal may be effected under the provisions of section 9 of this act" and insert in lieu "6 months after the effective date of this act, or 20 years from the dates of their registrations, whichever date is later."

Page 42, line 12, strike out "benefit" and insert in lieu "benefits."

Page 42, line 14, strike out the period after "act", insert a comma, and add "and may not be renewed unless renewal is required to support foreign registrations. In that event renewal may be effected on the supplemental register under the provisions of section 9 of this act."

Page 42, after line 16, insert the following section 47:

"SEC. 47. (a) All applications for registration pending in the office of the Commissioner at the effective date of this act may be amended, if practicable, to bring them under the provisions of this act. The prosecution of such applications so amended and the grant of registrations thereon shall be proceeded with in accordance with the provisions of this act. If such amendments are not made, the prosecution of said applications shall be proceeded with and registrations thereon granted in accordance with the acts under which said applications were filed, and said acts are hereby continued in force to this extent and for this purpose only, notwithstanding the foregoing general repeal thereof.

"(b) In any case in which an appeal is pending before the United States Court of Customs and Patent Appeals or any United States circuit court of appeals or the United States Court of Appeals for the District of Columbia or the United States Supreme Court at the effective date of this act, the court, if it be of the opinion that the provisions of this act are applicable to the subject matter of the appeal, may apply such provision or may remand the case to the Commissioner or to the district court for the taking of additional evidence or a new trial or for reconsideration of the decision on the record as made, as the appellate court may deem proper."

Page 42, line 17, strike out "47" and insert in lieu "48."

Page 42, after line 25, insert the following section 49:

"SEC. 49. Nothing herein shall adversely affect the rights or the enforcement of rights in marks acquired in good faith prior to the passage of this act."

Page 43, line 1, strike out "48" and insert in lieu "50."

Mr. LANHAM. Mr. Speaker, I submit the following additional committee amendments for the purpose of clarifying the bill and correcting certain typographical errors:

The Clerk read as follows:

Page 8, line 9, correct spelling of word "entitled."

Page 8, line 13, after "mark is used.", insert the following sentence: "The Commissioner may establish a separate register for such collective marks and certification marks."

Page 16, line 15, correct spelling of word "Acknowledgments."

Page 20, line 25, change the dash to a colon.

Page 23, line 23, strike out "an honest" and insert in lieu "a lawful."

Page 25, line 18, strike out "an honest" and insert in lieu "a lawful."

Page 35, lines 18, 20, and 22, let comma stand in each instance after the word "additional."

Page 35, line 21, insert a comma after the word "page."

Page 35, line 3, strike out "for each additional registration or application included, or involved in one writing where more than one is so included or involved, additional, 50 cents;"; insert this same language on page 36, line 2, changing the period after "$1" to a semicolon and replacing the semicolon after "50 cents" with a period.

Page 37, line 24, strike out the words "future public"; insert after the word "matter" at the end of the line and before the colon, "in future issues of such newspaper, magazine, or other similar periodical."

Page 38, line 11, after "unaltered", insert "or unrenovated."

Page 38, line 14, after "altered" and before the comma, insert "or renovated."

Page 38, line 17, after "altered", insert "or renovated."

Page 57, line 3, after "who", insert "controls or."

Page 58, strike out lines 13, 14, and 15 and rewrite them so as to read: "Each of the terms 'collective mark' or 'certification mark' means a mark used upon or in connection with the products or services of one or more persons other than the owner of the mark to certify or indicate regional or other origin."

Page 62, line 12, "(b)" should appear in italics as new matter rather than as old matter stricken.

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

Mr. LANHAM. I yield.

Mr. RICH. What do these amendments do and how will the amendments affect the present law?

Mr. LANHAM. I may say to the gentleman that the present laws with reference to trade-marks are scattered throughout forty-odd different places in the statutes. Some of them are rather obsolete or archaic. We have had hearings now for about 3 years trying to get them corrected. The House of Representatives in the last Congress passed a similar bill, but it did not receive action in the Senate. The Senate in this Congress has passed this similar bill and this pending measure is the Senate bill, with amendments that have been offered to it by reason of long committee hearings.

Mr. RICH. And it is similar to the one the House passed previously.

Mr. LANHAM. It is, but not identical.

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

Mr. LANHAM. I yield to the gentleman.

Mr. McGREGOR. Is this bill similar to the one we have had before our committee for consideration this year or is this a new bill?

Mr. LANHAM. Before the Committee on Patents?

Mr. McGREGOR. Yes.

Mr. LANHAM. Yes; it is.

Mr. McGREGOR. I wonder if the gentleman will explain the difference in the Senate amendments and the ones we had before us.

Mr. LANHAM. The bill, as passed by the Senate, is the identical bill we had introduced in the House. After the hearings, certain amendments were placed in the bill, and it is now reported from the Committee on Patents with those amendments.

The amendments were 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.

The title was amended.

GRANTING DOMICILIARY CARE AND MEDICAL AND HOSPITAL TREATMENT TO VETERANS OF WORLD WAR NO. 2 ON A PARITY WITH VETERANS OF OTHER WARS

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7311) to amend section 6 of Public Law No. 2, Seventy-third Congress, March 20, 1933, as amended.

The Clerk read the title of the bill.

Mr. RICH. Mr. Speaker, reserving the right to object, I want to know what this bill is for.

Mr. RANKIN of Mississippi. I will be glad to tell the gentleman from Pennsylvania what the bill is for. I will say in the beginning that this bill was unanimously reported by the Committee on World War Veterans' Legislation, and I have consulted the ranking minority member, the gentlewoman from Massachusetts [Mrs. ROGERS], who is now present. This bill provides for giving the veterans of this war the same hospital benefits that we give veterans of the World War and all other wars. Under the present situation many of these young men who are taken into the service ultimately break down. Instead of giving them a discharge showing that their disabilities are service-connected, they invariably attribute these disabilities to conditions that prevailed prior to the time they entered the service, and even though some of them had been in the service for 6 months or a year, or more, they throw them out without any place to go. They are filling our local hospitals, our insane hospitals, and our jails. This bill is to provide that they shall be taken care of in veterans' hospitals just the same as though they had been in the first World War.

Mr. RICH. Does the Veterans' Administration approve of this?

Mr. RANKIN of Mississippi. The Veterans' Administration did not approve of it, but said this in its final answer:

Should Congress, however, see fit to do so—

That is, to pass this bill—

additional requirements will be given full consideration in the constructive program for additional facilities.

We have gone over this measure very carefully, and while it was not directly recommended by the Veterans' Administration, we are getting protests from every State in the Union concerning cases of these boys who have been thrown out, disabled, who were evidently physically able when they went into the service, and who now have nowhere to go, except to jail or to some State or local institution.

Mr. RICH. But the Veterans' Administration claimed that the physical disqualifications were because of something that happened before they entered into the service.

Mr. RANKIN of Mississippi. The Veterans' Administration seems to think that they should be taken care of in the Army and Navy hospitals. They are not taken care of in Army and Navy hospitals, but are thrown out onto the world.

Mr. RICH. And the gentleman is seeking to force them into the veterans' hospitals where they have no room now to take care of veterans, under the legislation that the gentleman has asked for the past 5, 6, or 10 years. That is to take care of veterans who have gone through the service in the war of 1918–19, and you ought to take care of them, because legislation was passed for that particular purpose. I do not think the gentleman ought to come here and ask for this legislation for these men to get into these veterans' hospitals that we erected to take care of those veterans who received their injuries in the last World War.

Mr. RANKIN of Mississippi. Let me ask the gentleman from Pennsylvania what he would do with them.

Mr. RICH. We will have to do the best we can.

Mr. RANKIN of Mississippi. What is that?

Mr. RICH. I would not pass this legislation now, but we will do something to take care of them.

Mr. RANKIN of Mississippi. But these boys are dying in the jails, the very boys you helped to draft to fight this war. They are dying in the jails, because some medical officer has attributed their disability to a condition which he contends existed prior to their entrance into the service.

Mr. RICH. Does the gentleman not have any consideration for what the Army Medical Corps say about these cases?

Mr. RANKIN of Mississippi. That does not relieve the situation, and does not remove the fact that these boys are disabled and that they are dying in the jails of this country, and in the poorhouses, and are passing into the State insane institutions, and I say that they are entitled to the very care that this bill provides.

Mr. RICH. And I say to the gentleman from Mississippi that we want to take care of all the boys that are wounded or disabled because of war services, but I do not believe this legislation should be passed in this manner. I think it ought to be given more consideration, and I shall have to object to it.

The SPEAKER. Objection is heard.

Mr. RANKIN of Mississippi. I shall wait until I have an opportunity to move to suspend the rules, so that the gentleman cannot block it the next time.

The SPEAKER. That would be a matter in the discretion of the Chair.

PAYMENT TO CERTAIN INCOMPETENT BENEFICIARIES

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 7408) to amend the act of October 9, 1940, entitled "An act to restrict or regulate the delivery of checks drawn against funds of the United States, or any agency or instrumentality thereof, to addresses outside the United States, its Territories, and possessions, and for other purposes," which I send to the desk.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MICHENER. Mr. Speaker, I reserve the right to object. Of course, many of us did not know there was any idea of bringing up these bills at this time.

Mr. RANKIN of Mississippi. The ranking minority member of the committee knew it.

Mr. MICHENER. That may be true, but there are other Members of the House besides the ranking minority member of the committee.

Mr. RANKIN of Mississippi. I did not know that the gentleman from Michigan was particularly interested in it.

Mr. MICHENER. The gentleman from Michigan is particularly interested in any legislation, especially if it is controversial, that comes before the House.

Mr. RANKIN of Mississippi. I will have to call the roll next time on the gentleman's side of the House.

Mr. MICHENER. Mr. Speaker, further reserving the right to object, I do not want to be put in a position of objecting to meritorious bills.

Mr. RANKIN of Mississippi. But the gentleman from Michigan——

Mr. MICHENER. Just one moment. I have the floor.

Mr. RANKIN of Mississippi. The gentleman has not. I yielded to the gentleman.

Mr. MICHENER. But I reserved the right to object. Mr. Speaker, have I the floor or not?

The SPEAKER. The gentleman has the floor under a reservation of objection.

Mr. MICHENER. I simply want to state that no one in this House wants to object to meritorious bills if they are important and are emergency legislation, but some of us do feel that it is incumbent upon Members of Congress to object to bills when there is no opportunity to consider them. I do not know anything about this bill. Therefore, even though there may be someone in the House who has told the gentleman he favors this bill, I think I shall have to object for the time being.

The SPEAKER. Objection is heard.

Permit the Chair to make a statement. When Members come to the Chair and say they would like unanimous consent to call up a bill, the Chair has stated several times in the presence of Members that the better way to do it would be to consult with the ranking minority member and also the majority and minority leaders. I think that would expedite the matter.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I wish to say to the House that as far as any unanimous-consent requests are concerned, I naturally advise Members on this side seeking to bring up bills that they should consult with their minority Members and also with the leadership on the minority side. I say this not for the purpose of having it relate to anything that has happened, but so that the House will know as a policy, that as majority leader I have always followed, and always will follow, such procedure, and in that the Speaker concurs. The minority leadership also knows that that has been the policy and will be the policy.

Mr. RANKIN of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. RANKIN of Mississippi. Let me say to the gentleman from Massachusetts that I notified the House a day or two ago that these bills were on the Consent Calendar and that I proposed to take them up as soon as possible. I said that in my opinion they were necessary and that they were unanimously reported by the committee. The gentleman from Massachusetts [Mr. McCORMACK] suggested in the presence of the membership of the House that I take this course. I consulted with the ranking minority member on the committee, who knows all about this legislation and who is favorable to it. So I simply followed the suggestion of the gentleman from Massachusetts and called these bills up under unanimous consent, and they were objected to on the other side.

Mr. McCORMACK. My remarks were made without relationship to what happened here today. I stated what the policy was, and no Member can tell me that I did not tell them that under a unanimous-consent request they would not have to consult the minority leadership in addition to the ranking minority members on the committee.

[Here the gavel fell.]

REMOVAL OF LIMITATIONS ON COST OF CONSTRUCTION OF ARMY AND NAVY LIVING QUARTERS

Mr. THOMASON. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 129, to remove certain limitations on the cost of construction of Army and Navy living quarters.

The Clerk read the title of the Senate joint resolution.

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

Mr. RICH. Mr. Speaker, reserving the right to object, I objected to this resolution the other day and I would like to get some information about it. Will the gentleman explain the bill?

Mr. THOMASON. I will say for the information of the gentleman from Pennsylvania that this bill comes at the request of the War Department and particularly the Corps of Army Engineers, to correct a situation that they regard as an emergency.

The present law places a limitation of $7,500 upon these quarters for commissioned officers and warrant officers. When these contracts and vouchers went to the Comptroller General he turned them down because there was not sufficient authorization for electricity, gas, water, sewage disposal, roads, walks, grading, and drainage, which, of course, are necessary if the Army is to occupy the houses. This bill seeks to remove that limitation in order that the ordinary utilities and facilities may be brought to the buildings and placed in the houses.

Mr. RICH. What limitation are you going to have?

Mr. THOMASON. There is already a limitation of $7,500 on the house. Of course, it is to be assumed that the cost of these necessary utilities will be reasonable and along the ordinary lines of cost for such accommodations.

Mr. RICH. But what do you mean by "reasonable"? Have you any set figure for them?

Mr. THOMASON. No; because that would differ in various places and under different conditions. Certainly the Corps of Army Engineers is not going to put in facilities or utilities at more than the normal or necessary cost.

Mr. RICH. Well, I do not quite agree with the gentleman on that, because I think we are doing a lot of things right now in the Army and Navy that are exorbitant as far as cost to the Federal Government is concerned. If it is proposed to erect a building for an Army officer for $7,500 and you could build a number of them, we will say, in a particular locality, certainly there should be some reservation or restriction on the amount they are permitted to spend on those houses, so that they will not be allowed to spend a great deal of money and the cost become exorbitant.

Mr. THOMASON. I agree with the gentleman on the broad principle that he announces, but at the same time the wording of the present law is such that it did not, under the ruling of the Comptroller General, include the necessary utilities. That is all this bill provides.

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

Mr. THOMASON. I yield.

Mr. POWERS. The Navy has this identical provision, has it not?

Mr. THOMASON. It has.

Mr. POWERS. And in ordinary construction utilities are figured to within 5 feet of the house; is that not true?

Mr. THOMASON. That is right.

Mr. POWERS. All the Army desires is to have the same privilege that the Navy has and the same privilege that a private citizen or private industry has?

Mr. THOMASON. Yes. I may say there are contracts let for houses, and if they cannot get the utilities, the house is of no value.

Mr. RICH. Are they going to build these houses under the cost-plus plan?

Mr. THOMASON. Permit me to say to the gentleman the Corps of Army Engineers is letting contracts now almost exclusively by competitive bidding, and they are doing a fine job at the lowest possible cost to the taxpayers.

Mr. RICH. If they do something like that and stop this matter of building at cost-plus where the more they pay the more profit they get but the more the taxpayer is charged, it would be all right. I do not believe in these cost-plus contracts.

Mr. THOMASON. I believe the gentleman knows I have been fighting cost-plus-fixed-fee contracts for years.

Mr. RICH. I really believe there ought to be a limitation of some kind on the cost of these facilities.

Mr. THOMASON. There is a limitation on the house, but you cannot figure an exact limitation on a sewer line to a $7,500 house.

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

Mr. THOMASON. I yield.

Mr. MICHENER. This bill was reported favorably and unanimously by the Committee on Military Affairs?

Mr. THOMASON. It was, and it passed the Senate unanimously.

Mr. MICHENER. It was understood that the bill would be brought up today. The majority leader himself notified the minority leader the gentleman from Massachusetts [Mr. MARTIN]. The Republican members of the committee were contacted. The usual notice was given. I see no objection to the bill.

Mr. THOMASON. I may say to the gentleman from Michigan that the report from the House Committee on Military Affairs was unanimous. In addition to that there is an emergency situation existing right now with regard to some Army housing, and prompt action is necessary.

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

Mr. THOMASON. I yield.

Mr. McCORMACK. And also I contacted the acting majority leader.

Mr. MICHENER. Yes.

Mr. MASON. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order is demanded. The regular order is, Is there objection to the present consideration of the resolution?

There was no objection.

The Clerk read the resolution (S. J. Res. 129), as follows:

*Resolved, etc.*, That limitations heretofore or hereafter placed upon the cost of construction of quarters for commissioned officers, commissioned warrant or warrant officers, and enlisted men of the Army and Navy shall not be construed to prohibit or exclude additional expenditures for equipment and work outside of such quarters, including, but not limited to, providing for the furnishing of electricity, gas, water, sewage disposal, and for roads, walks, grading, and drainage.

The resolution 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.

THE CONN-LOUIS FIGHT

Mr. HOLLAND. 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. HOLLAND. Mr. Speaker, I was very much surprised that on the floor of this House yesterday the gentleman from New York [Mr. O'TOOLE] would even question or criticize in any way the Conn-Louis fight, for I do not know of any two men who will do more for Army relief. For all the relief exhibitions—whether in boxing, football, or Army shows being held—none will equal what the Army relief will get from this fight.

If the gross receipts are $1,000,000, the Army relief will receive approximately $700,000. The only expense the United States Army will have in this fight is paying Billy Conn his private's salary and Joe Louis his sergeant's pay.

In addition to this, the Government of the United States will receive in taxes $100,000, or enough to build two bombers, while the State of New York will get $50,000 in taxes.

Certainly, you cannot call it favoritism when two fine Americans, both married and one having a youngster, enlisted of their own free will in the United States Army when under our Selective Service Act they both would be exempt. They have given up a possible million-dollar income for a soldier's pay.

The gentleman from New York must have forgotten that in the Buddy Baer fight and in the Simon fight Joe Louis did not take anything, but donated his whole purse to the Army and Navy relief funds, respectively.

I know Billy Conn personally, and I have the greatest regard for him. He is a very clean-cut, clean-living boy. He has never let popularity go to his head. He signifies the true type of the American boy.

One cannot say too much for Joe Louis. His life has been an example for any champion to follow. He is a credit to the game and a credit to his race.

To say, as the gentleman from New York did, that this is making a mockery out of the Army and a mockery out of charity to permit these two upstanding Americans to engage in a boxing bout that will benefit their buddies in service is certainly hitting below the belt.

DAYEE JONES

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therein two short reports to the Committee on Invalid Pensions from Hon. Frank T. Hines, Administrator of Veterans' Affairs, relative to the bill (H. R. 4018) for the relief of Dayee Jones.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. LESINSKI addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by making some observations on postal pay.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

FEDERAL ANTHRACITE COAL COMMISSION

Mr. FENTON. 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. FENTON addressed the House. His remarks appear in the Appendix.]

Mr. FENTON. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include therein certain quotations.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. ARNOLD. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a radio speech delivered by me on the subject The Relationship of Peacetime Governmental Activities to Winning the War.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an editorial from the Washington Evening Star of Friday, September 18, 1942, regarding Dr. Percival Hall, President of Gallaudet College, who, during the past 50 years, has contributed so greatly to the success of that institution.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(Mr. CASEY of Massachusetts asked and was given permission to extend his own remarks in the RECORD.)

MEDICAL AND HOSPITAL CARE OF VETERANS OF WORLD WAR NO. 2

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RICH. Mr. Speaker, I should like to call the attention of the gentleman from Mississippi [Mr. RANKIN] to what I am going to say. It certainly is not my intention to block any legislation called up by unanimous consent merely because it is called up in that fashion. My objections are based on what I believe to be the best interests of the country. The Committee on Veterans' Affairs brings in legislation and asks that veterans be taken care of in hospitals of the Veterans' Administration at a time when the Veterans' Administration say they have not the facilities to do so. This being the situation, why should we permit legislation of that kind to go through unless the Veterans' Administration has something to say as to the feasibility of it?

When the gentleman from Mississippi casts a slur at any of us because he thinks he ought to railroad this legislation through I think he has gone far afield. He is accusing us of doing something that is not right, not honorable, or not just so far as the veterans are concerned in objecting to this bill. I want the best hospital facilities provided for these veterans that can be provided, and I resent the accusation.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. MOTT. Mr. Speaker, I ask unanimous consent to include in my remarks of yesterday on the anti-inflation bill a letter and some printed statistics.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PADDOCK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include an article from yesterday's Washington Star by Frank R. Kent, and I also ask unanimous consent to extend my own remarks in the RECORD and to include a letter from a constituent.

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

There was no objection.

(Mr. KEFAUVER asked and was given permission to extend his own remarks in the RECORD and to include a resolution adopted by the Paris (Tenn.) Post, American Legion, entitled "The Platform of the American People.")

Mr. TOLAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and I also ask unanimous consent to further extend my own remarks in the RECORD and to include a letter from former Congressman John O'Connor.

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

There was no objection.

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent that the gentleman from Kentucky [Mr. MAY] may have leave to extend his own remarks in the RECORD and to include a statement relative to the military situation.

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

There was no objection.

RELIEF FOR CERTAIN PERSONS IN THE MILITARY SERVICE

Mr. SPARKMAN submitted a conference report and statement on the bill (H. R. 7164) to amend the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, to extend the relief and benefits provided therein to certain persons, to include certain additional proceedings and transactions therein, to provide further relief for persons in military service, to change certain insurance provisions thereof, and for other purposes.

EXTENSION OF REMARKS

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include tables from the Bureau of Agricultural Economics of the Department of Agriculture.

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

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two subjects and to include certain excerpts.

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

There was no objection.

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a short editorial entitled "Dr. Hall's Fifty Years."

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

There was no objection.

Mr. O'HARA. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial from the Minneapolis Sunday Tribune and Star-Journal.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. O'HARA]?

There was no objection.

FILING OF REPORT

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file a report on the bill H. R. 7522.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

There was no objection.

EXTENSION OF REMARKS

Mr. EDMISTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of service activities of the D. A. V.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. EDMISTON]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that on Tuesday next I may have 20 minutes to address the House after disposition of business on the Speaker's table and at the conclusion of any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. DICKSTEIN]?

There was no objection.

EXTENSION OF REMARKS

Mr. OSMERS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial from the New York Journal and American of September 21, 1942, entitled "Dies Committee Endorsed."

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. OSMERS]?

There was no objection.

Mr. BENDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial.

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

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

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

There was no objection.

VETERANS' LEGISLATION

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks in the RECORD.

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

There was no objection.

Mr. RANKIN of Mississippi. Mr. Speaker, in reply to the gentleman from Michigan [Mr. MICHENER], who objected to the consideration of a veterans' bill awhile ago recommended by the Veterans' Administration, and also in reply to the gentleman from Pennsylvania [Mr. RICH], I wish to say that on last Monday, as you will find on page 7226, I took the proposition of this hospital bill up in the presence of the majority and minority leaders. I said then that I wanted to call it up right away. The majority leader said he would have no objection. I consulted the ranking minority Member this morning before I attempted to call it up. I want the RECORD to show that we have done our best. The bill has been reported unanimously.

These boys who are being turned out of the services are dying in the jails, if not in the streets, and in the poorhouses of this country for want of this legislation. From now on I shall refer these cases to the Members who represent the districts from which they come.

[Here the gavel fell.]

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have a feeling that there was a misunderstanding about the bill to provide hospital care for the veterans of this war. This is not an ordinary war, it is the worst war that has ever been fought in history. We will have the most abnormal conditions we have ever experienced.

I call the attention of the Members of the House, although I do not think it is really necessary to do so, to the fact that there is a tremendous shortage of hospital beds in civilian hospitals all over the country. It is well known it is difficult to secure priorities for building civilian hospitals. There are towns that have not a single vacant hospital bed; there are towns that have not a doctor. There is a great shortage of nurses. Many communities do not have a nurse left.

It seems to me this is one of the most humanitarian measures we could ever pass. It is also a practical one; with the shortage of manpower every man made well and strong is an asset. The American Legion voted to take the veterans of this war into their organization and have voted to have the veterans of this war secure all the benefits they have, and that includes hospitalization, of course. The country as a whole wants the men who are drafted to fight for us to have adequate care. This is one of the most necessary measures that has come before the Congress, and I feel very sure that it will pass—I believe unanimously—when it comes up for action again.

[Here the gavel fell.]

Mr. WHITTEN. 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 Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, in reference to the bill whose consideration was sought to be obtained this morning but to which objection was raised, may I state that today I received a letter from a mother back in my home town, a mother whose son was drafted and went into the armed services. This young man unfortunately had a mental crack-up. He tried to kill himself and went so far as to slash his throat. He has been in the hospital at El Paso, Tex.

This is the tragic part about this story. The mother wrote me because she had gotten a request from the Federal Government, the Government that took him and put him into the armed services, asking her to make affidavit that she could take care of him so that they could get him away from El Paso, asking her to take him back into her home and sever his connection with the Federal Government, taking away from him such insurance as he may have had.

It is a serious thing in this country when the Federal Government is trying to wish the boys who were taken like that back on the people at home who are not able to take care of them.

I do not say this in criticism of any objections that may have been made but I do say that on serious issues, and this measure is one that is seriously needed now, we should not let little personal animosities or things of that sort enter into delaying legislation that is very greatly needed. Whether or not the correct procedure has been followed I do not know, but I do say that now at least we should be very cautious about getting excited and perhaps disturbed by the conduct of some other Member and should not by our own conduct delay something that certainly should be done and done now.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. PAGÁN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a newspaper article.

The SPEAKER. Is there objection to the request of the Resident Commissioner from Puerto Rico?

There was no objection.

QUESTION OF PERSONAL PRIVILEGE

Mr. DIES. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state his question of privilege.

Mr. DIES. Mr. Speaker, in a pamphlet published and widely distributed by the National Federation for Constitutional Liberties the following charges were made:

For 4 years DIES and his committee have, through a vigorous campaign of diversion and suppression, obscured the activities of the Nazi network, the fifth column in the United States.

Their tactics have been the tactics of Goebbels.

Their tactics have been the tactics of many of the seditionists, long sheltered by DIES and his committee, indicted last month.

DIES and his committee have shielded agents of the Axis.

DIES and his committee jeopardize national unity.

DIES and his committee delay the day of victory.

The American people must learn the truth.

The activities of DIES and his committee in relation to the 28 seditionists indicted last month and other Axis agents must be investigated by a Federal grand jury.

The National Federation for Constitutional Liberties is therefore making public the documents compiled from official publications and the press and submitted by it on August 6, 1942, to the Department of Justice in support of a demand for a grand jury investigation of MARTIN DIES.

GEORGE MARSHALL,
*Chairman, National Federation for Constitutional Liberties.*

The SPEAKER. The Chair thinks the gentleman has proceeded far enough.

Mr. DIES. I want to read one more excerpt:

Federal Bureau of Investigation exposes DIES' attack on 1,119 as fake.

Mr. Speaker, I submit that both of those articles entitle me to the floor.

The SPEAKER. The gentleman is recognized.

Mr. DIES. Mr. Speaker, the newspapers of the country carried a story on September 3, 1942, to the effect that the F. B. I. had exonerated 1,100 Federal employees accused by the Committee on Un-American Activities of being linked to the Red movement in this country. I will read some of the headlines that appeared in some of the newspapers of the country.

From the New York Times:

Federal Bureau of Investigation exonerates Federal workers accused by DIES. Biddle tells Congress inquiry it ordered has brought only 36 employee dismissals.

In the New York Herald Tribune:

Biddle clears United States workers of disloyalty.

I will not take the time of the House to read the headlines that appeared throughout the country. My purpose in reading this is to point out the fact that the general impression was given that our committee had accused 1,124 employees of being Communists, that the Federal Bureau of Investigation had investigated the facts and had found that only 2 of them were Communists, and had been dismissed.

Now, Mr. Speaker, what are the facts? The facts are that, under an amendment offered by the gentleman from Ohio [Mr. JONES], the House instructed and directed the Federal Bureau of Investigation in the following language:

For personal services in the District of Columbia, $8,750,000, of which at least $100,000 shall be available exclusively to investigate the employees of every department, agency, and independent establishment of the Federal Government who are members of subversive organizations or advocate the overthrow of the Federal Government, and report its findings to Congress.

The language of this amendment is very clear. What the Congress was telling the Federal Bureau of Investigation was to investigate the employees of the Federal Government, determine who were members of subversive organizations, and report the facts to the Congress. As a matter of course, that mandate implied the necessity of determining what organizations are subversive. It was, therefore, incumbent upon the Department of Justice to report the facts to this Congress with regard to the number of Federal employees who belonged to subversive organizations, and the names of the subversive organizations.

I shall show you this afternoon that the Department of Justice has made no attempt to report these facts. I do not attack the Federal Bureau of Investigation because I believe it is one of the most efficient agencies of this Government. I do maintain, however, that the Attorney General, by his regulations and instructions in the beginning of the investigation, made it impossible for the Federal Bureau of Investigation to carry out the mandate of Congress.

Now, what did the Attorney General do? I have the report here of the Federal Bureau of Investigation. When the investigation was ordered by the Congress the Attorney General issued instructions to govern the F. B. I. in the conduct of the investigation. In the instructions he told the F. B. I. to forward all complaints to the heads of the employing agencies and those agencies that wanted the employees investigated could then request investigations from the F. B. I. The F. B. I. would then, and only then, be authorized to conduct the investigations, and having done so it could report the facts without any recommendation. For 3 months, according to the F. B. I. report, the F. B. I. submitted 1,597 complaints to the heads of the employing agencies and received approximately 193 requests for investigation. This is important in order to understand the attitude of the employing agencies. In the first place, they were the men who employed these people in the first instance. They were, apparently, not anxious to have an investigation. However, they should have been, because during a critical moment in our history it had been demonstrated that the Nazis had worked through fifth columns, and was it not a matter of the greatest interest to the heads of agencies when they received 1,597 complaints from the F. B. I. to immediately request an investigation of every complaint? But according to the F. B. I.'s report they did not receive more than 193 requests. They therefore lacked jurisdiction to proceed in accordance with the mandate of Congress. The Attorney General was then compelled to modify his order to require an investigation in the first instance by the F. B. I., but under the limitations that had been made on the investigations, the only thing the F. B. I. could do was to submit to the heads of the employing agencies, some of whom belong to these very same organizations, the information and data collected by F. B. I. agents, without any recommendation or opinion, and trust to the men who hired these people in the first instance to discharge them upon receipt of the information from the F. B. I.

Now, let us understand the attitude of some of these employing agencies. In 1938, when our committee exposed the American League for Peace and Democracy, which had approximately 565 Government employees as members of the organization, some of the heads of the employing agencies denounced the committee in the press of the country and went so far as to say that they were proud of their membership in the American League. They defied the committee. They said they intended to continue their activities to recruit members for this organization. This was publicly announced at the time by some of the heads of these employing agencies.

In 1938 our committee had exposed beyond any question that the American League for Peace and Democracy was dominated and controlled by Communists, and our committee had also proved, by their own records, that the American League had gone on record in favor of securing positions for its members in defense industries so that in the event of war they could sabotage our war efforts.

Mr. Speaker, all that the Department of Justice has attempted to do in this report is to create a false impression throughout the country—the impression that our committee made some charges that were unfounded. I shall show you by the confidential memoranda of the Attorney General what he should have reported to this House. I have a photostatic copy of the confidential memoranda which was distributed by the Attorney General to the heads of the respective departments, in which he branded 12 organizations as Communist-controlled organizations. I shall further make the statement that according to the F. B. I.'s own report, they did not investigate 1,124 submitted by us to them, that they actually investigated 601 and that they received replies from 501; and I here and now on my own responsibility make the positive assertion that if the subcommittee of the Committee on Appropriations which originated this amendment will subpena the records of the F. B. I., they will find that the overwhelming majority of the 601 Government employees were members of these organizations.

Mr. Speaker, permit me to read what the Attorney General, in the confidential memoranda, said about these organizations that we were ridiculed throughout the country in 1938, 1939, and 1940 for calling Communists. Remember that Secretary Perkins and some of the Cabinet officers were publicly ridiculing us in the press of this country for suggesting that such organizations as the American League Against War and Fascism, the American League for Peace and Democracy, the American Youth Congress, the League of American Writers, and many others were Communist. When we made that statement in our reports, we were bitterly assailed as being Red baiters. I am going to read excerpts from the Attorney General's memoranda and ask unanimous consent that the entire document may be included in this RECORD for the benefit of any Member who has any doubt about these organizations, their nature, and their purpose.

The matter referred to follows:

[Strictly confidential]

THE AMERICAN LEAGUE AGAINST WAR AND FASCISM—THE AMERICAN LEAGUE FOR PEACE AND DEMOCRACY

(NOTE.—The following statement does not purport to be a complete report on the organization named. It is intended only to acquaint you, without undue burden of detail, with the nature of the evidence which has appeared to warrant an investigation or charges of participation.

It is assumed that each employee's case will be decided on all the facts presented in the report of the Federal Bureau of Investigation and elicited, where a hearing is ordered, by the board or committee before which the employee is given an opportunity to appear.

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AMERICAN LEAGUE AGAINST WAR AND FASCISM

The American League Against War and Fascism is the first of three organizations established in the United States in an effort to create public sentiment on behalf of a foreign policy adapted to the interests of the Soviet Union. Its successor, the American League for Peace and Democracy, was established in 1937 and it, in turn, gave way in 1940 to the American Peace Mobilization which, since the German invasion of Russia and the establishment of a prowar policy by Communists in the United States, has been known as American People's Mobilization.

A world congress, devoted to the foundation in each country of a League Against War and Fascism, was held in Amsterdam in 1932, under the aegis of the Communist International. It was at this time that Communists throughout the world were teaching that capitalist forces were about to make war upon the Soviet Union. The danger that Hitler might soon come into power in Germany accentuated this belief. The American delegation to the Congress was headed by H. W. L. Dana, an avowed Communist, who called his group a workers' delegation. In accordance with the resolutions of the Congress, organizations having as their stated aim opposition to war and fascism were founded in the countries in which the Communist International maintained sections.

The American League Against War and Fascism was formally organized at the first United States Congress Against War and Fascism held in New York City, September 29 to October 1, 1933. The manifesto of this congress called attention to the "black cloud of imperialist war" hanging over the world, and pointed to the National Recovery Administration, the Civilian Conservation Corps, and the other policies of the Roosevelt administration as indications of America's preparedness for war and fascism. Only in the Soviet Union, the manifesto continued, has the basic cause of war—monopolistic

capitalism—been removed; the Soviet Union alone among the governments of the world proposes total disarmament; only by arousing and organizing the masses within each country for active struggle against the war policies of their own imperialist governments can war be effectively combated. The program of the first congress called for the end of the Roosevelt policies of imperialism and for the support of the peace policies of the Soviet Union, for opposition to all attempts to weaken the Soviet Union, and for effective international support to all workers and antiwar fighters against their own imperialist governments. Subsequent congresses, in 1934 and 1936, reflected the same program.

The close affiliation of the American League Against War and Fascism with the Communist movement in the United States is manifest both in its program and in the statements about it by Communist leaders. Earl Browder, general secretary and leader of the Communist Party, United States of America, called the league a transmission belt of the Communist Party. He defined a transmission belt as a tactic by which the Communists attempt to reach the masses of the people. Further, he described it as an outstanding part of the united front effort of the Communist Party. The united front, according to Browder, is a question of fundamental strategy, a basic policy of struggle for class unity of workers against the bourgeoisie. Its program, he declared, is so clear and definite in facing the basic issues that to carry it out in fact entails clearly revolutionary consequences; it has never tried to avoid the issue of Communist Party participation in this broad united front. Browder has stated that when the party was forced to go underground on the west coast in 1934 it stood up well, for already on August 1 in San Francisco the party broke through the terror, holding an open public meeting under the auspices of the American League Against War and Fascism.

The first head of the league, J. B. Matthews, who later renounced communism, has often written and testified concerning the Communist participation in its establishment and program. Dr. Harry F. Ward, who succeeded Matthews as its chairman, declared its purpose to be to promote a wider understanding of the peace policies of the Soviet Union and to cooperate with other agencies to prevent an attack on the Soviet Union. Ward also stated that there was no way to organize peace constructively except by adopting throughout the world the basic organization on which the Soviet Union is founded. It was through Dr. Ward and the Methodist Federation for Social Action, of which he has long been a leader, that Earl Browder declared the league served the party as a contact with those church organizations which are for the destruction of capitalist society.

At its ninth annual convention in 1936 the Communist Party, United States of America, resolved that it would work untiringly to help widen the basis of the league, especially among the trade-unions and farm organizations. In this connection, Party Organizer, September 1935, the organ of the central committee of the Communist Party, United States of America, stated that our party did its utmost at the beginning to build the American League, which must become the main instrument * * * for the defense of the Soviet Union. * * * We must show them (the masses) that we are the real driving force of the movement, and in this way, by our example, create new enthusiasm, new impetus for the masses to march forward.

Communist affiliation with the American League was reflected in the membership and the leadership which installed Earl Browder as vice president and many Communist leaders on the executive board. Resolutions and manifestos of the league were printed in official Communist publications, and the Federal Bureau of Investigation reports from confidential sources that the league is among those organizations which received financial assistance from the Amtorg Trading Corporation.

Communist control of the peace movement outside of Russia was revealed in a report to the Seventh World Congress of the Communist International held in Moscow in 1935 in which it was stated that "we must penetrate among the pacifist masses and carry out the work of enlightenment among them, using forms of organization and action which are adapted to the level of consciousness of these masses and which give them the possibility of taking the first step in the effective struggle against war and capitalism. We must take two things into account. The first is that the organization of the pacifist masses cannot and must not be a Communist organization; the second is that in working in this organization Communists must never give up explaining with the greatest patience and insistence their own point of view on all the problems of the struggle against war."

AMERICAN LEAGUE FOR PEACE AND DEMOCRACY

In accordance with the final statement of this report to the Seventh World Congress—that the organization of the pacifist masses cannot and must not be a Communist organization—and in accordance with the so-called Trojan-horse policy, adopted at the same world congress, by which Communists seek to penetrate many organizations without revealing their identity, the American League Against War and Fascism at its fourth congress in 1937 became the American League for Peace and Democracy. It has been reported that the reason for the change in name may be found in the fact that the original organization had become widely identified in the popular mind as a Communist-controlled group.

The program of the new league reflected the change in tactics. References to the Soviet Union were omitted. The first items in the program referred to the rights of labor and called for the defeat of legislation attempting to compel incorporation of trade unions or the inspection of union finances. Guaranties to Negro people and the foreign-born and the demand for an antilynching law followed. The program called for the promotion of the people's boycott of Japanese goods and for the removal of restrictions on shipments to China and Spain. The same program was reflected at the fifth congress of the league, held in January 1939, with the addition of a demand for the abolition of the poll tax, the strengthening of the Wagner Act, and opposition to antisemitic propaganda. In all of these policies the league was following the Communist Party line.

The American League was composed of national and local organizations. The highest governing body was nominally the national congress operating through the national committee, representation on which was based on the membership in affiliated organizations. The national committee in turn was controlled by the executive board on which were several Communists. Funds were collected from members and affiliates and J. B. Matthews, former head of the American League Against War and Fascism, wrote that when the league could not secure sufficient funds in this way it would first call on someone like Corliss Lamont, the Communist "angel," and in the most extreme cases would call upon Earl Browder.

Communists boasted of their control of the American League Against War and Fascism. The Communist Party, the Young Communist League, most Communist front organizations, and Communist leaders were openly affiliated with it. The American League for Peace and Democracy, on the other hand, was designed to conceal Communist control, in accordance with the new tactics of the Communist International. The adoption of a new name and the broadening of the program to include measures and policies calculated to enlist a wider support in no way lessened the Communist control and direction of the league.

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[Strictly confidential]

AMERICAN PEACE MOBILIZATION (NOW CALLED AMERICAN PEOPLE'S MOBILIZATION)

(NOTE.—The following statement does not purport to be a complete report on the organization named. It is intended only to acquaint you, without undue burden of detail, with the nature of the evidence which has appeared to warrant an investigation of charges of participation.

It is assumed that each employee's case will be decided on all the facts presented in the report of the Federal Bureau of Investigation and elicited, where a hearing is ordered, by the board or committee before which the employee is given an opportunity to appear.

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American Peace Mobilization was formed in the summer of 1940 under the auspices of the Communist Party and the Young Communist League as a "front" organization designed to mold American opinion against participation in the war against Germany. Its existence terminated within a month after the German invasion of Russia when it became American People's Mobilization and adopted a program favoring complete assistance to Britain, Russia, and China. American Peace Mobilization attracted to its fold two types of members: The Communists and fellow travelers ever ready to promote party interest or follow the party line and those Americans devoted to the maintenance of peace who were for the most part unaware, at least before the German invasion of Russia, of the Communist control of American Peace Mobilization.

American Peace Mobilization had two predecessor organizations. The first, the American League Against War and Fascism, had its origin in 1932, when the Communist International, fearing a European war against the Soviet Union, directed its sections throughout the world to stimulate peace movements in their respective countries. Earl Browder, general secretary and chief officer, testified before the Dies committee that the Communist Party participated actively in forming the league. When Russia began making a military alliance with France in 1935, these movements gradually were allowed to lapse throughout the world, and in the United States the American League Against War and Fascism was succeeded by the American League for Peace and Democracy. Browder has characterized this second organization as a "transmission belt" of the Communist Party. He defined a "transmission belt" as a technical term referring to the tactics whereby the Communists established their relations with the masses of people. Both the League Against War and Fascism and the League for Peace and Democracy followed the customary Communist tactic of placing prominent non-Communists in titular positions, while Communists themselves took the controlling positions. In addition to the Communists who supported them as a matter of party policy, both organizations attracted to their membership many unsuspecting persons.

The American Peace Mobilization was by its own definition open to everyone. It was formally founded at a meeting in Chicago at the end of August 1940, known as the Emergency Peace Mobilization. Although the Communist Party as such did not only participate in the propagandizing for and organizing of this meeting, its workers' schools in collaboration with the American

Youth Congress and other Communist front organizations took a prominent part throughout this meeting. In addition, American Peace Mobilization sponsored the march on Washington, January 25–27, 1941, when the delegates attempted to picket the Capitol and to see congressional and administration leaders. Later, on April 4 and 5, 1941, it sponsored the so-called American People's meeting in New York City. These meetings were dominated by leaders of Communist front organizations and the programs and pamphlets issued in connection with these meetings contained advertisements and greetings of Communist-penetrated organizations.

During its existence of less than a year American Peace Mobilization was concerned with keeping America out of the imperialist war. It directed its attention chiefly to the Burke-Wadsworth bill for conscription and the lend-lease bill. Its aims were not limited to this legislation, but included a number calculated to enlist wider support. It called for the end of discrimination against Negroes, aliens, and Jews. It demanded a restitution of constitutional rights, the passage of anti-poll tax and social legislation, and it condemned legal proceedings then pending against Harry Bridges and Earl Browder. It attacked the Dies committee and its investigation of such genuinely democratic groups as International Labor Defense and the Transport Workers' Union. It sponsored meetings in collaboration with such Communist-penetrated organizations as the American Youth Congress, Workers Alliance, and the National Negro Congress, and it collaborated closely and sponsored meetings jointly with such an important Communist organization as the International Workers' Order. It continually attacked the Churchill government and the tory imperialism of Britain. Each of the foregoing positions conformed exactly to Communist Party line. American Peace Mobilization numbered among its officers and sponsors several leading Communists and the heads of several Communist-penetrated groups.

The most conspicuous activity of American Peace Mobilization was the picketing of the White House, which began in April 1941, in protest against lend-lease and the entire national defense program of the administration. On June 17, 1941, Frederick V. Field, national secretary, who had called for the picketing of the White House, stated the aims of the organization once more. He said that there was widely propagandized in America a myth of two alternatives: That of a Nazi-dominated world or a victory of British-United States imperialism. The American Peace Mobilization program afforded a third possibility: Keep America out of Europe's war, improve the standard of living, retain and defend our constitutional liberties, and work for a people's peace. It was Field who had called the Selective Service and Training Act of 1940 a spearhead of the attacks on our democracy, and the national defense program a part of the march toward fascism, and who a week after the German invasion of Russia stated that in view of the new world situation America should give full aid to Britain, Russia, and China.

Just 4 days after Field had redefined the aims of American Peace Mobilization, on the afternoon of June 21, 1941, he suddenly called off the picket line around the White House. Eight hours thereafter German armies had crossed the Russian frontier. Within 1 week American Peace Mobilization stated that the international situation had changed and that the national board of the organization had adopted a new program which called for aid to the Soviet Union against the forces of the Nazi military machine. Three weeks later American Peace Mobilization explained that to meet the needs created by the "new world situation"—a phrase which featured all official Communist literature of that time and since—American Peace Mobilization was changing its name to American People's Mobilization and henceforth was adopting the "V" slogan for "victory over fascism." At the same time, Field announced that arrangements were being made for an American tour by the Dean of Canterbury, one of the leading English sympathizers with the Soviet Union and author of The Soviet Power, which was widely distributed by the Communist Party.

Ever since 1918, and before, there have been in existence in the United States organizations devoted to peace and to the goal of keeping America out of war. Not one of these organizations, however, was formally represented as an organization in any way in American Peace Mobilization. These organizations devoted to anti-war activities have been continuously ignored in the columns of the Daily Worker and other Communist publications, whereas these same periodicals gave full support to American Peace Mobilization.

Membership in American Peace Mobilization cost only 50 cents, and for the unemployed, 10 cents. Through a Nation-wide newspaper campaign calling on Americans to contribute a dime and become "volunteers for peace," it has been estimated by the Federal Bureau of Investigation that American Peace Mobilization numbered as members or contributors about 14,000,000 persons, the bulk of whom were undoubtedly unaware of the Communist control of American Peace Mobilization.

[Strictly confidential]

AMERICAN YOUTH CONGRESS

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The American Youth Congress is defined by its 1940 constitution as a "nonprofit, educational association to serve as a cooperating center and a clearing house for all youth organizations, youth-serving agencies, local, State, and regional youth councils and assemblies, and organizations desiring to promote the welfare of youth." It originated in 1934 and since its inception has been controlled by Communists and manipulated by them to influence the thought of American youth. The process has been described by a high official of the Communist International, referring specifically to the congress, as "the radicalization of the youth." Under such leadership and in the guise of a youth program, the force of opinion of the youth of America, expressed in the proceedings and resolutions of the American Youth Congress, purporting to be representative of the American youth organizations which compose it, has been rallied to the support of every position taken by the Communist Party upon issues relating to the foreign and domestic affairs of the United States.

The concept of a nonpolitical "congress" of American youth organizations originated with one Viola Ilma and was inspired by a similar gathering which she had attended in Europe in 1933. The first American Youth Congress, held at New York in August 1934, was attended by delegates from a broad range of representative national organizations. Prior to the congress and at its opening session, however, the Young Communist League in collaboration with certain Socialist and pacifist groups set in motion a series of maneuvers which resulted in the ouster of Miss Ilma and the establishment of Communist control which never has been relinquished.

Corroboration of the conquest of the American Youth Congress by the Young Communist League is to be found in the admissions of innumerable Communist speeches and writings. In an address before the Seventh World Congress at Moscow in 1935, Otto Kuusinen, who is a member of the executive committee, its presidium, and secretariat of the Communist International, and one of the most powerful figures in the Communist world, said:

"Comrades, the Young Communist League of the United States, headed by Comrade Green, went to the American Youth Congress and achieved a great success. The congress was transformed into a great united front of radical youth, and when somewhat later a second general youth congress was held, our young comrades already enjoyed a position of authority in it. The Communists alone have been able to foster the radicalization of the youth in bourgeoisie organization."

The first American Youth Congress claimed to speak for 79 organizations having a total membership of 1,700,000. Although essentially dedicated to a program for youth, the congress promptly declared "We do not believe that the fundamental problems before us are special youth problems, amenable to solution by special youth demands alone. We declare that they are the general problems of the masses of the people * * *" and called for a "youth movement * * * to work for the building of a new social order, based upon production for use rather than for profits." It thereupon adopted a series of favoring resolutions substantially setting forth the Communist Party program of that day.

The congress likewise adopted a "resolution against war and fascism." Its preamble observes, in part:

"Today, on the twentieth anniversary of the last war, American youth again faces the danger of a new war. * * * Hitler and Japan are trying to forge a united front for war against the Soviet Union. * * * The events since the last war prove the futility of depending on statesmen and upon disarmament gatherings to end war. The only constructive proposal toward peace at these conferences have been offered by the Soviet Union. * * * The recent trend toward fascism has been looked on with terror by all right-thinking sections of the people. * * * The last year has witnessed a growing trend toward fascism and preparation for war in the United States. * * * Many strikes have been met with the use of militia. Poison gas and rifles are frequently used as weapons to smash labor's rights; lynchings have increased, as well as anti-Semitism. Vigilantes' raids on strikes in San Francisco and the brutality of New York police with labor pickets indicates that the weapon of Fascist tendencies exists from coast to coast."

The congress, therefore, pledged itself to work for the abolition of all forms of military training in high schools and colleges, the diversion of military funds for increased educational and relief expenditures and facilities, the abolition of the Citizens Military Training Corps, opposition to the use of the National Guard against labor organizations and activities, the freedom of all imprisoned in Fascist countries for their opposition to fascism and the defense of the democratic rights gained by the masses of the people, opposition to all forms of exploitation and hatred directed against national and racial minorities, especially Negroes, Mexicans, Japanese, Jews, etc., and the immediate withdrawal of all American armed forces from colonial countries such

as China and the Philippines, and for the support of the peace proposals of the Soviet Union for complete disarmament. The record of each succeeding congress reflects a similar conformity to Communist Party line.

The above resolutions are to be found in a pamphlet entitled "Program of American Youth Congress," published by its continuations committee and printed by Prompt Press, which prints the bulk of the literature issued by the Communist Party and its affiliates and is reliably known to be owned by the Communist Party.

As indicated by its 1934 resolution, the league opposed war and fascism. In common with all Communist organizations it subsequently opposed the imperialist war and attacked the lease-lend bill, the Burke-Wadsworth bill, which subsequently became the Selective Service and Training Act, and all legislation directed toward military preparation for defense. It participated in peace demonstrations and sponsored town meetings throughout the United States to oppose America's entry into the war. The chief of these town meetings was held at Washington, D. C., in February 1941. Subsequent to the Nazi invasion of Russia in June 1941, however, the congress reversed its position, and at its congress held at Philadelphia only 2 weeks thereafter passed a resolution pledging full support to the British and Russians in their fight against the Nazis. A second resolution adopted at that convention voiced opposition to any appeasement toward Japanese aggression against China, proposed an embargo on war materials for Japan, and at the same time asked that all restrictions be lifted on the purchase of war materials by the Chinese.

The organization grew in strength, probably reaching the peak of its influence in 1939 when it claimed to speak for over 500 national and local organizations. Due to its communistic leadership and policies, however, a number of organizations thereafter withdrew and at its 1940 convention only 177 organizations and 67 local and neighborhood councils were represented, many of which were merely paper organizations which, if not completely nonexistent, consisted of a local Young Communistic League member endeavoring to secure some sort of local sponsorship. Unquestionably, there were legitimate, non-Communist delegates at the conference, but there were equally as many representing little more than themselves. The report of the credentials committee of the 1940 congress claimed, notwithstanding, to represent 5,159,495 young people in America.

The report of the credentials committee of the 1941 congress, held at Philadelphia, as reflected by the Washington Post of July 7, 1941, claimed a representation of 1,110 youth councils, student, religious, labor, farm, social, and fraternal organizations having 5,463,760 members. Such statistics, however, are valueless because of the duplication of representation and the exaggerated tabulating methods used whereby the membership of each attending local branch of an organization is added to the total membership of the national organization which includes it; a representation chosen by a packed minority at an under-attended local meeting is presumed to speak for an unverified total membership.

The extent of Communist control is indicated by the following facts relative to the 1940 congress held at Lake Geneva, Wis. Representatives included 15 known Communist controlled or led organizations, 7 similarly controlled or led labor unions whose policies have followed every turn of the Communist Party line, and a number of "fellow traveler" organizations. Its credentials committee had a minimum Communist majority of 6 to 4; its constitution committee a majority of 7 to 3; its nominations committee a minimum of 8 to 7; its rules committee a majority of 4 to 1; and its resolutions committee a probable majority of 10 to 8. The congress cabinet was controlled by the Young Communist League by 18 to 15. The poor representation of the non-Communist majority operated to strengthen Communist control but at the same time rendered the congress less effective as a Communist vehicle because of its greater exposure as a Communist Party front organization. For this reason, Communists are struggling to retain nonparty support and to continue a sufficient number of non-Communists in office to preserve a nonpolitical appearance without sacrificing control.

Throughout its existence the officers of American Youth Congress unquestionably have included persons who were non-Communists. The majority of the officers, however, have always been identifiable with Communist Party or known party affiliates. The congress publishes a magazine entitled "Winner," the editor of which is Barry Wood, Communist Party name for Jeff Kimbre, well-known party leader of southern California. Officers of the congress individually have taken part in Communist Party functions regularly. This close association between the congress and the party and its affiliates has been notorious from the outset.

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[Strictly confidential]

LEAGUE OF AMERICAN WRITERS

(NOTE.—The following statement does not purport to be a complete report on the organization named. It is intended only to acquaint you, without undue burden of detail, with the nature of the evidence which has appeared to warrant an investigation of charges of participation.

It is assumed that each employee's case will be decided on all the facts presented in the report of the F. B. I. and elicited, where a hearing is ordered, by the board or committee before which the employee is given an opportunity to appear.

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The League of American Writers, founded under Communist auspices in 1935, for some years attracted to its fold many of the most prominent American writers, Communist and non-Communist. In 1939 the league began openly to follow the Communist Party line as dictated by the foreign policy of the Soviet Union, and at that time most of the non-Communists disaffiliated themselves from it and declared their opposition to its policy.

The League of American Writers was founded at a congress of American revolutionary writers held in New York City April 26-27, 1935. The call for the congress was signed by members of the John Reed Club, including such well-known Communists as Earl Browder, Isidor Schneider, John L. Spivak, and Michael Gold. The congress greeted Gold as the best loved American revolutionary writer and Gold in turn told the gathering that, "Our writers must learn that the working class which has created a great civilization in the Soviet Union is capable of creating a similar civilization in this country." The leading speakers at the congress were all prominently identified with the Communist movement in the United States and featured such men as M. J. Olgin, editor of the Communist Yiddish daily, Morning Freiheit, Alexander Trachtenberg, head of the party's publishing house, International Publishers, Inc., and Clarence Hathaway, editor of the Daily Worker whose masthead then proclaimed it the official organ of the Communist Party, United States of America, section of the Communist International. The league was created, among other things, to enlist writers in a national cultural organization for peace and democracy and against fascism and reaction, to support progressive trade-union organizations and the people's front in all countries, and to cooperate with the progressive forces.

Soon after the league was established, the Seventh World Congress of the Communist International in Moscow decided upon the Trojan horse policy for Communist parties everywhere. By this policy Communists sought to infiltrate existing organizations without revealing their identity. Accordingly, it became necessary to conceal the Communist influence in the League of American Writers. The revolutionary slogans and resolutions were discarded. In the years from 1936 to 1939 the league made an effort to secure as members the leaders of liberal thought among American writers. Although its Communist control was deliberately obscured, it sponsored a policy which accorded with the Communist Party line in those years, including condemnation of the Franco revolution in Spain and an interpretation of that revolution as presenting an issue of communism versus fascism. In its congresses held in these years the league condemned fascism and praised the "Soviet peace policy." It sought to make its program attractive by sponsoring the Federal arts project and attacking those who were opposed to any of the social legislation then being enacted in the United States.

At the time of the Russo-German pact in August 1939 the League of American Writers began once more to follow the Communist Party line openly and without much attempt at dissimulation. It was in this period that most of the prominent non-Communist writers resigned from the league. Thomas Mann stated that the league "thinks too much about politics and not enough about literature." In 1940 and up until June 22, 1941, the league devoted its efforts principally to keeping the United States out of the "imperialist war." Its activities were featured in the Daily Worker, and it in turn complimented the Daily Worker for the recognition it was giving to the league's antiwar program. Many leading Communists were openly active in the league at this time.

On June 6, 1941, the league held its Fourth Annual Writers' Congress in New York City. It condemned the "imperialist war," which it called a war for world markets. Speakers charged that the President was attempting to lead the country into war, and condemned the administration for its action in sending troops to quell the North American Aviation Co. strike and for its prosecution of Harry Bridges. The American Peace Mobilization and its picketing of the White House was endorsed. Less than a month later the league issued a call to all writers and writers' organizations for "all immediate and necessary steps in support of Great Britain and the Soviet Union."

Not only did the league follow the Communist Party line in regard to foreign affairs, but its program since 1940 has shown a close parallel to the leading domestic issues supported by the party, including a campaign in behalf of Negro rights, opposition to what is called political persecution in the United States, and praise of the Soviet Union and its leaders.

The League of American Writers maintains an annual writers' school in New York City, featuring courses in labor journalism and pamphlet writing taught by Communists. Once each week it sponsors a "work in progress" reading by some author. The Daily Worker, in its regular reports of these readings, indicates that the majority of invited readers are known Communists or fellow travelers.

The overt activities of the League of American Writers in the last 2 years leave little doubt of its Communist control. The resignations of many writers who had affiliated themselves with it in the era of the Trojan horse and their statements at the time of disassociating themselves from it largely remove all possible speculation as to the facts.

[Strictly confidential]

NATIONAL COMMITTEE FOR THE DEFENSE OF POLITICAL PRISONERS AND NATIONAL COMMITTEE FOR PEOPLE'S RIGHTS

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The National Committee for the Defense of Political Prisoners is an organization created ostensibly to support and defend civil liberties. In January 1938 its name was changed to the National Committee for People's Rights although so far as known, no substantial change was made in its set-up or functions. At the present time it is referred to interchangeably under both names.

Information regarding this organization is limited. It is not known when the National Committee for the Defense of Political Prisoners was formed but there is a record of its meeting as early as July 1921. At that time it appeared to follow an anarchistic trend and not to be connected with the Communist Party. In fact, a meeting held at New Orleans in 1925 was reported to have been broken up by Communists when a speaker attempted to address it regarding "Political Prisoners of Russia." Communist penetration appears to have begun about 1926 when Elizabeth Gurley Flynn, its then secretary, who was active in the International Workers of the World and the Peoples' Council, a radical organization, joined the Communist Party. She is presently a member of the party's national committee and one of its outstanding leaders.

Information secured from confidential informants, in a position to speak reliably, indicates that the National Committee for the Defense of Political Prisoners is substantially equivalent to International Labor Defense, legal arm of the Communist Party. Unlike International Labor Defense, however, which operates principally among the middle and lower classes, the subject organization caters to financially and socially prominent liberals to attract the influence of their patronage and their contributions in support of civil liberties cases selected for defense. Its membership, which in 1937 was stated under oath by a southern official to number approximately 150 persons, has never been sought to be increased substantially. It maintains a national office in New York City and from time to time has had branch offices at Boston, Philadelphia, Cleveland, and in northern and southern California. The organization works through local branch offices opened in the locality of an alleged "political persecution" selected for representation. Such local offices conduct publicity campaigns through press releases and solicit funds to defray the cost of defending the alleged victims and of supporting their dependents during and after trial.

Information of the confidential character referred to above is to the effect that for a number of years past the N. C. D. P. P. or N. C. P. R. has been infiltrated and controlled by the Communist Party. In one instance an informant reported that it received financial support from Amtorg Trading Co., the principal Soviet commercial agency in the United States, while another informant stated that funds of the N. C. D. P. P. had been diverted to Communist Party uses. These allegations are supported by substantial evidence.

For years persons prominently identified with communism in this country have been associated with it, including members of the national committee of the Communist Party, Communist State officers, a present coowner of the Daily Worker, and numerous fellow travelers who were also closely associated with various Communist-front organizations, contributors to Communist publications, and otherwise outstanding in Communist activities. A former national chairman of the N. C. D. P. P., a member of the Communist Party, United States of America, is confidentially reported to have toured the country with a German "political prisoner," lecturing on conditions in Germany and raising considerable funds, a portion of which were diverted to Communist Party uses. The organization has also collaborated with many other known Communist-front groups in their activities. According to another confidential source, plans for agitation and organization of the unemployed in the State of New York, leading eventually to the national hunger march of 1931, were partially formulated at its national office. It is significant that the cases selected for defense, so far as known, have, without exception, been those of Communists or cases publicized by the Communist Party.

The N. C. D. P. P. figured prominently in demonstrations on behalf of the Scottsboro boys; vigorously protested the prosecution of Angelo Herndon, presently a high Communist official; condemned the "persecution" of William Schneiderman, California State secretary of the Communist Party, and Earl Browder, general secretary of the Communist Party, United States of America; came to the fore in defense of individuals prosecuted for soliciting recruits for armies of Loyalist Spain; defended those prosecuted for procuring forged signatures to a Communist election petition in Pennsylvania; organized the Oklahoma Committee to Defend Political Prisoners; and solicited funds and sought to obtain as much Nation-wide publicity as possible on behalf of Robert Wood, Oklahoma State secretary of the Communist Party, and his Communist codefendants in the recent syndicalism trials in that State.

It also has followed the Communist Party line in numerous instances, condemning the Dies committee and the methods of the Federal Bureau of Investigation, the use of troops in connection with the North American Aviation Co. strike in California in June 1941, and protesting the administration's foreign policy prior to the Nazi attack on Russia. Subsequent to the invasion it sponsored a people's meeting.

The organization has also engaged in activities which are not strictly civil liberties in character. In April 1938, for example, it cooperated with the Congress of Industrial Organizations, the American Civil Liberties Union, International Labor Defense, American League for Peace and Democracy, and Workers Defense League in staging a New Jersey Congress of Industrial Organizations organizing rally. In addition, it conducted an investigation of mining conditions in the States of Kansas, Missouri, and Oklahoma with particular regard to the development of silicotic and tubercular conditions. In connection with this project a former Kansas Communist State official testified before the Dies committee that the extensive correspondence between himself and various governmental agencies on silicosis in those States, introduced into evidence, had been prepared by the Communist Party headquarters in New York City and dispatched by him on behalf of the N. C. P. R. Testimony before the Dies committee has characterized the N. C. D. P. P. or N. C. P. R. as a "transmission belt" or front for the Communist Party.

[Strictly confidential]

THE NATIONAL FEDERATION FOR CONSTITUTIONAL LIBERTIES

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The National Federation for Constitutional Liberties, with headquarters in Washington, D. C., and affiliates throughout the United States, is part of what Lenin called the solar system or organizations, ostensibly having no connection with the Communist Party, by which Communists attempt to create sympathizers and supporters of their program among those who would never affiliate themselves openly with the party. Membership in the National Federation or its affiliates likewise consists of those sympathetic to the stated aims of the organization, who may or may not be aware of its Communist control, as well as party members and fellow travelers.

The National Federation for Constitutional Liberties was established as a result of a conference on constitutional liberties held in Washington, D. C., June 7–9, 1940. Sixty-one organizations are said to have participated in this conference. In a pamphlet issued by the National Federation it is stated that it was organized to coordinate several existing organizations concerned "with the preservation and further realization of democratic rights" as guaranteed by the Constitution. It has affiliates or chapters in various parts of the country, such as the Oklahoma Federation for Constitutional Rights, the Michigan Civil Rights Federation, and the Washington Committee for Democratic Action. Its method of operation, like that of International Labor Defense, the legal aid arm of the Communist Party with which it is closely affiliated, is the creation of special committees for specific cases.

In one of its publications the federation states that it was founded because our constitutional guaranties are in danger; "as individuals we are powerless, but all together we are strong." The program of the federation seeks wider support by calling for the maintenance of the Bill of Rights, the preservation of the Wagner Act and of the guaranties to labor, the end of persecution of labor unions and aliens, and the repeal of poll-tax legislation. It demands the end of the "Gestapo activities" of the Federal Bureau of Investigation and the abolition of the Dies committee.

The program of the federation parallels closely the Communist Party line of 1940. This adherence to the party line is illustrated by the opposition, contained in much of the federation's pamphlet literature, to compulsory military training, which "would introduce dangerous major steps in the direction of Fascist control over the entire life of the community and especially over the labor movement." It was at this time that Communists were opposing conscription and the entire national defense program. One of the tactics which they used to attack the program was the emphasis on the threat to civil liberties and the rights of labor and of minority groups. Thus the National Federation for Constitutional Liberties served a useful function to Communists as it declared that "Ours is the task of true national defense."

The National Federation represents the principle of interlocking leadership common to Communist front and penetrated organizations. Owen A. Knox, the national chairman—resigned September 30, 1941—for example, is treasurer of the Michigan Civil Rights Federation and a member of the National Committee of International Labor Defense and of the Citizens Committee to Free Earl Browder. Most of the national sponsors and most of the national executive committee and many of the local heads of the federation are leaders of Communist organizations or are prominently identified with Communist activities.

The activities of the National Federation have been manifest chiefly in the various committees specially created for the defense of certain individuals. The defenses of Communist leaders such as Sam Darcy and Robert Wood, party secretaries for Pennsylvania and Oklahoma, have been major efforts of the federation. Through pamphlet literature and by appearances of members before legislative committees, the federation has also been active in behalf of or in opposition to legislation. It has led the recent fight against the continuance of the Dies committee, taken up by all Communist front organizations throughout the country. In both these aspects it has operated in close affiliation with the International Labor Defense. The latter has now become clearly identified as a Communist organization and has thus lost much of its usefulness in attracting adherents. The National Federation for Constitutional Liberties is one of the equivalent organizations set up to attract those who would not openly affiliate themselves with Communist groups if apprised of the facts.

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[Strictly confidential]

NATIONAL NEGRO CONGRESS

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The National Negro Congress is a federated organization of affiliated National, State, local, and community bodies which, according to the preamble of its constitution, "seeks to unite the Negro people and all friends of Negro freedom for complete social justice and full citizenship for the Negro Americans." Its stated aims and purposes include the abolition of Negro discrimination and intolerance, promotion of trade-unionism, broader employment opportunities, education and housing for colored people, and the spread of "truth regarding their traditions and contributions to American democracy." Earl Browder testified before the Dies committee, however, that it functions as a "transmission belt" for the Communist Party, and it has been characterized by James W. Ford, Communist Party Negro leader, as "a broadening of the people's front in America."

The National Negro Congress was proposed in May 1935 by a "national sponsoring committee," ostensibly unidentified with any organization, which issued a call for a convention, or congress, to be held at Chicago in February 1936. At this first congress, A. Phillip Randolph, the president of the organization, in a keynote address, condemned the "hard, deceptive, and brutal capitalist order," and proclaimed that "the maneuvering and disposing of the forces of Negro peoples and their sympathetic allies against their enemies can only be effectively worked out through the tactics and strategy of the united front." He denied that the National Negro Congress was dominated by Communists or that he and John P. Davis, whom he described as "the moving spirit of the congress and secretary," were Communists although he was "willing to go down fighting for the rights of any Negro to exercise his constitutional right as a free man to join the Communist Party or any other party he may choose to join." Davis in fact was a prominent Communist Party "front" organization leader. Subsequently, however, at the Third National Negro Congress in April 1940, Randolph refused to be a candidate for the presidency of the organization on the ground that it was "deliberately packed with Communists and Congress of Industrial Organizations members who were either Communists or sympathizers with Communists.

Commencing with its formation in 1936, Communist Party functionaries and "fellow travelers" have figured prominently in the leadership and affairs of the congress. One of the principal speeches before the first congress in 1936 was delivered by James W. Ford, the perennial Communist Negro Vice-Presidential candidate, who previously, in 1935, had told the plenum of the central committee of the Communist Party that the National Negro Congress "promises to be one of the broadest movements ever organized among the Negroes of this country," which "the Communist Party endorses." Active at this congress also were Benjamin Davis, Jr., and Louise Thompson, both members of the central committee of the Communist Party, and Edward E. Strong, the chairman of the presiding committee of the youth section of the congress, a leader of the Young Communist League. The Second National Negro Congress, held in October 1937, was likewise addressed by leading Communists or fellow travelers, including James W. Ford, Clarence Hathaway, former editor of the Daily Worker, Dr. Harry F. Ward, chairman of the American League for Peace and Democracy, Louise Thompson and her husband, William E. Patterson, also a prominent Communist leader and vice president of International Labor Defense.

The National Negro Congress, throughout its existence, has closely followed the Communist Party lines, espousing causes and adopting issues sponsored by the party, and with regard thereto, has sought to affiliate itself and form united fronts with other organizations. It has characterized all legislation deemed a threat to the civil liberties of Communists or any alien or minority group as repressive and Fascist and has endorsed the defense of the Scottsboro boys, Angelo Herndon, and Tom Mooney. It is also actively engaged in the current campaigns to free Earl Browder and for the discontinuance of the Dies committee. In the field of American foreign policy it called for united action on the part of the democracies (including the Soviet Union) against fascism prior to the Russo-German pact of non-aggression, but after the signing of the pact assailed the imperialist conflict as having nothing to do with saving and extending democracy. When the Nazis attacked Russia, however, the leaders of the congress advocated all-out aid to the Soviet Union and urged immediate entrance of the United States into the war on the side of Britain and the Allies.

In the fields of activity normally attractive to Negro organizations, the National Negro Congress has been an agitational force against lynching and all forms of so-called Negro discrimination, lobbying for or against legislation on such questions through mass demonstrations, picket lines, telegrams, letters, and petitions. In the field of organized labor it has assisted the unions in their strikes and organizational work, and advocates union membership for all Negroes. Presently it is in the forefront of the struggle, along with numerous other penetrated or Communist led Negro organizations, for increased employment of colored persons in war industries, greater opportunities for the Negro in the Army and Navy, and for additional civil rights.

Throughout its existence, the congress has worked closely with other Communist front organizations all of which has been faithfully reported in the Communist press. Leaders of these groups are guests or speakers at functions of the congress or send their greetings and pledges of support, which, in turn, are reciprocated by officers of the Negro congress. It frequently joins such organizations in sponsoring meetings and demonstrations and is affiliated with some of them, such as the American Council on Soviet Relations. From time to time the National Negro Congress has received financial aid from International Workers Orders, one of the strongest Communist organizations, and according to A. Phillip Randolph, John P. Davis, secretary of the congress, has admitted that the Communist Party contributed $100 a month to its support.

From the record of its activities and the composition of its governing bodies, there can be little doubt that it has served as what James W. Ford, elected to the executive committee in 1937, predicted: "an important sector of the democratic front," sponsored and supported by the Communist Party.

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[Strictly confidential]

WASHINGTON COOPERATIVE BOOK SHOP

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The Washington Cooperative Book Shop, under the name "The Book Shop Association," was incorporated in the District of Columbia in 1938 for the stated purposes of providing a meeting place for persons interested in literary and cultural activities, providing for the cooperative purchase and resale of literature and works of art for the profit of its members as consumers, maintaining a renting library and ticket service, and fostering other activities of a literary, educational, and cultural nature. The association is a nonstock corporation operated on the cooperative plan, with 9 trustees elected by the membership, which, according to its announcements, have numbered 1,000. It maintains a book shop and art gallery at 816 Seventeenth Street NW., Washington, D. C., where literature is sold and meetings and lectures are held.

Evidence of Communist penetration or control is reflected in the following: Among its stock the establishment has offered prominently for sale, books and literature identified with the Communist Party, and certain of its affiliates and front organizations, including works on the Communist Party of the Soviet Union, reports concerning American Youth Congress, literature of American Peace Mobilization, articles on the Young Communist

League, and Communist periodicals, such as New Masses. In this connection the Washington News of May 22, 1941, reported that the Washington delegates to the People's Convention of the American Peace Mobilization at New York City in that year were advised that only at the Washington Cooperative Book Shop could they buy literature approved by that organization. Information received from confidential sources indicates that certain of the officers and employees of the book shop, including its manager and executive secretary, have been in close contact with local officials of the Communist Party of the District of Columbia. One member of the association has reported that he received literature, unsolicited, from the Communist Party of the District of Columbia, a circumstance which he attributed only to his membership in the association. In May 1941, Joseph Starobin, one of the editors of New Masses and a teacher at the Communist Party Workers School in New York City, lectured at the book shop, reportedly following the Communist Party line of that day, stressing the invincibility of the Soviet Union, and criticizing the Roosevelt administration. A quantity of literature of the type above described was displayed near the entrance of the book shop on that occasion.

In May 1941, the book shop desired to promote a membership drive and solicited the cooperation of the Cooperative League of the District of Columbia. The league, having received reports that the book shop was Communist-controlled, requested it to provide certain information. The information was not furnished and the book shop resigned from the league, stating it was doing so as a result of unfavorable publicity attached to the incident. At about the same time the Washington press carried news items reporting seizure by representatives of the Dies committee of a membership list of the book shop allegedly initialed to indicate those members who were regarded as "Stalinists." A meeting of the members of the book shop denied Communist control, and thereafter adopted a resolution disclaiming Communist domination and affirming adherence to the foreign policy of the administration.

In view of the nature of the enterprise, investigations of charges of participation in the Washington Cooperative Book Shop have been restricted to exclude mere patrons or subscribers and to include only those fairly charged with participation in its administration.

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[Strictly confidential]

WASHINGTON COMMITTEE FOR DEMOCRATIC ACTION

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The Washington Committee for Democratic Action is the affiliate in the District of Columbia of the National Federation for Constitutional Liberties.

The National Federation is part of what Lenin called "the solar system of organizations," ostensibly having no connection with the Communist Party but by which Communists attempt to create sympathizers and supporters of their program among those who would never affiliate themselves openly with the party. It was established at a conference of some 61 organizations held at Washington June 7-9, 1940, and it operates through affiliates or chapters in various parts of the country. In a pamphlet issued by the federation it is stated that it was organized to coordinate several existing organizations concerned "with the present and future realization of democratic rights" as guaranteed by the Constitution. Its method of operation, like that of the International Labor Defense, the legal aid arm of the Communist Party with which it is closely affiliated, is the creation of special committees for specific cases.

The program of the federation is made attractive by including the maintenance of the Bill of Rights and the preservation of the Wagner Act and of the guaranties to labor, the end of persecution of labor unions and aliens, and the repeal of poll tax legislation. It further demands the end of the "Gestapo activities" of the Federal Bureau of Investigation and the abolition of the Dies committee.

This announced program of the federation shows a close parallel to the Communist Party line of 1940. The adherence to the party line is convincingly illustrated by the opposition of the federation to compulsory military training at the time that Communists were opposing conscription and the entire national defense program. One of the Communist tactics was to attack the program by emphasizing the threat to civil liberties and the rights of labor and of minority groups. In this way the National Federation served a useful function to the Communists.

The national federation represents also the principle of interlocking leadership common to Communist-front and penetrated organizations. Most of the national sponsors and leaders and many of the local heads of the federation are prominent in Communist organizations or closely identified with Communist activities.

As a local chapter of the national federation, the Washington Committee for Democratic Action is reportedly an outgrowth of part of the membership of the American League for Peace and Democracy, which dissolved in the spring of 1940. The date of its formation thus probably coincides approximately with that of its parent organization. Many of its members were also active in the league's successor, the American Peace Mobilization.

The program of the Washington committee followed that of the national federation. National Communist leaders have addressed its meetings, and conferences sponsored by it have been attended by representatives of prominent Communist-front organizations. It has actively supported the right of Communists to meet whenever they please without police intervention and has otherwise followed the line of the national federation and of the Communist Party.

Just as membership in the national federation, or its affiliates, includes those sympathetic to the stated aims of the organization, who may or may not be aware of its Communist control, as well as Communist Party members and fellow travelers, so also some members of the Washington Committee for Democratic Action may be unaware of its Communist control. Ample opportunity to observe this affiliation and control has been present, however, throughout the committee's existence, and it is doubtful that many active members remain unsuspecting.

In discussing the American League Against War and Fascism, and then the American League for Peace and Democracy, the Attorney General, and the Interdepartmental Committee established by him, confirmed all of the findings of our committee and as a matter of fact in stronger language than we ever used; they branded them as Communist-controlled organizations. And remember, 376 of these employees were members of the American League, according to the membership records obtained from the headquarters of the organization in the city of Washington, and identified under oath by the chairman of the organization who himself was a Government official, as representing the bona fide membership list of the organization. The American peace mobilization which succeeded the American League for Peace and Democracy and which was 100 percent a Communist organization was also in equally strong language branded by the Department of Justice as a Communist-controlled organization. Then the National Federation of Constitutional Liberties, which is the organization that published and distributed the pamphlet, excerpts from which I read a moment ago, was disposed of by the Department of Justice in the following language:

The National Federation for Constitutional Liberties, with headquarters in Washington, D. C., and affiliates throughout the country, is part of what Lenin called the solar system of organizations, ostensibly having no connection with the Communist Party, by which Communists attempt to create sympathizers and supporters of their program among those who would not have affiliated themselves openly with the party. Membership in the National Federation or its affiliates likewise consists of those sympathetic to the stated aims of the organization, who may or may not be aware of its communist control, as well as party members and fellow travelers. The National Federation for Constitutional Liberties was established as a result of a conference on constitutional liberties held in Washington, June 7 to 9, 1940. In the pamphlet issued by the National Federation, it is stated it was organized to coordinate several existing organizations concerned with the preservation and further realization of democratic rights as guaranteed by the Constitution. It has affiliates or chapters in various parts of the country such as the Oklahoma Federation for Constitutional Rights, the Michigan Civil Rights Federation, and the Washington Committee for Democratic Action.

That is the organization that published this pamphlet, and the majority of the Washington, D. C., officials of that organization are employees of the Federal Government, as I shall prove from their own letterheads. Now, let us see what the Attorney General had to say about the Washington Committee for Democratic Action, which is the local branch of the National Federation for Constitutional Liberties:

Just as membership in the National Federation, or its affiliates, includes those sympathetic to the stated aims of the organization, who may or may not be aware of its Communist control, as well as Communist Party members and fellow-travelers, so also some members of the Washington Committee for Democratic Action may be unaware of its Communist control. Ample opportunity to observe this affiliation and control has been present, however, throughout the Committee's existence and it is doubtful that many active members remain unsuspecting.

In the statement the Attorney General dealt with the question of whether or not the members of that organization could be innocent, and he stated in effect that this organization had been closely

observed by the Government, that it was so openly communistic that he could not see how any active member could have any misgivings as to the control, nature, and purposes of the organization. I want to quote the exact language of the Department of Justice in order to hammer home the next point, which is that if the Attorney General, the Department and the Interdepartmental Committee found as a result of their painstaking and careful investigation that this organization was completely dominated by Communists, and that the Communist nature and purpose of it was so plain that few in it could mistake its purpose, then I want to address my inquiry to the Attorney General, whose representative is in the gallery, "Why is it that you exonerated 19 Government officials who are officers and sponsors of this organization?"

Under your own language, Mr. Attorney General, you have not only branded the organization as a Communist organization, but you have gone a step further and you have said that there could be little doubt about the nature of it, and yet when you come to report to the Members of Congress you did not report the discharge of 19 Government officials whose names and records I propose to read to Congress upon this occasion. You did not reprimand them, and as of September 15 of this year they are still on the Federal pay roll.

There are 78 leaders, officers, and sponsors of the National Federation for Constitutional Liberties. Of that number, 53 were also leaders and officers of the American Peace Mobilization. They were identified with every Communist movement that sprang into existence from the time of the American League for Peace and Democracy, succeeded by the American Peace Mobilization, and finally the National Federation for Constitutional Liberties.

Mr. Speaker, for the time being I will pass from the question of reading the names of these officers and sponsors, whose names appear on the letterheads of the organization, to a discussion of the American Peace Mobilization. As I said a moment ago, 53 of the officers and sponsors of the National Federation were also leaders of the American Peace Mobilization, the most completely Communist organization that was ever formed in the United States. This is the same organization that picketed the White House for 1,500 hours. It is the same organization that provided services and advice for those who wanted to evade the draft law of the country. It is the same organization that instigated strikes in the defense industries of our land.

For instance, I hold here a telegram sent by the Washington office of the American Peace Mobilization to the Congress of Industrial Organizations strike headquarters of the North American aircraft workers, in Inglewood, Calif.:

The perpetual peace vigil of the American Peace Mobilization now in its 738th hour supports you in your strike for decent wages. Today we put a sign on our picket line in front of the White House, "The right of labor to organize and strike goes hand in hand with the right to work. Strike-breaking by the American Army is Hitlerism."

This was the plant which the President ordered taken over by the Army after the Communist leadership of the union had halted production.

Let me read from their own files what they have to say about their purposes and intentions. For instance, in this folder from the American Peace Mobilization:

By now we know for sure that all aid short of war to England means war. Admitted in 1917 the flag follows the dollar and our stake in England is growing daily. But even if we do not approve of England's war, is not her side still preferable to Hitler's and isn't it better to fight to beat Hitler with England than without her? No. An English victory will result in the same sort of imperialism and antidemocratic peace as will a Nazi victory. The basic question is not which side of the war is preferable, but what will happen to democracy in this world if we go to war. Democracy has long gone from Germany, is being blacked out fast in England, and is being strongly attacked here in the United States. Spread the war to the United States and the blackout of democracy will be complete in all three countries, with only fascism, native and foreign, the victor.

In the program they recommend opposition to the Conscription Act. They held a meeting in New York at which thousands of delegates, including 600 from the District of Columbia attended. At that meeting they went on record denouncing the President of the United States as a tool of the warmongers of Wall Street. They issued pamphlets characterizing the President as a warmonger, determined to lead the American people to destruction.

In other words, this was the organization that, prior to Hitler's invasion of Russia, was engaged in a bold and deliberate attempt to sabotage our preparations for war and our defense measures. Notwithstanding that fact, here are these same Government employees who are now active in the National Federation for Constitutional Liberties, who were active in the American Peace Mobilization and in its predecessor, the American League for Peace and Democracy.

Permit me to read for you one song that they sang at the convention of the American Peace Mobilization in New York:

C for conscription and C for Capitol Hill.
C for conscription and C for Capitol Hill.
It's C for the Congress that passed that God-damned bill.
This here New York City water tastes like cherry wine.
This here New York City water tastes like cherry wine.
They tell me Army water tastes like turpentine.
I'd rather be here at home and live in a hollow log;
I'd rather be here at home and live in a hollow log;
Than go to the Army, be treated like a dirty dog.

Those excerpts will give you some idea of the true nature and purposes of this organization. I need not dwell upon the facts. I again mention it briefly that the leaders of the National Federation, this organization that has undertaken to indict the committee on un-American activities, has had the effrontery to write to the Attorney General and demand a grand jury investigation of our committee; this organization was permitted to picket for 1,500 hours at the White House, to do all within its power to sabotage our defense program. It was active in the strikes that were then going on in the defense industries of America. Not one time was the organization ever prosecuted in the United States.

The same leaders were also prominent in other organizations; they were active in the American Committee for the Protection of the Foreign-Born. Among the 78 individuals making up the leadership of the National Federation for Constitutional Liberties a majority have also been identified with the American Committee for the Protection of the Foreign-Born. Their leaders have also been active in the American Committee for Democracy and Intellectual Freedom. I need not go into further details, because, as I have said, the Attorney General himself and the Department of Justice have confirmed the findings of our committee in branding this organization as Communist-controlled.

Where, Mr. Speaker, does the National Federation for Constitutional Liberties receive its funds? We recently investigated the funds of a foundation known as the Robert Marshall Foundation. Robert Marshall was at one time an important official of the Government. He left a will under which he bequeathed $1,535,000 to be used for the education of the people of the United States of America to the necessity and desirability of developing an organization of unions of persons engaged in work or unemployed persons in the advancement of our American system in the United States based upon the theory of production for use and not for profit and other purposes. Among the trustees he named was Gardner Jackson, the same Gardner Jackson who confessed before our committee that he paid the money which purchased the forged letters that attempted to link me with William Dudley Pelley. Mr. Jackson was later rewarded by a promotion; he is now the principal economist in the Department of Agriculture. I hold in my hand his telephone bills showing his active participation in an effort by Communist organizations to spread their propaganda to defeat the Special Committee on Un-American Activities.

I also have the telegrams that were received from time to time by the National Federation for Constitutional Liberties.

I have the checks issued by the Robert Marshall Foundation to all of these organizations, and I now ask unanimous consent to place in the RECORD the list of checks totaling almost $100,000 that were contributed to organizations which our committee and the Department of Justice found to be Communist-controlled organizations.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

ROBERT MARSHALL FOUNDATION

For some years there has been an element of mystery in the ability of the Communist Party to finance its extensive network of front organizations. To a large extent our committee has now unraveled that mystery. The principal source of the funds by which these Communist front organizations are able

to operate today is the legacy of the late Robert Marshall, who until his death some 2 years ago was a high Federal Government official employed in the Department of the Interior.

Robert Marshall, the son of a rich man, left an estate which has been formally valued at $1,535,070.41. One-half of this estate was set aside in the will of the deceased for "the promotion and advancement of an economic system in the United States based upon the theory of production for use and not for profit."

This half of the estate of the late Robert Marshall has become the Robert Marshall Foundation. In his will Marshall named the following persons as trustees of this fund: Gardner Jackson, George Marshall, Heber Blankenhorn, Jerry J. O'Connell, and Raphael Zon.

It will be noted that one of the trustees of the Robert Marshall Foundation is now a high Government official, namely, Gardner Jackson, principal economist in the Department of Agriculture at a salary of $5,600. We shall show presently that the funds of the Robert Marshall Foundation are being used to finance a considerable number of the Communist Party's front organizations. It follows that if the Attorney General's investigation had resulted in the removal of Gardner Jackson from his Government post, the American people would have been spared the humiliation of having one of their officials functioning as one of the effective administrators of large funds now being used in the financing of the Communist movement in this country. Gardner Jackson was, of course, not one of the two whose removal followed the investigation of the Attorney General.

We list below the amounts and dates of checks which have been paid to numerous Communist front organizations out of the Robert Marshall Foundation, together with a very brief statement concerning each organization. In these brief statements we indicate only a single clue out of hundreds which could be cited to establish the Communist character of the organizations which have in the past 20 months been beneficiaries of the Robert Marshall Foundation.

It will be noted that this single clue is the organization's relationship with the American Peace Mobilization. We hardly need to be reminded that the American Peace Mobilization was the completely Communist-controlled organization which picketed the White House last year and which did everything within its power to sabotage the defense program of this country. The leaders of the American Peace Mobilization, of whom George Marshall was one, publicly declared that they had no preference for an English victory over a Nazi victory.

The following are the organizations and their records of checks from the Robert Marshall Foundation:

*American Guardian*

| | |
|---|---|
| Jan. 7, 1941 | $1,500 |
| Apr. 17, 1941 | 750 |
| Aug. 16, 1941 | 750 |
| Total | 3,000 |

The owner and editor of the American Guardian, a small newspaper published in Oklahoma, is one Oscar Ameringer. Ameringer was a member of the national council of the American Peace Mobilization.

*American Youth Congress*

| | |
|---|---|
| Jan. 7, 1941 | $2,000 |
| Apr. 8, 1941 | 1,200 |
| July 8, 1941 | 300 |
| Aug. 1, 1941 | 800 |
| Aug. 14, 1941 | 700 |
| Dec. 22, 1941 | 1,750 |
| Mar. 25, 1942 | 1,750 |
| June 16, 1942 | 1,750 |
| Total | 10,250 |

Probably no one today will deny the Communist control of the American Youth Congress, unless it be a person who wishes deliberately to conceal the facts of the matter. Jack R. McMichael, national chairman of the American Youth Congress, was also national vice chairman of the American Peace Mobilization. Joseph Cadden, executive secretary of the American Youth Congress, was also a member of the national council of the American Peace Mobilization. Cadden was one of the most active pickets of the White House.

*Farm research*

| | |
|---|---|
| Jan. 7, 1941 | $500 |
| Apr. 8, 1941 | 500 |
| Jan. 12, 1942 | 500 |
| Apr. 1, 1942 | 500 |
| June 16, 1942 | 500 |
| Total | 2,500 |

The Director of Farm Research, Charles J. Coe, was one of the national leaders of the American Peace Mobilization. On January 27, 1941, Coe signed the "call" for the national gathering of the American Peace Mobilization which was held in New York in April 1941.

*Farmers Educational and Cooperative Union of America*

| | |
|---|---|
| Jan. 12, 1942 | $7,500 |
| Apr. 1, 1942 | 7,500 |
| June 26, 1942 | 7,500 |
| Total | 22,500 |

The following leaders of the Farmers Educational and Cooperative Union of America were also national leaders of the American Peace Mobilization: Gerald Harris, Alabama Farmers Union; Charles Egeley, Minnesota Farmers Union; Clinton Clark, Louisiana Farmers Union; E. H. Chrum, South Dakota Farmers Union; H. S. Bruce, Montana Farmers Union; H. R. Lenox, Ohio Farmers Union; Solon Phillips, Pennsylvania Farmers Union.

*Federated Press*

| | |
|---|---|
| Jan. 7, 1941 | $500 |
| Aug. 16, 1941 | 1,000 |
| Apr. 1, 1942 | 1,000 |
| July 18, 1942 | 750 |
| Total | 3,250 |

The first manager of the Federated Press was Emil J. Costello, a Wisconsin Communist. Costello was one of the national leaders of the American Peace Mobilization. Harvey O'Connor has also been an active leader of the Federated Press as well as a member of the national council of the American Peace Mobilization.

*Frontier Films*

| | |
|---|---|
| Aug. 14, 1941 | $4,000 |
| Aug. 28, 1941 | 2,000 |
| Total | 6,000 |

Frontier Films produced the Communist film Native Land, based on Richard Wright's Native Son. The picture featured the Negro actor, Paul Robeson. Both Richard Wright and Paul Robeson are prominent Communists and both were members of the national committee of the American Peace Mobilization.

*Gerald Harris*

| | |
|---|---|
| Apr. 8, 1941 | $500 |
| July 8, 1941 | 300 |
| Aug. 1, 1941 | 200 |
| Total | 1,000 |

Gerald Harris, Alabama Communist leader of the Farmers International and Cooperative Union of America, was a member of the national council of the American Peace Mobilization.

*Highlander Folk School*

| | |
|---|---|
| Jan. 7, 1941 | $400 |
| Apr. 8, 1941 | 800 |
| June 19, 1941 | 200 |
| Jan. 12, 1942 | $500 |
| Apr. 1, 1942 | 500 |
| June 16, 1942 | 500 |
| Total | 2,900 |

The Highlander Folk School, located in Tennessee, is headed by one James Dombrowski. Dombrowski was in close collaboration with the leaders of the American Peace Mobilization. Among many other things, he appeared as a speaker at one of their national gatherings held in Washington during the period of the Nazi-Soviet pact.

*International Juridical Association*

| | |
|---|---|
| Jan. 7, 1941 | $200 |
| Apr. 17, 1941 | 200 |
| Apr. 1, 1942 | 250 |
| July 18, 1942 | 250 |
| Total | 900 |

Six of the leaders of the International Juridical Association, all members of its national committee, assisted in the formation of the American Peace Mobilization. They are the following: Edward Lamb, Maurice Sugar, Abraham J. Isserman, Pearl Hart, Aubrey Grossman, and Irvin Goodman. These six, while in attendance at the Chicago meeting where the American Peace Mobilization was formed, sent a telegram to the President in which they denounced the conscription bill.

*Methodist Federation for Social Service*

| | |
|---|---|
| Jan. 12, 1942 | $250 |
| Mar. 25, 1942 | 250 |
| Total | 500 |

Harry F. Ward is the head of the Methodist Federation for Social Service. Ward was not only the national chairman of the American League for Peace and Democracy, but was also one of the national leaders of the American Peace Mobilization.

*National Federation for Constitutional Liberties*

| | |
|---|---|
| Jan. 7, 1941 | $2,500 |
| Apr. 8, 1941 | 1,600 |
| June 19, 1941 | 400 |
| July 8, 1941 | 800 |
| Aug. 14, 1941 | 700 |
| Dec. 22, 1941 | 2,750 |
| Mar. 25, 1942 | 2,750 |
| June 16, 1942 | 2,750 |
| Total | 14,250 |

The former chairman of the National Federation for Constitutional Liberties, Owen A. Knox, and the present chairman, George Marshall, were both members of the national council of the American Peace Mobilization.

*National Negro Congress*

| | |
|---|---|
| Jan. 7, 1941 | $2,000 |
| Apr. 8, 1941 | 1,200 |
| June 14, 1941 | 300 |
| July 8, 1941 | 500 |
| Aug. 16, 1941 | 500 |
| Dec. 22, 1941 | 1,250 |
| Dec. 22, 1941 (Max Yergan) | 625 |
| Mar. 25, 1942 | 1,250 |
| Mar. 25, 1942 (Max Yergan) | 625 |
| June 16, 1942 | 1,250 |
| June 16, 1942 (Max Yergan) | 625 |
| Total | 10,125 |

The chairman of the National Negro Congress, Max Yergan, and its executive secretary, John P. Davis, were both members of the national council of the American Peace Mobilization.

*Southern Conference for Human Welfare*

| | |
|---|---|
| Jan. 7, 1941 | $500 |
| May 4, 1942 | 1,000 |
| Total | 1,500 |

The present chairman of the Southern Conference for Human Welfare, John B. Thompson, was formerly the national chairman of the American Peace Mobilization. The executive secretary of the Southern Conference for

Human Welfare, Howard Lee, was also a member of the national council of the American Peace Mobilization.

*Southern Negro Youth Congress*

| | |
|---|---|
| July 18, 1942 | $750 |

Herman Long represented the Southern Negro Youth Congress on the national council of the American Peace Mobilization.

*Southern School for Workers*

| | |
|---|---|
| Jan. 7, 1941 | $2500 |
| Apr. 17, 1941 | 250 |
| July 8, 1941 | 300 |
| Aug. 1, 1941 | 200 |
| Apr. 1, 1942 | 500 |
| July 18, 1942 | 500 |
| Total | 2,000 |

The Southern School for Workers is headed by a group of radicals most of whom were active in the American Peace Mobilization.

*U. S. Week*

| | |
|---|---|
| Aug. 16, 1941 | $4,000 |
| Oct. 2, 1941 | 2,000 |
| Total | 6,000 |

U. S. Week is an unimportant publication which has faithfully followed the line of the Communist Party. In the days of the American Peace Mobilization, it went along with that particular line of the party.

Without exception, the foregoing organizations and individuals who have been beneficiaries of the Robert Marshall Foundation have been distinctly Communist or pro-Communist in their affiliations and policies. In particular, they have records of affiliation with or support of the American Peace Mobilization.

For many years, the son of another rich man, Charles Garland, was the principal benefactor of the Communist movement in the United States. Garland's fund was known as the American Fund for Public Service. The Garland funds have been exhausted for some time now. The Robert Marshall Foundation is the true successor of the Garland fund in enabling the Communist Party to carry on the work of its extensive solar system of front organizations.

Mr. DIES. Furthermore, Mr. Speaker, when the gentleman from Virginia was a candidate for reelection, the National Federation for Constitutional Liberties called every radio and newspaper in his district 1 week before the election in behalf of his opponent. Here is an enormous fund of $1,535,000 being used by Gardner Jackson and Jerry O'Connell, who is one of the trustees of the will, being used for the deliberate purpose of spreading disunity and lies throughout the United States and undertaking to blacken the name of every Member of Congress who does not meet their qualifications of liberalism.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield.

Mr. O'CONNOR. Did the gentleman say "Jerry O'Connell" or "JERRY O'CONNOR"?

Mr. DIES. I referred to Jerry O'Connell, who served in the House as a Member from Montana.

Mr. O'CONNOR. Be sure that the name is straight, please.

Mr. DIES. I did not mean the gentleman now addressing me.

Mr. Speaker, if I can get the time I want to spread all these facts before the House. There can be no contradiction of them. Here are the telegrams; here are the photostatic copies of checks. My only difficulty, as I said, is that I have so many records I cannot use them quickly.

Mr. Speaker, I also ask unanimous consent to place in the RECORD the will of Robert Marshall and the order of the surrogate court admitting it to probate which contains information that will prove of great value to Members of Congress who may be the victims of these organizations in the coming elections.

The SPEAKER pro tempore. Without objection, the request is granted.

There was no objection.

R. MARSHALL—LAST WILL

1. Just bills, funeral, be paid.

2. I nominate and appoint my brother, James Marshall, to executor. In the event he dies before me or fails to qualify, or having qualified shall die, resign, or be otherwise unable before my estate shall have been fully administered, then I appoint my brother, George Marshall, as such executor. I direct that no person named as executor shall at any time be required to give bond or security of any kind in any jurisdiction for faithful performance of his duties.

3. I give unto Herbert Clark, of 7 West Saranac Lake, N. Y., sum, $3,000.

4. I direct all rest, residue, and remainder of my estate, of every nature, real and personal, to be divided by my executor into four parts, as nearly equal in value as practicable, and disposed as follows:

5. Two of said parts I give unto Gardner Jackson, 6 West Kirk Street, Chevy Chase, Md., my brother, George Marshall, Hebar Blankenborn, of Washington, D. C., Jerry O'Connell, of Butte, Mont., and Rapheal Zon, 2237 Doswell Avenue, St. Paul, Minn., and the survivors of them, and to invest, reinvest, and keep invested said parts and to apply the income derived therefrom and such parts of the principal as they may in their unlimited discretion deem necessary for the following objects and purposes:

The education of the people of the United States of America to the necessity and desirability of the development and organization of unions of persons engaged in work or of unemployment and unemployed persons and the promotion and advancement of an economic system in the United States based upon the theory of production for use and not for profit.

The objects and purpose herein set forth shall be carried out through lawful means and only through lawful means, and for the purpose of carrying out such objects and purposes I grant to the trustees named full power and authority to employ and pay organizers, lecturers, and writers, and such assistants as they deem necessary, for properly fulfilling the objects and purpose of the trust as set forth by me herein; and to print, publish, and distribute pamphlets, books, magazines, newspapers, and generally to use any and all lawful means toward the furtherance of such objects and purposes, and shall further have the authority to draft bills and accounts, and laws and other legislation, and use all lawful means to have the same enacted into the laws of the various States of the United States of America and by the Congress of the United States.

B. One of the said parts I give, devise and bequeath to my brother James Marshall, Edwin S. Smith of Washington, D. C., Roger Baldwin of New York City, John Finerty of New York City, Gardner Jackson of Maryland, and the survivors of the, and to the successors, in perpetuity, in trust, nevertheless, to invest, reinvest and keep invested said part and to apply the income derived therefrom and such part of the principal as they may, in their unlimited discretion, deem necessary for the following purposes:

The safeguarding and advancement of the cause of civil liberties in the United States of America and various States by all lawful means and activities, with full power and authority to the trustees to print, publish, and distribute pamphlets, books, magazines and newspapers and generally to use any and all lawful means to have them enacted into the law of the various States and by the Congress of the United States, and their Federal Constitution and by various States' constitutions be forever maintained, preserved and developed.

C. The remaining part I give, devise, and bequeath unto Robert S. Yard, 1840 Mintwood Place, Washington, D. C., George E. Marshall, William Zimmerman, Jr., Indian Office, Washington, D. C.; Irving Clark, Bellevue, Washington, D. C.; Olans Maurie Jackson, Wyo., and the survivors of them, and to their successors, in perpetuity, in trust nevertheless, to invest, keep invested said part and to apply the income derived and such part of the principal as they may deem necessary for the following objects and purposes.

The preservation of the wilderness conditions in outdoor America, including, but not limited to, the preservation of areas of primitive conditions, vegetation and fauna, and the trustees shall have full power to employ and pay lecturers, writers, and publish books, magazines, and to use all lawful means to increase the knowledge of the citizens of the United States of America as to the importance of maintaining wilderness conditions in outdoor America for the future, and said trustees shall be empowered to use all lawful means in opposing statutes or regulations which will or may affect the maintenance of wilderness conditions and trustees will have power to draft such bills and acts, and other legislation and use all lawful means to have same enacted in the United States of America—which will safeguard and preserve wilderness conditions in outdoor America.

(5) If any purpose of any of the trusts, (A), (B), or (C), specified in the preceding paragraph shall be held invalid by any court, then, in that event, I direct that the trustees of the trust, with respect to which invalidity shall have been determined, shall devote the principal and income of said trust created to the remaining purpose of said trust. If any trust created in any of the said subdivisions of the preceding paragraph shall be held invalid in its entirety by any court, then, and in that event, I direct that the principal and accrued income of said trust, so held invalid, shall be divided into two equal parts between the remaining trusts to the end that one-half of said trust and accrued income thereon shall be paid over and delivered to the trustees of each of the remaining trusts provided for in this will, which sum so paid over shall be administered by the trustees of each said trust for the uses and purposes set forth in this will.

(6) In making distribution of my residuary estate my executor is authorized and empowered in his sole discretion to make such distribution in kind, or partly in kind and partly in money, and for such purposes the judgment of my executor concerning the propriety thereof, and the relative value of the property and securities for the purpose of distribution, shall be binding and conclusive on all persons interested therein. My executor may also apportion to the aforesaid trusts such securities as I may hold at the time of my death, irrespective of the fact that they may be securities other than those of which the investment of trust funds is ordinarily limited, and I grant to said trustees named in paragraph "Fourth" of this will the power to hold and to continue any investment so received from my executor—even though they be of a character not conforming with the legal requirements as to the investment of trust funds. Any other investment or reinvestment by my trustees shall only be made

in such securities as constitute legal investments for trustees under the laws of the State of New York.

(7) If the trustees of the trusts created in subdivision (A), (B), (C) of paragraph Fourth hereof shall determine that the objects and purposes of the trusts of which they are trustees may be best carried out by a transfer and assignment of the whole or any part of the principal of the income constituting said trust fund to a membership or other nonprofit-making corporation, or corporation organized under the laws of the State of New York whose objects and purposes shall be in accord with or include the objects and purposes for which said trust is created, said trustees are hereby notified and empowered to transfer and assign the whole or any part of the principal or income constituting said trust fund to such corporation or corporations in such amounts and at such times as they in their unlimited judgment may deem proper. The purpose hereof being to have said trustees determine from time to time the method best adapted to accomplish the objects and purpose of the trusts which they are acting as trustees.

(8) If the trustees of any of the trusts specified in paragraph "fourth" hereof shall determine that the objects and purposes of the trust of which they are trustees may best be effected by corporate means, they are expressly empowered to incorporate or cause to be incorporated under the general laws of the State of New York or any special act of the Legislature of the State of New York a corporation which shall have authority among such other powers as may be conferred upon it, to take hold the property constituting the trust fund with respect to which such corporation shall have been organized and to administer, invest, and dispose of the same, and to devote the principal thereof and the income therefrom to the object and purposes specified in the said trust. In the event that the trustees shall cause to be incorporated any corporation with respect to any said trusts, I direct that the person named as trustee for said trust with respect to which corporation shall have been organized shall act as trustee or directors of said new corporation for least the first year of its existence and as long thereafter as they shall be elected and may be willing to serve.

(9) If any of the persons named as trustees shall decline to serve or for any reason be unable to do so, I authorize and empower the trustee who shall serve or the survivor of them to fill the vacancies created. The trustees of such corporations shall have power from time to time to fill all vacancies occurring in the board.

(9) In the event of any trustees named in any of the subdivisions of paragraph "fourth" hereof shall die before me or shall fail to qualify, or any such trustees shall be filled by a majority of the remaining trustees of the said trusts who shall have qualified by resolution and appointment in writing entered in books of record of their proceedings as trustees, and certification of such appointment executed by such remaining trustee shall be filed in the office of the manager of said trust fund and thereupon the trustees so designated shall upon the written acceptance of such appointment duly acknowledged and deposited with said fund manager become vested with all the powers, duties, and privileges of the trustees who shall have died before me, or shall not have qualified with the same force and effect as though originally named in this will as trustees of said trust. Any trustees named in any of the subdivisions of part fourth hereof may at any time resign his trust by a writing signed by him and delivered to the remaining trustees, accompanied by a proper transfer and release of his title to any interest in the property of the trust. In the event of the death or resignation of any of the trustees named in the vacancy thereby created shall be filled by a majority of the remaining trustees of said trust by resolution and appointment in writing entered in the book of records of their proceeding and certificate of appointment executed by remaining trustees shall be filed in the office of the manager of said trust fund and thereupon the trustees so designated shall upon the written acceptance of such appointment duly acknowledged and deposited with said fund manager become vested with all the powers, duties, and privileges of the trustees so resigning, with the same force and effect as though originally named in this will as trustees of said trust.

(10) The trustees of each of the said trusts created by this will shall not be liable to any error of judgment with respect to any of their acts hereunder nor shall they be liable for the acts or omissions of each other, nor shall they, unless appointed by the courts, be required to give any bond for due performance of the trust with respect for which they are appointed, nor shall they be entitled to receive compensation for their services; they shall respectively be responsible, each only for his own willful misconduct and not for any act, default or misconduct of any other trustee.

(11) Except as herein otherwise provided and as to acts ministerial in their nature, the concurrence of a majority of the trustees with respect to each trust shall be necessary for the purpose of giving legal effect to any act of the trustees but it shall not be necessary that full concurrence shall be given at a formal meeting of the trustees, but it may be evidenced by cable, telegraphic or written assent of the trustees.

(12) As to strangers of each of said trusts created by this will, the written assent of a majority of the trustees authorizing a particular act to be done shall be conclusive evidence that it is within the powers of the trustees and no purchases from them shall be bound to see to the application of the purchase money or any other consideration paid or delivered by or for such purchases to or for the trustees.

In witness whereof I hereunto set my hand 12th day of July, 1938.

ROBERT MARSHALL.

Witnesses:

Catherine Malthy Blaisdell, Washington, D. C.

Thomas C. Blaisdell, Lakeland, Fla.

James Marshall, petitioner, brother, 88 Central Park West, New York City.

George Marshall, brother, executor, 28 East Sixty-third Street.

Gardner Jackson, trustee in will, 6 North Kirk Street, Chevy Chase, Md.

Heban Blankenhorn, trustee in will, 805 Duke Street, Alexandria, Va.

Jerry O'Connell, trustee in will, Butte, Mont.

Raphael Zon, trustee in will, 2237 Doswell Avenue, St. Paul, Minn.

Edwin S. Smith, trustee in will, 282 West Eleventh Street.

John Finerty, named in will, 41 East Sixty-first Street, New York City.

William Zimmerman, Jr., named in will, 4713 North Rock Spring Road, Bellevue, Washington, D. C.

Olas Murie, named in will, Jackson, Wyo.

Lawyer for will, Marshall Bratter & Seligson, 150 Broadway, New York City.

Recorded, 1675 page 72.

Probated January 10, 1940.

Mr. SMITH of Virginia. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield.

Mr. SMITH of Virginia. The gentleman referred to people having sent telegrams to the district of the gentleman from Virginia who was a candidate for reelection.

Mr. DIES. That is correct.

Mr. SMITH of Virginia. I am wondering to which Member from Virginia he referred.

Mr. DIES. I referred to the gentleman from Virginia [Mr. SMITH], who was opposed in the last primary. This is the way we got the information: The information was obtained from telephone conversations, from the statements of editors who were called up from Washington, D. C. Upon tracing the calls they were found to be charged to the National Federation of Constitutional Liberties.

Mr. SMITH of Virginia. I do not want to interrupt——

Mr. DIES. I shall be pleased to yield.

Mr. SMITH of Virginia. I just wondered if the gentleman could tell me, merely for my own information, what was the purport of the telephone calls?

Mr. DIES. The purpose of them was to oppose the gentleman. The purpose of them was that the National Federation was active in undertaking to defeat the gentleman in the last primary election.

Here are photostatic copies of the checks showing almost $100,000 expended from this fund by the principal economist of the Department of Agriculture. Let me break down these checks so you may see what they are. I may say also that information now in my possession will probably lead to the disclosure of further large funds that are now being used by organizations with immunity for the purpose of defeating Members of the House who are exercising their constitutional rights in representing the people of their districts.

Mr. RANKIN of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield.

Mr. RANKIN of Mississippi. Will the gentleman insert in the RECORD at this point the names appearing on those checks and the amount of each one?

Mr. DIES. I am going to do that; I am going to put them in the RECORD.

Let us take the first check. It is to the American Youth Congress in the amount of $2,000 and is dated January 7, 1941. Here is a check for $1,200 dated April 8, 1941. There was a total of $10,250 contributed by Gardner Jackson to that organization which even the First Lady of the land now admits was controlled by Communists. Farm Research, $2,500; the Director of Farm Research, Charles J. Coe, was one of the national leaders of the American Peace Mobilization. On January 27, 1941, Coe signed the call for a national gathering of the American Peace Mobilization which was held in April 1941, in New York.

Here are checks totaling $3,250 to the Federated Press. The first manager of the Federated Press was Emil J. Costello, a Wisconsin Communist. Costello was one of the national leaders of the American Peace Mobilization.

Here is The Frontier Films, an out-and-out Communist organization, $6,000 donated by Mr. Gardner Jackson out of his $1,500,000.

Gerald Harris, $1,000 donated. Gerald Harris is Alabama Communist leader of the Farmers Educational and Cooperative Union of America and was a mem-

ber of the National Council of the American Peace Mobilization.

Highlander Folk School received $2,900.

The National Federation for Constitutional Liberties received $14,250. They mailed out of their offices here in Washington 25 sacks of pamphlets attacking our committee as agents of the Axis Powers, these same people who prior to the invasion of Russia by Adolf Hitler were picketing the White House, instigating strikes, advising young men how they could evade the draft and inspiring thousands of telegrams attempting to create pressure upon Congress to prevent us from doing what we did at that time to prepare the Nation for the emergency. Here is that same group who are now receiving from Gardner Jackson $14,250 in an attempt to spread malicious lies against a committee of this Congress and eventually in a well-formed program to defeat every Member of Congress who does not meet their qualifications of liberalism.

Mr. MAY. Will the gentleman yield?

Mr. DIES. I yield to the gentleman from Kentucky.

Mr. MAY. It may be of interest to the House to know that during the hearings on the Selective Training and Service Act two of these organizations at least got so persistent in their demand on the committee that I had to call the Capitol Police force for protection of the committee.

Mr. DIES. Every one of these organizations who received contributions from this fund are named, or their leaders are named in the call of the American Peace Mobilization for a gathering in New York. In other words, I have here the folder of the American Peace Mobilization signed by a number of officers and leaders of these organizations and here is the principal economist of the Agriculture Department giving $14,250 to an organization organized for sabotage purposes.

Mr. EBERHARTER. Will the gentleman yield?

Mr. DIES. I yield to the gentleman.

Mr. EBERHARTER. I would like to know whether any of these checks to which the gentleman is referring are dated after December 8, 1941?

Mr. DIES. These checks are recent checks. They come right along. I will read them. Here is one dated May 25, 1942; here is one July 18, 1942, July 18, 1942, July 18, 1942, July 18, 1942, June 16, 1942, June 16, 1942, June 7, 1941, and on down. Many of them are recent checks issued in the past few months.

Mr. RANKIN of Mississippi. Will the gentleman yield?

Mr. DIES. I yield to the gentleman from Mississippi.

Mr. RANKIN of Mississippi. As I understand the gentleman, some of those checks were issued before the Pearl Harbor incident and some of them after the Pearl Harbor incident?

Mr. DIES. Yes.

Mr. RANKIN of Mississippi. So it is an unbroken chain of circumstances?

Mr. DIES. Yes. Mr. Speaker, I ask unanimous consent that my time may be extended 30 minutes. I ordinarily do not trespass upon the time of the House, but this is important.

The SPEAKER pro tempore (Mr. COOPER). Is there objection to the request of the gentleman from Texas [Mr. DIES] that he may proceed for an additional 30 minutes?

There was no objection.

Mr. COFFEE of Nebraska. Will the gentleman yield?

Mr. DIES. I yield to the gentleman from Nebraska.

Mr. COFFEE of Nebraska. Will the gentleman state whether the Union for Democratic Action was the recipient of some of that money also?

Mr. DIES. Here is a check to the National Negro Congress. The sum of $10,125 was contributed to that organization. Here is the Southern Conference for Human Welfare that received contributions totaling $1,500. Mind you, all these organizations formed the American Peace Mobilization. They were the ones that were guilty of obscenity in their public gatherings, they were guilty of denouncing the President of the United States in the most vicious and indecent terms, they were guilty of the most open and flagrant actions of sabotage that any organization was ever permitted in a republic, yet here they are receiving various sums of money.

Mr. ROBERTSON of Virginia. Will the gentleman yield?

Mr. DIES. I yield to the gentleman from Virginia.

Mr. ROBERTSON of Virginia. Before the gentleman leaves the subject of the disbursements of this foundation, I wish to call his attention to the fact that subsection 6 of section 101 of the Internal Revenue Code, under which religious, charitable, and other organizations claim exemption from taxation, lose that exemption if they engage in political activity. Will the gentleman bring to the attention of the Internal Revenue Bureau of the Treasury Department all evidence that he has of political activities upon the part of those who now enjoy tax-free exemption?

Mr. DIES. I thank the gentleman. Seven hundred and fifty dollars on July 18, 1942, was donated to the Southern Negro Youth Congress. The Southern School for Workers received $2,000. The Southern School for Workers is headed by a group, most of whom were active in the American Peace Mobilization movement.

The U. S. Week received $6,000. The U. S. Week is an unimportant publication that has faithfully followed the line of the Communist Party.

I now return to the question of the Government officials who belong to the Washington chapter of the Committee for Democratic Action. I address my remarks through you to the representative of the Department of Justice. I propose to have a show-down on this question. I know that if our committee were to subpena the records of the F. B. I., if we were to ask the Attorney General to bring the record of these 601 cases before us and to make public the confidential memorandum which I am inserting in the RECORD, he would assert that our committee is prejudiced, that it is not a fair and impartial forum before which to go.

I therefore invite him, and I invite the Subcommittee on Appropriations to ask the F. B. I. to bring all of the facts and the records before it, also to request of us all our facts about these Government employees, and behind closed doors sift the evidence and ask the Attorney General why, after having branded an organization as Communist-controlled, after having gone on record with the assertion that the organization had been closely observed by the Government and that its nature was so plain that few could be misled, why it is that having all those facts before him he failed to take any action against those employees.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield to the gentleman from New Jersey.

Mr. THOMAS of New Jersey. May it not be true also that the Federal Bureau of Investigation submitted more than one report to the Attorney General? I mean by that, have we not heard that the first report submitted by the Federal Bureau of Investigation to the Attorney General was sent back with instructions that it be toned down?

Mr. DIES. That is a very interesting question that the subcommittee of the Appropriations Committee should ask of Director Hoover, who in my judgment is one of the most fearless, efficient, and capable law-enforcement officers in the United States.

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

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

Mr. FISH. There is one point I should like the gentleman to emphasize right at this juncture: This Mr. Gardner Jackson to whom the gentleman referred as sending this money out to Communist front organizations is now holding a Government job, as I understand the gentleman?

Mr. DIES. Principal economist.

Mr. FISH. In what department?

Mr. DIES. The Department of Agriculture.

Mr. FISH. What is his salary?

Mr. DIES. I think $5,600.

Mr. FISH. He has been holding that job all the time he has been sending this money out to the Communist organizations, to spread communism?

Mr. DIES. After he confessed before our committee that he paid the money to buy the letters that were widely circulated throughout the country, and particularly in my own district, attempting to link me with William Dudley Pelley, he received a promotion.

Mr. FISH. He is still holding the job today?

Mr. DIES. Yes; he is still holding the job.

Mr. RANKIN of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield to the gentleman from Mississippi.

Mr. RANKIN of Mississippi. The gentleman referred a moment ago to some economist in the Department of Agriculture who has received some of these contributions.

Mr. DIES. No; the gentleman is mistaken. I was referring to the principal

economist, Mr. Gardner Jackson, who disbursed the funds.

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

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

Mr. MASON. This Gardner Jackson, who is now chief economist for the Department of Agriculture, is the man who is responsible quite largely for figuring the parity payments that we discussed so much yesterday.

Mr. DIES. Mr. Speaker, remember this, and this is another question that I want answered by the Attorney General when he appears before the subcommittee of the Appropriations Committee. "Why was it, Mr. Attorney General, that PM published your report 5 days before you gave it to Congress? You got your $100,000 from Congress, not from PM. Who is it in the Department of Justice that delivered the facts to this parlor edition of the Daily Worker 5 days before the Congress of the United States received the facts?" I note that Kenneth Crawford, a sponsor of the National Federation for Constitutional Liberties, wrote the story in PM.

We present here a tabulation of the Federal Government employees who have affiliated themselves with the National Federation for Constitutional Liberty, or its District of Columbia chapter, the Washington Committee for Democratic Action:

THE NATIONAL FEDERATION FOR CONSTITUTIONAL LIBERTIES—AN ORGANIZATION OF GOVERNMENT OFFICIALS

Bearing in mind that the Attorney General had branded the National Federation for Constitutional Liberties and the Washington Committee for Democratic Action as Communist front organizations, and further bearing in mind the Attorney General's statement on the sinister character of Communist-front organizations, we are prepared to face the seriousness of the fact that the National Federation for Constitutional Liberties as it is organized in the District of Columbia under the name of the Washington Committee for Democratic Action is essentially an organization of Government officials. An effective majority of all the officers of the Washington Committee for Democratic Action are on the pay roll of the Federal Government. In other words, the individuals who run the organization or at least have the power to run it are Federal Government officials. Furthermore, the Attorney General has stated in his memorandum on the Washington Committee for Democratic Action that "ample opportunity to observe this affiliation and control (referring to Communist affiliation and control) has been present throughout the committee's existence (meaning by committee the Washington Committee for Democratic Action)." (Parentheses inserted to make the Attorney General's statement clear.)

We are faced with the following established facts:

(1) The National Federation for Constitutional Liberties and its District of Columbia chapter, the Washington Committee for Democratic Action, are Communist-front organizations. The Attorney General has said so, and on the basis of overwhelming evidence we concur in the Attorney General's judgment.

(2) A Communist-front organization is "represented to the public for some legitimate reform objective, but actually used by the Communist Party to carry on its activities pending the time when the Communists believe they can seize power through revolution." The Attorney General has said so, and on the basis of overwhelming evidence we concur in the Attorney General's statement concerning Communist-front organizations.

(3) The National Federation for Constitutional Liberties as it is represented in the District of Columbia by the Washington Committee for Democratic Action is composed of an effective majority of Federal Government employees so far as its governing body is concerned.

(4) The Federal Government employees who constitute this effective majority of the officers of the Washington Committee for Democratic Action have had ample opportunity to observe the communist affiliation and control of their organization from the very beginning of its existence.

(5) The foregoing clearly established facts necessitate the conclusion that these Federal Government employees have assumed the responsibility involved in running a Communist front organization. They and they alone bear this responsibility of enabling "the Communist Party to carry on its activities pending the time when the Communists believe they can seize power through revolution."

(6) An investigation has revealed that these Federal Government employees who constitute a majority of the officials of this communist front organization were still on the Government rolls as of September 15, 1942. Not one of them has been removed by his superiors as a result of any investigations by the Department of Justice.

We present here a tabulation of the Federal Government employees who have affiliated themselves with the National Federation for Constitutional Liberties or its District of Columbia chapter, the Washington Committee for Democratic Action:

Hugh Miller, chairman of the Washington Committee for Democratic Action: Hugh Miller is senior attorney for the Bituminous Coal Commission of the Department of the Interior at a salary of $4,600.

Other Communist affiliation of Hugh B. Miller: Leader of the American Peace Mobilization.

Alice Barrows, vice-chairman of the Washington Committee for Democratic Action: Alice Barrows is educationalist, specialist in school buildings for the Office of Education at a salary of $4,800.

Other communist affiliations of Alice Barrows: Member of the national committee of the American League for Peace and Democracy; Chairman of the affairs committee of the Washington Branch of the American League for Peace and Democracy; member of the Washington Bookshop.

Harry C. Lamberton, counsel for the Washington Committee for Democratic Action: Harry C. Lamberton is head attorney of the Rural Electrification Administration at a salary of $6,500.

Other Communist affiliations of Harry C. Lamberton: Chairman of the Washington branch of the American League for Peace and Democracy; delegate of the Conference on Pan American Democracy; member of the Washington Bookshop.

Jay Deiss, member of the executive committee of the Washington Committee for Democratic Action: Jay Deiss is senior editor writer in the radio and information service of the Federal Security Agency at a salary of $4,600.

Other Communist affiliation of Jay Deiss: Member of the Washington Bookshop.

Milton V. Freeman, member of the executive committee of the Washington Committee for Democratic Action: Milton V. Freeman is assistant solicitor for the Securities and Exchange Commission at a salary of $6,500.

Eugene C. Holmes, member of the executive committee of the Washington Committee for Democratic Action: Eugene C. Holmes is consultant in the Office of War Information at a per diem salary of $10.

Other Communist affiliations of Eugene C. Holmes: Secretary of the Washington chapter of the League of American Writers; signer of call for the Third American Writers Congress; sent letter to the New Masses; member of the American League for Peace and Democracy.

Teresa Liss, member of the executive committee of the Washington Committee for Democratic Action. Teresa Liss is assistant economic statistician in the Office of Price Administration at a salary of $2,600.

Woodrow J. Sandler, member of the executive committee of the Washington Committee for Democratic Action. Woodrow J. Sandler is assistant attorney of the National Labor Relations Board at a salary of $3,200, on military leave since August 22, 1942.

Other Communist affiliation of Woodrow J. Sandler: member of the Washington Bookshop.

Helen Watman, member of the executive committee of the Washington Committee for Democratic Action. Helen Watman is law clerk for the Reconstruction Finance Corporation at a salary of $2,200.

Other Communist affiliations of Helen Watman: member of the Washington Bookshop; member of the American League for Peace and Democracy.

Merle Vincent, former president of the Washington Committee for Democratic Action: Merle Vincent is director of the hearings branch in the Department of Labor at a salary of $7,250.

Other Communist affiliations of Merle Vincent: Sent greetings to the International Labor Defense; sponsor of the Descendants of the American Revolution; speaker for Greater New York Conference on Inalienable Rights; contributor to Equality magazine; temporary chairman of the National Conference on Constitutional Liberties in America.

Gardner Jackson, sponsor of the Washington Committee for Democratic Action. Gardner Jackson is principal economist for the Department of Agriculture at a salary of $5,600.

Other Communist affiliations of Gardner Jackson: Chairman of Council for Pan American Democracy; signer of Call for American Youth Congress; speaker for Greater New York Emergency Conference on Inalienable Rights; signer of letter protesting ban on Communists in American Civil Liberties Union; speaker for Workers Alliance; member of committee of American League for Peace and Democracy; member of advisory board of Frontier Films; vice president of Films for Democracy; sponsor of Consumers Union.

Henry T. Hunt, sponsor of the Washington Committee for Democratic Action. Henry T. Hunt is special assistant to the general counsel of the Federal Works Agency at a salary of $5,600.

Other Communist affiliations of Henry T. Hunt: Signer of letter protesting ban on Communists in American Civil Liberties Union; member of the National Committee of the International Juridical Association; sponsor of National Emergency Conference; chairman of meeting for the Descendants of the American Revolution.

Mary McLeod Bethune, sponsor of the Washington Committee for Democratic Action. Mary McLeod Bethune is director of the Division of Negro Affairs in the National Youth Administration at a salary of $6,250.

Other Communist affiliations of Mary McLeod Bethune: National vice chairman of American League for Peace and Democracy; signer of Call for American Youth Congress; sponsor of American Committee for Protection of Foreign-Born; sent greetings to National Negro Congress; sponsor of Spanish Refugee Relief Campaign.

George Slaff, sponsor of the Washington Committee for Democratic Action: George Slaff is principal attorney for the Federal Power Commission at a salary of $6,000.

Other Communist affiliations of George Slaff: Member of the American League for Peace and Democracy, member of the Washington Book Shop, member of the Washington Committee to Aid China.

A. C. Shire, sponsor of the Washington Committee for Democratic Action: A. C. Shire is director of the technical division of the Federal Public Housing Authority at a salary of $7,500.

Other Communist affiliation of A. C. Shire: Member of the Washington Book Shop.

E. Franklin Frazier, sponsor of the Washington Committee for Democratic Action: E. Franklin Frazier is in the division of American Negro studies at a salary of $2,400.

Other Communist affiliations of E. Franklin Frazier: Contributor to New Masses, speaker for the Southern Negro Youth Conference, speaker for the American Youth Congress, signer of appeal for Negro People's Committee to Aid Spanish Democracy.

Robert Morss Lovett, signer of the manifesto of the National Federation for Constitutional Liberties: Robert Morss Lovett is secretary of the Virgin Islands at a salary of $5,800.

Other Communist affiliations of Robert Morss Lovett: Member of the American Committee for Struggle Against War, member of the arrangements committee of the United States Congress Against War, vice chairman of the American League for Peace and Democracy, contributor to New Masses, member of the advisory board of Champion (magazine of the Young Communist League), member of the advisory board of the American Student Union, member of the advisory board of the American Committee for Protection of Foreign Born, signer of the Open Letter to American Liberals in Defense of the Moscow Trials, signer of statements released to Secretary Hull under auspices of the United American Spanish Aid Committee, member of the national committee of the Student Congress Against War, member of the National Committee for Defense of Political Prisoners, signer of Call to the National Writers' Congress, signer of letter protesting ban on Communists in the American Civil Liberties Union, contributing editor of Soviet Russia Today, member of the national advisory board of the American Youth Congress, sponsor of the Emergency Peace Mobilization which launched the American Peace Mobilization, sponsor of the Mother Bloor birthday celebration, director of the American Fund for Public Service (better known as the Garland Fund), sponsor of the National Student League, member of the All America Anti-Imperialist League, member of the National Committee to Aid Striking Miners Fighting Starvation, member of the national committee of the Friends of the Soviet Union, member of the National Committee to Aid the Victims of German Fascism, sponsor of the Chicago Workers Theater, member of the National Mooney Council of Action, president of the Federated Press League.

William Pickens, signer of the manifesto of the National Federation for Constitutional Liberties on behalf of the Communist leader, Sam Darcy. William Pickens is principal securities promotion specialist for the Treasury Department at a salary of $5,600.

Other Communist affiliations of William Pickens: Vice chairman of the American League Against War and Fascism; contributor to New Masses; speaker for the Medical Bureau and North American Committee to Aid Spanish Democracy; speaker for the United American Spanish Aid Committee; sponsor of the Greater New York Emergency Conference on Inalienable Rights; sponsor of the American Committee for Protection of Foreign-Born; sponsor of the Spanish Refugee Relief Campaign; speaker for the United States Congress Against War; sponsor of the American Committee for Democracy and Intellectual Freedom.

Edward Scheunemann, member of the executive committee of the Washington Committee for Democratic Action: Edward Scheunemann is now assistant attorney in the Denver office of the Office of Price Administration at $3,800 per annum. He was an attorney for the National Labor Relations Board up until June 16, 1941. On that date he transferred to the United States Housing Authority and was employed there until February 26, 1942, at which time he moved over to the Office of Price Administration.

In the foregoing tabulation, we have listed only those who have publicly associated themselves with the National Federation for Constitutional Liberties or its District of Columbia chapter, the Washington Committee for Democratic Action. We have not gone into the question of the rank-and-file membership of the organization with a view to determining how many Federal Government employees are in the organization. We have reason to believe that the number of such rank-and-file members is large. Our committee obtained a membership list (not a mailing list) of the old American League for Peace and Democracy which revealed that 563 Federal Government employees were on the membership rolls of that Communist front organization. We know that a substantial number of these went over to the Washington Committee for Democratic Action when the American League for Peace and Democracy was dissolved. We know further that some 300 Federal Government employees were actively affiliated with the American Peace Mobilization during the early part of 1941, and we have reason to believe that most of the adherents to that Communist front organization later became active in the Washington Committee for Democratic Action when the American Peace Mobilization withdrew its picket line from the White House.

We assert positively on the basis of the evidence in our possession that there are now several hundred Federal Government employees affiliated with the Washington Committee for Democratic Action.

Despite the facts which we have presented on the subject of Federal Government employees who are prominently identified with the Washington Committee for Democratic Action as officers and sponsors, and despite the fact that we have sufficient evidence to lead us to the conclusion that at least several hundred Federal Government employees are now affiliated with the Washington Committee for Democratic Action, the Attorney General's recent report to the Congress failed utterly to transmit any information whatsoever concerning the extent to which this Communist front is operating among, and by the aid of, employees in the Federal Government.

We assert further that the Washington Committee for Democratic Action is the principal front of the Communist Party now operating in Washington. It is the successor to the American League for Peace and Democracy and the American Peace Mobilization within the District of Columbia, just as its parent organization, the National Federation for Constitutional Liberties is the successor to the American League for Peace and Democracy and the American Peace Mobilization on the national field, as the chart which we have presented at the conclusion of this report clearly shows. Nevertheless, the Attorney General's recent report to the Congress does not so much as mention the name of the Washington Committee for Democratic Action. It is inconceivable that any real report on the subversive affiliations of Federal Government employees could thus completely ignore the principal Communist front organization which is now operating in the District of Columbia.

It should be emphasized that the foregoing officers and sponsors of the Washington Committee for Democratic Action had ample notice of Communist connections with the organization. At the very first conference of the organization, held in Washington, D. C., in April 1940, Elizabeth Gurley Flynn was one of the principal speakers. Elizabeth Gurley Flynn was advertised on the organization's program as a member of the national committee of the Communist Party. Furthermore, these officers and sponsors of the Washington Committee for Democratic Action had as one of their cosponsors Sarah V. Montgomery, who was the leader of the picket line of the American Peace Mobilization in front of the White House.

Now, Mr. Speaker, this same group that distributed and is now distributing throughout the South and in the State of Texas thousands of these false and scurrilous attacks upon our committee, has as its counsel, Abraham Isserman, who was convicted of statutory rape in the State of New Jersey. Also Neil Brandt, who was arrested for defiling the flag, is on the executive board of the organization, and Theodore Dreiser, who was only a few days ago thrown out of Canada for his insulting remarks about the British. Men of that type who have so completely identified themselves in the past and throughout their careers with the Communist movement in the United States and throughout the world. Yet they have the affrontery to attack our committee.

I know, Mr. Speaker, that the Attorney General went to some length in his attempt to justify some of these people in belonging to these organizations. He dealt at considerable length with the fact that many of them were innocent of the Communist nature and purposes of the organization. In this connection permit me to point out that our committee, for 4 years, has made it plain that many loyal, patriotic people were innocently affiliated with organizations under the control of Communists. In a letter which we addressed to the Attorney General when he wrote to us and asked for any information bearing on the membership of any Government employee in subversive organizations, we sent such evidence and information which we had. He initiated it. We did not send him the list until he wrote to the committee as a matter of courtesy and requested us to send him any information we had that might bear on the question of membership of Government employees in subversive organizations.

The following is the Attorney General's letter:

OFFICE OF THE ATTORNEY GENERAL,
*Washington, D. C., October 7, 1941.*

Hon. MARTIN DIES,
*Chairman, House Committee to Investigate Un-American Activities, Washington, D. C.*

MY DEAR MR. CONGRESSMAN: In the act making appropriations for the Department of Justice for the current fiscal year (Public, No. 135, 77th Cong., 1st sess; approved June 28, 1941) there is a provision that of the amount appropriated for the use of the Federal Bureau of Investigation "* * * at least $100,000 shall be available exclusively to investigate the employees of every department, agency, and independent establishment of

the Federal Government who are members of subversive organizations or advocates the overthrow of the Federal Government, and report its findings to Congress * * *."

The authority and duty of the Federal Bureau of Investigation under the act are clear. Naturally, it is my desire that nothing be overlooked in our endeavor to meet fully the responsibility which is thus placed upon this Department.

It is my understanding that in the course of its investigations and hearings the House Committee to Investigate Un-American Activities, of which you are chairman, has gathered information which may be extremely helpful to us in this connection. Accordingly, I should be pleased to receive from you any information in the possession of your committee or its investigators which bears upon the membership of any employee of the Federal Government in subversive organizations or such employee's advocacy of the overthrow of the Government of the United States.

I am confident that your cooperation can do much to insure the thoroughness with which we are seeking to carry out the will of Congress in this very important undertaking.

Sincerely yours,

FRANCIS BIDDLE,
*Attorney General.*

Then promptly we transmitted to him such evidence as had come into our possession in the course of our investigation. We did not say that they were members of the Communist Party. We were confronted with the same difficulty as the F. B. I. The F. B. I. states in its report that the members of the Communist Party are taught to perjure themselves to deny membership, that their records are not available, that they are either hidden beyond reach of the law, or they are no longer in existence. So there is no one who knows the complete membership of the 155,000 or the 165,000 members of this secret organization.

But, in connection with the question of innocence, I address this question to the Attorney General: Here are 367 names on this list, members of the American League for Peace and Democracy, who were members of that organization back in 1939, when we exposed the organization, and what would an innocent man have done? He would have immediately declared his innocence; he would have protested any desire to remain a member of any Communist-controlled organization. As a matter of fact the leaders of the organization defied the committee and the press and boldly and proudly said they would not disassociate themselves from the organization, but would continue their activities in behalf of the organization, and in connection with the question of innocence. I further address this inquiry to the Attorney General: How many organizations does a man have to belong to before he ceases to be innocent? Some of these people belong to three and four organizations, others to only one, but there are 288 who belong to two or more organizations, organizations that the Attorney General pointed out whose nature and purposes were so well known that it is difficult to believe a man could be innocent and continue his activities in the organization.

Furthermore, in reply to the statement of the Attorney General in which he castigated us throughout the country for occasioning so much inconvenience to the F. B. I. during this critical time when their attention was absorbed by more important questions, and he went to some length in his report for the benefit of newspaper consumption to emphasize that the results were so disappointing that it was only a waste of the people's money and a waste of the F. B. I. time.

If that be true, then how can we reconcile the language of the First Lady of the Land yesterday, when she said that she had the F. B. I. scour 4 States to find an Eleanor Club and that they had just reported they did not find one.

Mr. RANKIN of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. DIES. Yes.

Mr. RANKIN of Mississippi. In connection with what the gentleman from Texas has just said, the F. B. I. has discovered that the various Negro organizations we heard so much about were honeycombed with Japanese fifth columnists that are now attempting to stir up race trouble throughout the South, and I wonder if this Theodore Dreiser, whom it seems from the gentleman's statement was a Communist a few years ago, has now joined the Nazis and the Fascists, and went to Canada a few days ago and virtually attacked the United States and the British Empire.

Mr. DIES. Remember, all these people were saying prior to Hitler's attack on Russia, that a German victory was equally acceptable to an English victory. They made that public declaration and signed their names to it.

Mr. RANKIN of Mississippi. Was not that the import of Dreiser's statement in Canada a few days ago?

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

Mr. DIES. Yes.

Mr. KNUTSON. The gentleman mentioned what I caught to be the Eleanor Club.

Mr. DIES. I said this, that the Attorney General in his report castigated the committee for taking up the time of the F. B. I. with fruitless investigation, and I ask him if they did not have time to investigate people affiliated with organizations that have been Communist controlled, how could they find time, according to the First Lady of the Land, to scour four States of the Union for the purpose of finding whether one Eleanor Club existed.

Mr. KNUTSON. And what are Eleanor Clubs?

Mr. DIES. Well, I do not know that. Mr. Speaker, I want now to place in the RECORD some telegrams because the evidence that I am submitting is not evidence that can be laughed off. They cannot escape the responsibility of this thing by saying that MARTIN DIES is indulging in conclusions, and I shall read to you from some telegrams, and ask you to place your own interpretation upon them. Immediately after the original pamphlet was issued on February 9, attacking our committee as friends of the Axis Powers—and I am going to deal with that if I may have your indulgence, in a few moments—here is a telegram which I wish to read and put in the RECORD:

NATIONAL FEDERATION FOR CONSTITUTIONAL LIBERTIES,
*Washington, D. C.*

Assuming you are addressing pamphlet envelopes to Congressmen and Government officers. Telegram received from Eleanor Roosevelt saying, "It is a very good pamphlet."

MORRIS.

That telegram, dated February 11, 1942, refers apparently to the pamphlet issued on February 9, 1942, by the National Federation for Constitutional Liberties, and entitled "Pro-Axis Leanings of the Dies Committee Hinder U. S. War Effort."

I read that, Mr. Speaker, to show the activities engaged in by the National Federation. Here are other telegrams, and I ask unanimous consent, Mr. Speaker, at this point to place in the RECORD a total of eight telegrams in connection with my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

NEW YORK, N. Y., *February 11, 1942.*
NATIONAL FEDERATION FOR CONSTITUTIONAL LIBERTIES,
*1400 L St. NW., Washington, D. C.:*

Assuming you are addressing pamphlet envelopes to Congressmen and Government offices. Telegram received from Eleanor Roosevelt saying, "It is a very good pamphlet."

MORRIS.

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NEW YORK, N. Y., *December 26, 1941.*
President FRANKLIN DELANO ROOSEVELT,
*Washington, D. C.:*

Browder Christmas clemency urged as symbol American justice.

NEW YORK OFFICE, NATIONAL FEDERATION OF CONSTITUTIONAL LIBERTIES,
HOWARD MATSON, *Regional Director.*

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NEW YORK, N. Y., *January 23, 1942.*
CHAIRMAN, TESTIMONIAL DINNER TO ANNA PENNYPACKER,
*Rittenhouse Square Hotel,*
*Philadelphia, Pa.:*

I deeply regret that illness has kept me away from your dinner tonight. I would be grateful if you would convey my sincere respect to Miss Pennypacker for the outstanding work she has done in the field of civil liberties.

HOWARD MATSON,
*Regional Director, National Federation for Constitutional Liberties.*

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NEW YORK, N. Y., *October 28, 1941.*
GEORGE CROOM,
*831 Northwest Eighth,*
*Oklahoma City, Okla.*

Please inform by return wire collect whether you can file federation brief amicus on Monday, November 10. Important that we have exact date of filing so that publicity can be arranged.

LUCY STRUNSKY,
*National Federation for Constitutional Liberties, 1123 Broadway, New York City.*

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NEW YORK, N. Y., *February 19, 1942.*
MILTON KEMNITZ,
*National Federation for Constitutional Liberties, 1400 L St. NW., Washington, D. C.:*

Can you, through Congress of Industrial Organizations sources, muster American Federation of Labor support against Dies resolu-

tion. Opinion here indicates it is essential in order to defeat resolution.

LUCY,
*National Federation for Constitutional Liberties.*

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NEW YORK, N. Y., *August 25, 1941.*
MORTON WITKIN,
*President, Board of County Commissioners, City Hall, Philadelphia, Pa.:*
I implore you not to weaken the base of our democracy by denying the ballot to minority parties.

LUCY STRUNSKY,
*New York Secretary, National Federation for Constitutional Liberties.*

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NEW YORK, N. Y., *August 27, 1941.*
NATIONAL FEDERATION FOR CONSTITUTIONAL LIBERTIES,
*1410 H Street NW., Washington D. C.:*
Rush special delivery 500 letterheads needed for mailing on Oklahoma.

LUCY.

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NEW YORK, N. Y., *December 23, 1941.*
Senator FREDERICK VAN NUYS,
*Chairman, Senate Judiciary Committee, Senate Office Building, Washington, D. C.:*
Urge you strongly oppose Dies amendments to H. R. 6269 which would create disunity and destruction of morale necessary for our war effort. We agree with Chairman SUMNERS that passage of this legislation would constitute a bill of attainder, thus violating basic constitutional liberties.

NATIONAL FEDERATION FOR CONSTITUTIONAL LIBERTIES,
*1123 Broadway, New York City.*

Mr. DIES. Mr. Speaker, the charge has been made not once but many times that our committee has favored the Axis agents. From the very beginning of our investigation an attempt has been made by Communist elements in this country through the old strategy that Hitler employed so successfully, the strategy that if you tell a lie often enough, eventually it will create some belief in the lie, they have circulated pamphlets throughout this country all cleverly designed to create the impression that our committee has not vigorously exposed the Axis agents in the United States. There never was a more malicious lie than that. I am prepared to prove in the most detailed way the long activities of our committee against Axis agents, at a time when we were ridiculed by other agencies of the Government for our activities, when we exposed the German-American Bund. I invite you to compare our report on the bund with the report of the Department of Justice, which we received in confidence; but the Subcommittee on Appropriations can obtain both reports. Place them side by side and then pass upon the question as to which report dealt more completely with the German-American Bund.

But let me read you some excerpts, in order that you may have these facts clearly before you. Let us read for instance, from our report on the German-American Bund, issued 2 years ago. I read excerpts. After dealing at great length with the bund and pointing out that under the documents we had received the bund was clearly a sabotage and espionage agency of Hitler in America, after having written to the Attorney General and demanded that it be prosecuted, that vigorous steps be taken to apprehend the members and discover who they were and place them beyond any danger of hampering our country, we dealt with cooperating groups.

We exposed, 2 years ago, every leader of every Fascist and Nazi organization in the United States. In every report that we have issued, reports going back 3 and 4 years, we pointed out the activities and propaganda of every leading Fascist in this country. Not only did we report that but we investigated 93 anti-Semitic organizations in this country. We seized all of their records, all of their literature. We held executive hearings in this city, and after amassing all of the evidence we prepared a report which was never published because of the violent opposition that arose from some so-called liberals, headed by the gentleman from Massachusetts [Mr. ELIOT], who stood on the floor of this House and prayed that the Dies committee would never publish this report. Certain organizations were opposed to it on the theory that it would give wide circulation to some of the slanders that had been made against the Jewish people. Our committee met and considered it. We knew the grave danger of giving publicity to a great deal of the slanders that had been distributed throughout the country. We have not yet published that report, but we have made available to the Department of Justice and to every agency of this Government the testimony, documents of all kinds and character. We have more than 1,500 letters written by heads of employing agencies of this Government, asking for evidence, which we have submitted from time to time. There is not a day in which many Government investigators do not use the facilities of our office for the purpose of discovering the past records of people who have been engaged in un-American activities in the United States.

From the very beginning of this committee I made it plain that all my life I had opposed every form of racial, religious, and class intolerance. When the Ku Klux Klan was the dominating political power in my State I led the fight in opposition to it, not only in my own section of the State but throughout the State. When Alfred E. Smith was a candidate for the presidency, when my State went for Herbert Hoover, I was selected as leader for the Alfred E. Smith forces throughout southeast Texas. I have always been identified with every movement designed to preserve the constitutional basis of our country. It is therefore unfortunate when a deliberate propaganda program is being spread among the Jewish people of this country for the purpose of convincing them that our committee—that I and the members of that committee—are anti-Semitic, that they have something to fear from our activities and our disclosures. I say to them as I say to the Negro people, for whom I entertain a deep affection, "America is the home of all of us—Gentiles, Jews, Negroes. In order for us to survive it must be through cooperation and a spirit of tolerance and good will."

I deplore the fact that throughout the South today subversive elements are attempting to convince the Negro that he should be placed on social equality with the white people; that now is the time for him to assert his rights. I deplore the fact that any attempt is being made to spread hatred and misunderstandings between different races and religions in America. That is exactly what Adolf Hitler and the Axis Powers want to accomplish in this country. If they can disunite our people, if they can separate them into hostile camps, if they can convince some of them that the rest of us entertain ill feelings against them, then they have accomplished a great deal in the way of dictatorship. Throughout this country, through racial organizations, I have seen the work of subversive elements in their attempts to create that misunderstanding. In the minutes of many organizations, in their publications there are words to the effect that we of the South are their natural enemies, and that because I am a southerner and happen to be chairman of this committee I am necessarily prejudiced against those races and people. Yet throughout the 4 years of this committee's existence and in every speech I have made in the United States over the radio or from the platform not one word of intolerance can be attributed to me. Wherever I have been I have preached the fundamental doctrine of American tolerance.

Mr. Speaker, our main job today is to win this war, and, of equal importance, to preserve democracy. In order to preserve democracy we must expose those groups who do not believe in the United States. The Attorney General in his brief in the case of Harry Bridges has stated in very clear and correct terms that the Communist Party has been a revolutionary party from the beginning to the present moment and has been intent upon one thing, the destruction of our American form of government. The Attorney General clearly and correctly defined the purposes and the strategy of the front organizations. He defined them by saying that they had ostensibly laudable purposes but that their real purpose was to spread communism until the moment that the Communists could take control of the country. The Attorney General very courageously and correctly has classified all these organizations as under the control of the Communist Party.

All of us admire the heroism and valor of the Russian people; all of us fervently, deeply, and sincerely pray that Russia will be successful in resisting Nazi tyranny and in preserving their homes and their right to live. None of us at any time has ever suggested that we have a right to tell Russia what kind of government Russia shall have or what kind of political philosophy shall govern that land. By the same token we demand the right in our America to have our kind of government. We can have peaceful, harmonious relations with Russia without embracing communism and without permitting destructive elements in our midst to use vast sums of money for the purpose of blackening the names of honest and patriotic men. The Attorney General has a wide field of operation before him, a splendid opportunity to demonstrate whether or not he can forget

the approaching elections and deal under the Constitution fearlessly with all these groups and with all these elements. Now is no time for any kind of partisanship.

It is to be deplored that there has ever arisen any misunderstanding between our committee and the Attorney General. For months our committee has pursued the policy of refraining from public hearings. We have done so advisedly because we did not want to embarrass the F. B. I. in the prosecution and apprehension of saboteurs and spies. I have not attacked any of the Government officials, yet only a few weeks ago the Secretary of the Interior with the venom which is characteristic of his whole makeup in an article branded me in the most insulting terms that any man could use.

What was the occasion, Secretary Ickes, for you to brand me? I have supported the war effort. I have voted 100 percent for every measure designed to uphold the President in the conduct of the war and in his foreign policy. Even the Coordinating Committee on Democratic Action was compelled to write me a letter giving me a record of 100 percent on my foreign policy and preparedness votes. Why should you, Mr. Ickes, at a time when America is clamoring for unity, when we face a grave danger to our whole country, when our freedom is in jeopardy, when President Roosevelt needs us all—he needs MARTIN DIES, of Texas, and he needs every Member of this Congress, and he needs every man and every woman in all this broad land—why is it that you undertake to slander my name and to create impressions that are erroneous throughout the land? Certainly not to aid the war effort; certainly not because you are dispelased with how I voted, for I cast the vote when only by 1 vote the measure carried, the vote that enabled our Army to go on; and I cast, as the gentleman from Alabama has cast, 100 percent votes for the purpose of sustaining the dignity and honor of this country. I do not mean to imply that those who voted the other way were guilty of anything that was wrong; they followed their conscience and their conviction.

What I am trying to emphasize is that if we are going to have unity in this country then the executive department must meet us halfway; the executive department must cooperate with us, and it is certainly no cooperation when Secretary Ickes in a column brands me in the most vicious terms. It is certainly no attempt to attain unity when the Attorney General, Mr. Biddle, goes out of his way in order to attack our committee and try to investigate us so that Congress will not continue us. It is certainly no part of unity for the Attorney General absolutely to ignore the mandate of Congress, for all the Congress asked him to do was to give the names of the members of the subversive organizations, tell who the subversive organizations were. If he had lived up to the mandate it would have been embarrassing, perhaps, politically, because he would have had to say: "We have investigated 601 and found that 575 are members of subversive organizations, and here are the subversive organizations." Had he said that it would have confirmed what our committee said in 1938 and what they ridiculed in the press and through their speeches. That would have been the courageous and statesmanlike thing to do. Instead, here was a golden opportunity: "We will ask the committee to give us any information they have. If the committee shows a spirit of cooperation by submitting it to us then we will issue instructions that will limit the F. B. I. so they cannot give the facts to the American people and then we will come out and report on dismissals." Congress said nothing about dismissals in the first place.

Mr. Attorney General, do you think that a man who belongs to these organizations is a fit person to pass on the question of whether his comrades should be dismissed? Oh, in your report very generously and impartially—and I do not have time to read the exact language but you can verify my statement—the Attorney General said that since there were some of the employees who were themselves the employing agency he recognized it would not do for them to pass on their own cases, so in those cases the matter was submitted to the Attorney General. While the Attorney General relieved those men from the great embarrassment of passing on their own cases he did not relieve them from passing on the cases of men they solicited to join the organizations. That is a complete farce, a farce that no one can deny.

Think of it. We have been accused of pursuing undignified methods; we have been said to be a committee of politicians that did not conduct the investigation in a judicial manner; yet here is a representative of the judiciary, the law-enforcement body of our land, who makes a farce of an investigation that the Congress gave him $100,000 to conduct. For is it not a farce for a man to pass on whether or not someone is qualified to be in the Government when that man himself belonged to the organization and when, according to the testimony before us, in many instances the man himself solicited the membership?

I submit these facts to the House so that the Members may have them clearly and beyond any question. Mr. Speaker, there is a great deal more material I wish I had the opportunity to present to the House, but to do so would trespass too much upon your kindness and take advantage of your indulgence.

In conclusion, however, I wish to say that our committee—and I think I am authorized to speak for them—working in complete harmony with men of different political views, is seeking to do everything that we can to cooperate with this administration in the difficult task of protecting our internal security. We have issued no statements; none of us has made any speeches for a long time; every effort has been made by us to show a spirit of cooperation and helpfulness, and if the executive department of this Government will demonstrate the same attitude, together we can render a great service to this country. To the Members of this House who have stayed so loyally with our committee through its trials and tribulations, through the period in which we have been grossly misrepresented by a set of people whose design is to stop this committee so that they can have their foundations, so that they can blacken the Members of Congress, so that they can intimidate people, who want to have a free hand so they can organize innumerable organizations with high-sounding titles to stir up racial and religious hates, who want to have a free hand to commit slander and libel with impunity in the United States, may I say, Mr. Speaker, those people would like to see this committee discredited; they would like to see its life terminated, for they realize that as long as this committee is in existence with the power of subpena, the power to obtain the telegrams and to keep constantly in touch with the various shades, movements, and changes that are going on from time to time among all subversive elements, it is the one serious obstacle in their way.

America must win the war, but America must also preserve its freedom and its independence. If we fail in that, then what have we gained? That seems to me, Mr. Speaker, to be the attitude of every patriotic American.

[Here the gavel fell.]

Mr. DIES. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and to place therein the material I referred to in my speech, including telephone calls.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas [Mr. DIES]?

There was no objection.

### DEFENSE HOUSING

Mr. SABATH. Mr. Speaker, I call House Resolution 538, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

*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. 7312) to increase by $600,000,000 the amount authorized to be appropriated for defense housing under the act of October 14, 1940, as amended. 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 Public Buildings and Grounds, 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.

Mr. SABATH. Mr. Speaker, I shall later on yield to the gentleman from New York [Mr. FISH].

Mr. Speaker, this rule makes in order the so-called housing bill, H. R. 7312, providing for an additional $600,000,000 for housing. May I say at the beginning that I am in favor of adopting the rule and I am also in favor of this bill, a similar bill having passed yesterday in the Senate.

Mr. Speaker, I am vitally interested in housing. I am interested in safe-

guarding the vast sums of money that we have already appropriated. Up to this time we have appropriated $1,020,000,000 for housing. An additional $600,000,000 is requested at this time.

It will be remembered that 2 years ago I criticized the various housing bureaus. An effort was made by the President to reorganize them, but, unfortunately, although a gentleman by the name of Palmer was appointed as coordinator, it did not succeed. When we had the last bill up for consideration about 9 months ago, involving $300,000,000, I again called attention to the fact that we still had a dozen or more of these housing organizations that should be merged and simplified so as to effect efficiency and economy. I was immensely pleased therefore when the President, by Executive order, brought about the last reorganization and appointed as head of the new national housing agency a man of ability, a man of splendid reputation, Mr. John B. Blandford. I am satisfied that he and the men under him are endeavoring to bring order out of chaos and to administer the law efficiently and intelligently.

What I object to and what I called attention to before was that, unfortunately, the War Department through its site committee, having the power to designate where plants shall be located, permitted itself to be influenced by very smart, sharp real estate operators in many instances and placed these plants from 15 to 30 miles from the populated sections where there was ample housing and ample labor available. By placing these new plants 20, 25, or 30 miles away certain difficulties were encountered, and I do not refer to such as plants that might be dangerous to the safety of the people of the localities. I mean manufacturing plants that could be located close to and in many instances within large industrial centers. Due to the fact that they have failed to use good judgment and permitted themselves to be misled, they have placed these plants away from the populated sections in the sticks void of facilities, and now an additional $600,000,000 is required for housing. If these plants had been properly located this housing would not now be necessary, and a great deal of that money could be saved.

I am satisfied that this new organization will do its utmost to avoid the building of many so-called towns that shortly will become ghost towns, where we have been obliged and will be obliged to expend large sums of money to provide ample housing facilities for war workers.

A few weeks ago in the city of Chicago a large conference sponsored by the committee on Defense Housing of the Office of Civilian Defense was held and attended by real estate men, builders, mortgage bankers, and many housing officials. I am told that more than 2,000 persons were present, and in their presence the Government representative announced that no new homes will be built in the Chicago area except for units now under construction or for which priorities have been granted. In other words, before any new construction can be planned the available supply of housing accommodations, consisting of about 6,000 family apartments and flats and quarters for about 100,000 single persons, must be exhausted. This edict will, of course, be enforced by refusal to grant priorities.

This shows that in Chicago alone we have plenty of housing facilities that can be used. We have many large plants that have not been used but that should have been used to advantage.

Millions upon millions of the taxpayers' money would have been saved had common sense and good judgment prevailed.

I am informed that in the city of New York—and I am not especially interested in the city of New York, which has very able Representatives—more than 500,000 workers are unemployed. The current press carries reports that Mr. Kaiser, who is to construct some of our ships, was obliged to go to New York to engage 25,000 to 50,000 workers for his Oregon shipyard. Perhaps these ships could not have been constructed on the Great Lakes, but surely they could have been built around New York and that would have made unnecessary the transporting of these workers across the country, the paying of their traveling expenses, and forcing the Government at tremendous expense to build quarters for them before their arrival in Oregon. I concede that the lumber used in the construction of these boats is most available in Oregon, but I am of the opinion that it would not have cost as much to haul it to New York as it costs to transport these workers to Oregon and to provide housing for them. Further, the effect of this arrangement is bringing about the separation of families and a double living expense which most can ill afford at this time. In this connection, what applies to the availability of labor in New York applies with the same force to Chicago.

Now, Mr. Speaker, having called attention to these conditions and, to say the least, to the poor judgment exercised by the site committees of the War Department in the locating of the plants, which is delaying the war-production program and, at the same time, unnecessarily costing the Government millions of dollars, I am going to call attention to the housing situation here in the District of Columbia.

I know that the President realizes the dire conditions and wants to remedy them. Unfortunately, he has been misinformed by some of those whom he had a right to believe would advise him properly; but many plants have been so located that they obviously create conditions that are detrimental to the large centers and cost the Government unnecessary millions of dollars. I hope at this time that the chairman of the Committee on Public Buildings and Grounds will again take the matter up with those in authority and also agree or admit that I have not overstated the existing conditions here or elsewhere throughout the Nation. I hope the House and the country may have his cooperation and assistance because his influence with these departments should be, and I believe is, great. Therefore, although no direct action has been taken on my resolution and although I have obtained some relief in the matter, I hope with his assistance and your assistance we will be able to effect additional relief so as to make the conditions in Washington tolerable.

You remember that nearly 3 years ago I called attention to the overcrowded conditions in the District of Columbia. At that time I urged that the deplorable conditions in this Capital be relieved, and I introduced a bill to do that very thing. Unfortunately, the Committee on Public Buildings and Grounds, to which the matter was referred, although it held hearings, did not act, and it became necessary for me to take the matter up with the President. After placing the matter before him, I am pleased to see him act favorably. He effected by Executive order the transfer of some of the bureaus and independent agencies from the District to other localities. That has relieved the pressing condition to some extent, but not adequately.

I again suggest that the President transfer additional bureaus from the District of Columbia to localities that have plenty of usable office space and housing facilities, in sections where people can live more conveniently and more economically than they can live here. I hope the President, in the interest of the people who are obliged to come here, and in the interest of the thousands of indefensible employees, will favorably act by ordering further transfers of nondefense bureaus and agencies.

I am informed that in many instances four or five persons are required to occupy one room, that the conditions under which they live are indeed more than deplorable. Something remedial should be done at once.

I do not wish to be selfish by talking about Chicago, but again I say we have in Chicago any number of splendid buildings that are nearly vacant. I have submitted this matter to the officials of departments and agencies. Some of the clubs that were built in the heyday of prosperity, during the "great" Hoover administration in the late twenties, and in 1930, 1931, and 1932, most of these clubs were forced to dissolve, and their splendid buildings, some of them 30 stories high, right in the heart of the city, can be used and are available to the Government at a reasonable price, even though some remodeling may be necessary.

As I have stated, we have room for about 6,000 families and 100,000 single persons. I believe it would be salutary, wise, and proper that some of the bureaus and agencies be transferred to Chicago. While I feel that we have available in Chicago more office buildings and living quarters at more reasonable rates, I am not going to insist that all of the nondefense bureaus and agencies be transferred there, though I know that room can be found for them, because there are other cities which can also alleviate the unfortunate conditions that exist in the District of Columbia. Undoubtedly, there are other cities besides Chicago and New York which have suffered tremendously because of the migration of thousands upon thousands of their mechanics and skilled workers to Detroit, California, to

the eastern seaboard, and to the temporary towns built by the Army elsewhere, which, as I have stated, has effected the separation of families and vacating of homes, flats, and apartments in these long-established cities, all at the expense of the property owners.

You and I know that it is impossible for people coming here even on legitimate business to obtain quarters in hotels.

Mr. Speaker, I fully appreciate that there are a large number of people who come to Washington and are here for no legitimate purpose. They may be generally recognized as high-powered salesmen and lobbyists who know how to get things done, and it is they who are unjustifiably filling up the hotels of the city.

I am called up day after day and importuned to secure accommodations for people who are obliged or requested to come here temporarily on Government business and are unable to obtain any quarters, and must go to Baltimore or stay at tourist camps overnight if required to spend more than 1 day here.

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

Mr. SABATH. Yes; I yield to the gentleman.

Mr. HAINES. Mr. Speaker, the gentleman certainly shows a very magnanimous spirit and one that is in nowise selfish when he asks that all the departments moving out of Washington do not go to Chicago. Perhaps the gentleman would help to have some of these smaller departments or bureaus go to some of the smaller towns or cities. For example, Gettysburg. Gettysburg has been hurt quite a bit by reason of the rationing of gasoline. It is a tourist town and we have much housing available and office space as well. The gentleman will help us, will he not?

Mr. SABATH. I will do anything I can to help; I am favorably disposed toward Gettysburg or any other place where the war workers may be properly accommodated and where it will be in the interest of the Government and the helpless employees. The gentleman's statement relative to the rationing of gas reminds me that two years ago I called attention that that very thing would happen if the Government continued to load down New England and the eastern seaboard with contracts and other work the same as it did in 1917; they would be unable to obtain sufficient power, fuel, and oil to carry on their tremendous activities.

I then pleaded for the location of defense activities in the Middle West where we had the power, the space, and the other manufacturing facilities, and it was more than a year or a year and a half before some of these gentlemen in charge awakened and began to consider other sections of the country besides the eastern seaboard and New England.

Coming back to Washington is, of course, a hard thing to do nowadays. You and I know it is nearly impossible to get appropriate restaurant service here and their charges are unconscionably high. I observe people waiting in line for half an hour or an hour to obtain unpalatable meals. I feel sure that if some of these restaurants were properly inspected as to sanitary conditions, we would be horrified at what would be discovered, all due to overcrowding and lack of competent help.

Moreover, the outrageously high prices charged for quarters and rooms needs immediate, real attention. Consequently, I hope that something remedial will be done; yes, it must be done. This is not the first time I have called attention to these unsavory conditions. With this statement I conclude, reserve the remainder of my time, and yield 30 minutes to the gentleman from New York [Mr. FISH].

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

The SPEAKER pro tempore (Mr. BARDEN). Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, there is no opposition to the pending rule. It is a wide open rule and makes in order this defense housing bill which increases the amount authorized by $600,000,000. I am one of those Members of the House who, as a Member and as a citizen, has great faith in the Congress of the United States as a legislative body. I am sorry, however, when a bill of this magnitude, authorizing the expenditure of $600,000,000, is being discussed that there is far less than a quorum in the House. Not many years ago, before the war, when bills involving hundreds of millions of dollars were under consideration the whole membership would be here. Evidently, we have reached the point where a bill has to carry at least a billion dollars before there is a corporal's guard present. This is a justifiable criticism of the way we are legislating and the party in power is responsible for maintaining a quorum. Generally, I have no sympathy with attacks made upon the Congress and, particularly, on the power of the Congress to legislate. If I were the only Member of the House, I would resist any usurpation of our legislative powers by the Chief Executive, no matter what party he might belong to, and I regret that the President in his Labor Day speech inferred that he might rule by decree if the Congress did not legislate by October 1 on price control. This is a most revolutionary doctrine and if the President proceeded to rule by decree, contrary to an act of Congress, it would mean that we are on the march to fascism and dictatorship in America.

No member on either side of the House, Republican or Democrat, will permit the Chief Executive to usurp the legislative functions of the Congress. I am very glad that the gentleman from Ohio [Mr. SMITH], yesterday, at the conclusion of the debate offered an amendment to the price-control bill which I supported. I want the record to show that I supported it and also to give my reasons for it: To freeze wages and farm prices for a period up to 90 days, and give the Congress ample time to consider and to write constructive and adequate legislation dealing with wages and farm prices. It is the American way under the Constitution and it is the duty of Congress to prevent the evils of inflation by passing constructive legislation.

Mr. Speaker, I hold in my hand the October edition of the Reader's Digest, which includes an article by Mr. William Hard, an able writer. It is a rather bitter criticism of Congress, and he has this to say on page 18 in regard to the price-control bill. After criticizing the Congress for sins of omission and commission, he says:

> The most creative agricultural idea in the present Congress has been the scheme for tying the agricultural parity price level, in some degree, to the advancing industrial wage level. This is a groping toward a sound proposition that wages and prices shall be held in balance. It has had much support in the Congress. But it did not originate in the Congress, whose agricultural committees are supposed to give us our leadership in agricultural legislation. It was first advanced by the scholars of a lobby of farmers: The National Cooperative Milk Producers Federation.

I do not know whether that is a fact or not, but here is a well-known commentator, one of the ablest, criticizing the Congress, and then going on to say that what we did yesterday was the wisest thing that could be done. Mr. Speaker, I ask unanimous consent to include in my remarks an editorial from the New York World-Telegram, one of our largest New York newspapers, entitled "Temporary Freeze." It is an editorial in favor of the proposal made by Albert S. Goss, Master of the National Grange, and it supports the proposal made yesterday by the gentleman from Ohio [Mr. SMITH] for a 60- or 90-day freeze of farm prices and wages until Congress has had full and abundant time to write a constructive law, which would be satisfactory to all of the elements of our population.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The matter referred to follows:

TEMPORARY FREEZE

Albert S. Goss, master of the National Grange, has made a suggestion to Congress which we think has much merit.

Instead of rushing to write long-range legislation on prices and wages before the President's October 1 deadline, Mr. Goss suggests, Congress would do well to pass a temporary law freezing all prices—including farm prices—and all wages for 60 to 90 days.

That would give Congress time to draft, consider carefully, and enact a detailed anti-inflation program of its own.

It may be suspected that farm leader Goss is not without guile. His plan would also give farm lobbyists more time to work on Congress. But 60 or 90 days hence the November elections will be history. By then, there is reason to hope, the Senators and Representatives will be in a frame of mind to act with more consideration for the welfare of the whole country and less for the demands of either farm or labor pressure blocs.

The usual pulling and hauling between these powerful groups is going on in the present deadline rush. The result may easily be something much worse than Senator BROWN's administration bill, which isn't too good itself. Organized labor's approval of that measure has made organized agriculture not unnaturally suspicious that, under it, the President might be tender when stabilizing wages and tough when stabilizing farm prices. So

the farm bloc is crying for a new definition of parity, taking farm labor costs into account and permitting farm prices to go still higher, and many Members of Congress are listening with sympathy.

President Roosevelt tried Thursday to make it clear that he doesn't want parity changed and didn't mean to suggest such a change in his Labor Day message. But the farm bloc may be able to put it over anyhow, or to defeat any bill that doesn't include it.

The chances for thoroughly good long-range legislation by October 1 are practically nil. The chances for thoroughly bad long-range legislation by that date are considerable. Yet, even if Mr. Roosevelt had never announced his deadline, the need would be just as great for quick and positive action by Congress to stop the menacing advance of price inflation.

A law freezing all prices and wages where they are for 2 or 3 months would be quick, positive, and effective. It couldn't seriously hurt either organized labor or organized agriculture. To be sure, it would provide no relief for manufacturers, wholesalers, and retailers who are being squeezed against their price ceilings by commodity and labor costs, but the Brown bill doesn't hold out much hope of relief for them either. And the temporary freeze would provide Congress with time to do the careful, thorough job which is its duty.

Mr. FISH. Mr. Speaker, the gentleman from Texas [Mr. DIES], in his able remarks this afternoon, referred to the Union for Democratic Action, a Communist front, and he called attention of the House to the fact that 20 out of 78 officials of that organization hold Government jobs. This Union for Democratic Action is the main Communist front attacking the Congress of the United States, both Democratic and Republican Members, and yet we are told today that 20 out of the 78 of its officials hold Government jobs. In other words, 20 of these officials are on the pay roll of the executive branch of the Government and are using this organization to attack the Congress. I have always voted for a continuation of the Dies committee, and I expect to continue to do so, and for one reason and for one reason alone. I believe that we should have some committee, some congressional committee, whether the Dies committee or another, it makes no difference to me, but a committee that will carry out the oath of office of every Member of Congress, to uphold and defend the Constitution and to preserve our institutions and form of government. The Attorney General of the United States, Mr. Francis Biddle, states that the Communists seek to destroy our Government and overthrow our republican form of government guaranteed by the Constitution. Therefore, I believe it is the duty of the Congress to have some committee to investigate the activities of Communists, Fascists, and Nazis who are seeking to destroy our form of government, which even the Attorney General of the United States says to be a fact in the case of the Communists, and it is so of all those who would destroy our constitutional form of government.

Mr. Speaker, I believe there is some little opposition to the pending bill under consideration in its present form. I believe some on the minority side are under the impression that the $600,000,000 is not needed at the present time, and that it should be cut in half. I am taking no part in that debate, because I have not given enough study to the proposal, and will be guided by the debate. In my district we have a serious housing situation, in the city of Newburgh. Recently the Stewart Airport was built within 5 miles of the city of Newburgh at a cost of upward of $20,000,000. There are also within 5 miles of the city of Newburgh four shipbuilding yards, which will soon employ several thousand men. There is a very serious shortage of rooms and houses in the city of Newburgh and far from sufficient to provide for the people who are working in these shipyards and at the big airport. I am told by Mr. John B. Blandford, Jr., able Administrator of the National Housing Agency, that some agreement has been made by his organization and the Army and the Navy, whereby the Army and the Navy guarantee to take care of their own and to house their own men and officers. That may be all right so far as a guaranty between the United States Housing Agency and the Army and Navy is concerned, but in the city of Newburgh the Army is not doing that, and hundreds of young Army officers, appointed to instruct cadets flying at Stewart Airfield, have been forced to find homes in Newburgh. All we are asking, and I want to know whether we are within our rights, is not for money under this bill or the previous defense housing bill, but that Newburgh, in my district, be made a defense area.

If any area is to be made a defense area it seems to me it should be Newburgh and vicinity in view of the huge Stewart Airport, auxiliary landing fields, and the new shipbuilding yards, not only to take care of those employed in the new shipyards, but to take care of several hundred young Army Air Forces officers. The Army has not done a thing about it, in spite of their promise, and there are no more houses or apartments available in the city of Newburgh. By having Newburgh turned into a defense area, the people there will be able to put up the money and rehabilitate the houses, make two-family houses where only one exists now, and then with their own money we could take care of this critical housing situation. We have enough critical material in Newburgh without asking any more to do this very thing. I want to know why we cannot do it.

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

Mr. FISH. I yield.

Mr. HAINES. I am glad the gentleman mentioned the situation in Newburgh, because I have a similar situation in my district, where an ammunition depot is being constructed in a community where there are about 12,000 people. They are bringing in about that many new people to the area. We have the money and private builders will construct the houses, but we are not able to get priorities to build the houses, even when we have the material on hand. Can you give us any relief on that?

Mr. FISH. That is what I am asking. I wanted to find out from the gentleman from Texas [Mr. LANHAM], or those in authority, what recourse we have. It is not a party matter. It is a matter directly connected with national defense and winning the war.

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I will yield myself 2 additional minutes. I would like to ask what recourse we have. What recourse have I got to take care of this critical situation that has arisen almost overnight in Newburgh? Why can it not be made a defense area and why can we not build two-family houses and rehabilitate the old houses to help solve our housing problem and promote our war effort?

Mr. LANHAM. I will say to the gentleman from New York, of course, it is not within the province of this committee to determine what are or what are not defense areas, but it is within the purpose of this particular act to see that housing is provided for the workers working in these areas, to the extent that it is not already available and that private capital cannot furnish it. It is not our province, of course, as a committee, to decide that certain places are defense areas and others are not defense areas, but we are very much interested in seeing that the emergency need for defense housing is met and met in such way, principally by temporary construction, that it will not interfere with normal operations after the war, and in keeping with the city planning and traditions of the various communities of our country.

Mr. FISH. Would it not be helpful to what the gentleman is trying to do if we could have the city of Newburgh made a defense area? We have the money. Would it not be helpful and provide more money where the gentleman wants to spend it under the bill if Newburgh was made a defense area and permitted to solve its own housing problem?

Mr. LANHAM. Of course, it is absolutely impossible for the committee to earmark in the bill the various places where the money is to be expended, because those places change. The location of plants is determined by the War Department, the Navy Department, and the Maritime Commission. Sometimes a tentative decision in that regard is reversed and the plant placed somewhere else. Very naturally we could not earmark the funds.

Mr. FISH. The gentleman misunderstood me. We do not need any of that money in your bill. We do not need a cent of it. But if the Housing Authority does not give us this defense area and let us proceed, then we will have to have Government money. Would it not be better to give us this defense area and let us proceed with the money we have there and the materials we have there than to take the money from your bill?

Mr. LANHAM. The gentleman knows I am greatly interested in economy, and furthermore I do not want any construction under this act that private capital will undertake.

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

Mr. FISH. I yield.

Mr. HOLMES. I am very much interested in the statement of the gentleman from New York. As I understand

it, the city of Newburgh finds itself in a position where it has all the necessary strategic material to go ahead and construct and remodel houses. Because some board in Washington has not declared the city of Newburgh to be in a defense area, you are stymied?

Mr. FISH. That is it; exactly.

Mr. HOLMES. Now, if this bill is passed and the Government comes in there to build houses, according to the original Lanham Act, the private builder up there is entitled to have the same rights and the same priorities that the Government gets when it builds its own houses. With the establishment of an airport and shipbuilding plants, is there any reason why any group could not say to the people up there who have the money and who have the material, "Go ahead and build your houses, remodel your houses to take care of these families?"

Mr. FISH. That is what I am trying to find out. I cannot understand this one thing, what a defense area is if Newburgh is not a defense area. With four shipyards and an airport costing $20,000,000, and hundreds of Army officers as instructors, who are looking for apartments, if that is not a defense area I do not know what one is. The Army said they would take care of their own enlisted men and officers, but they have not done so. We can make two-family houses by remodeling old ones to take care of the situation ourselves, but the National Housing Agency must give us the right by making it a defense area. We cannot let it go along month after month until winter comes. The situation is too critical and has become so only recently. Business, organized labor, and all elements of the population in the Newburgh area are in favor of having it made a defense area.

Mrs. ROGERS of Massachusetts. I have an exactly similar situation at Lowell, Mass., where a number of the industries are engaged entirely on war work and where we have another large industry that will be in war production in October, yet the area has not been designated a defense area. We have houses there and they count them as being available but at the present time those houses cannot be used.

Mr. FISH. It is apparent to me that somebody is very dilatory and that the red tape must be cut. We are in the war and we are sending out a Macedonian cry of come over and help.

Mrs. ROGERS of Massachusetts. It would save the Government money to take this step.

Mr. FISH. It would save a lot of money and help our all-out war efforts.

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

Mr. FISH. Mr. Speaker, I yield myself one additional minute.

I yield to the gentleman from Michigan.

Mr. MICHENER. The gentleman does not want to forget that should he succeed in having Newburgh declared a defense area, ceilings will be placed on rents and his troubles as a Member of Congress will be multiplied many times over what they are now.

Mr. FISH. I may say to the gentleman from Michigan that he knows perfectly well I am not worrying about my troubles in Congress or out of Congress.

Mr. MICHENER. But the gentleman will be if Newburgh is declared a defense area.

Mr. FISH. I am interested in my people. If it is necessary to place a ceiling on rents let us have a ceiling placed on rents. I do not want profiteering in my district or anywhere else. It makes no difference whether it causes me some extra trouble. It makes no difference to me if it causes me a little extra work. If I could stop profiteering by voting against it I would vote against it now.

Mr. MICHENER. I speak from personal knowledge. I have two college towns in my district. I know whereof I speak.

Mr. FISH. I am telling the gentleman it is just the same to me. I do not want any profiteering in rent in my district or another. I do want proper defense housing in Newburgh.

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

Mr. FISH. I yield.

Mr. McGREGOR. Will the gentleman state for the RECORD what department has refused to make Newburgh a defense area?

Mr. FISH. I am advised that its action may be changed and possibly very soon. I believe Mr. Blandford is cooperating. All we know is there have been delays, unnecessary delays, that is affecting the welfare of the people in our districts, Republicans and Democrats alike. I believe if Mr. Blandford is all we think he is we shall get speedy and favorable action but I hope it will be soon, before the winter sets in.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. GWYNNE] may extend his own remarks in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. MICHENER. I also ask unanimous consent, Mr. Speaker, that the gentleman from Pennsylvania [Mr. DITTER] may extend his own remarks in the RECORD and include therein certain newspaper quotations.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. SABATH. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. BECKWORTH] may revise and extend his own remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

DEFENSE HOUSING

Mr. FISH. Mr. Speaker, how much time have I remaining?

The SPEAKER pro tempore. The gentleman has 10 minutes remaining.

Mr. FISH. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Speaker, the bill H. R. 7312, before the House this afternoon, is of great importance to the Nation and vital to the progress of our war effort. It is of great importance to that part of the State of Michigan from which I come and in which a part of my congressional district is situated. In reading the hearings I noticed that 264,000 additional housing units are requested or believed necessary. Out of this 264,000 units, 41,000 are designated in Michigan; and out of the 41,000 located in Michigan, 33,000 have been allocated to the Detroit area. Of the 33,000 units needed there to take care of our war workers, 15,000 are to be permanent and 18,000 are to be temporary units.

In the metropolitan area of Detroit, where once was located the automobile capital of the world, there is now located one of the greatest centers for the production of war matériel in the entire Nation. Congestion has resulted because of the changing over of those great industrial empires that once produced automobiles to the production of munitions, materials, and instruments of war. One of the reasons assigned for the shortage of houses in the city of Detroit, where it is no longer easy or possible to rent a house, is the statement which I noticed in the hearings, that the business of renting homes is no longer attractive to the people of Detroit. I want to read for the RECORD what appears in the hearings, and if you have a copy of the hearings before you, I direct your attention to page 236. A witness before the Committee on Public Buildings and Grounds testified as follows:

> There exists in Detroit what is known as a seller's market. Private builders are not interested in renting homes since the advent of rent control.

That statement tells only half of the story. I want to call the attention of the House of Representatives and of the country to the fact that Detroit is the only city in the United States of its size that has April 1, 1941, as the rent-freezing date. There is no other section of the country where that date has been arbitrarily fixed for an area of a size comparable to Detroit. The reason nobody wants to rent a house is because the Government itself, by its own action, has discouraged the ownership of property in that area. In the testimony before the committee, this witness said that the Detroit News of June 10, 1942, contained 33 solid columns of houses for sale but only 3 columns of houses for rent. Nobody wants to rent a house. Why not? Because it is no longer possible to obtain a reasonable return on property or own a house to rent with the rent-freezing date fixed as of April 1, 1941. Everybody knows that since that date taxes have increased, labor has increased, materials have increased, everything that goes into the maintenance of property has risen in price, and people cannot afford to keep up their property and reduce their rent back to that date. Therefore, when a war worker wants to find a place to rent, there is none to be found.

You cannot blame the people of the metropolitan area of Detroit for that condition, because the Government itself is to blame, and I hope the time will soon

come when that will be adjusted and the date changed.

I had the case of a widow brought to my attention who spent all of her earnings to fix over her home in order to make it a two-family dwelling. She borrowed some money from the bank. She received $35 a month rent and along came the rent-freezing date which changed it to $25 a month when the man and woman living in the place were drawing $325 a month doing war work. That is but one of the gross injustices that has resulted from the rent-freezing date of April 1, 1941.

Mr. MICHENER. Will the gentleman yield?

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

Mr. MICHENER. I just want to call attention to the fact that the district which I represent joins on to the Detroit defense area and a part of it has been included within the Detroit area with April 1, 1941, as the date when the rent ceiling was fixed. There are innumerable cases in Ypsilanti, which is 3 miles from the big bomber plant up there, similar to the case to which the gentleman has referred. Certainly something ought to be done about the date, or at least provision made so that local capital can build some of these houses profitably. In Ypsilanti during the last year the local taxes have risen 41 percent because of Federal activities, extra police, and other things that were required.

Mr. DONDERO. I thank the gentleman for his contribution and I know the area to which he refers.

Mr. CRAWFORD. Will the gentleman yield?

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

Mr. CRAWFORD. The gentleman's description of conditions that prevail in Detroit seem to me to strike directly at the heart of that section of the Federal Housing Act which provides guaranteed loans for people who wish to take the money to rehabilitate old structures for the purpose of renting. We have had thousands of people do that very thing. Then rent-fixing comes along and takes effect as of the date given and the people who own those places cannot make ends meet and maintain payments on the loans that have been guaranteed by the Government of the United States.

Mr. DONDERO. That is correct, and that has brought about a shortage of houses in the metropolitan area.

Mr. Speaker, I am in favor of this bill and I am going to vote for it. I am not in a position to say that the amount is too large or too small, but I do want to call to the attention of the House the fact that while this bill calls for an authorization of $600,000,000 in addition to $600,000,000 heretofore appropriated, the total amount is only one-half of 1 percent of the amount we have appropriated for the conduct of this war.

Mr. McGREGOR. Will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Ohio.

Mr. McGREGOR. Does not the gentleman feel that owing to the fact of our rubber shortage and our gasoline shortage, migration will stop, which will necessitate the construction of these houses closer to industry?

Mr. DONDERO. It will compel the construction of housing units near these great industrial plants making war material, otherwise in the case of the shortage of gasoline, or tires or automobiles, the workers will not be able to get to and from their places of employment.

Mr. CRAWFORD. I wish somebody would explain to me the common sense there is, if there is any, and I doubt it seriously, in taking material and transportation and labor to build houses when if that same effort were used in the construction of plants in which to produce synthetic rubber we would have transportation for the people to and from these factories?

Mr. DONDERO. Undoubtedly the gentleman is correct.

Mr. Speaker, I hope this bill passes. I think it is needed. I yield back the balance of my time.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Speaker, I regret that the gentleman from New York [Mr. FISH] has left the floor, especially since his opening remarks constituted a slap at the membership of this House because there were only a few Members present. He referred to the number as a score of Members being present. At that time I counted 56 Members on the floor. At this time there are only 55 because the gentleman from New York himself has left the Chamber. I have no objection to the gentleman from New York painting a halo around his own head, but I do object to his daubing me in the eye with the brush when he gets through.

There are good reasons for the membership not being present at this time. In the first place the membership is thoroughly familiar with this bill, and are for it. It is a very short bill of about 10 lines and they understand it and if present the bill would probably go through by unanimous consent. In the second place, the membership of this House has been through a rather tough ordeal in the last few days. Speaking for myself, after a late session day before yesterday, it was after 9 o'clock before I left my office and practically the entire building was lighted up by other Members at work in their offices. Last night the House adjourned about 8 o'clock and with the increased work and burden on the Members each day they simply have to spend some time in their offices. I am not so sure that it was very appropriate for the gentleman from New York to take a crack at the membership of this body in the way he did.

Mr. DOUGHTON. Will the gentleman yield?

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

Mr. DOUGHTON. The facts are not only as stated by the distinguished gentleman that the House had late sessions yesterday and the day before, but it will be recalled also that we met at 11 o'clock on those 2 days, not giving Members time to do work in their offices, answer correspondence, and converse with constituents who may have been here to see them on important business. They have had no time during the last 2 or 3 days to attend to the responsible and pressing duties of their office.

Mr. BARDEN. The gentleman is exactly right. I overlooked mentioning the fact that we met at 11 o'clock.

Then for the gentleman from New York [Mr. FISH] to hitch his wagon to a star and attempt to take a ride at the expense of the other Members and immediately run right off the floor himself is rather amusing to say the least—I do not mind his hitching his wagon to the star, but if he does not mind, he will get kicked in the teeth by the mule anyway.

Now may I say the housing situation is not working just exactly as I think Congress intended it to work.

This is very evident in my district. They are building some cantonments. They started them where no towns existed. After many months of correspondence and contact with the departments, and so forth, I thought we were getting somewhere. Just a few days ago I went down to meet with one of the housing officials, who presented to me a document signed by the Assistanct Secretary of War, the Assistant Secretary of the Navy, Mr. Forrestal, and the Administrator of National Housing Agency, Mr. Blandford, saying that they were constructing and would allocate housing only for the permanent defense workers.

There is a marine base occupied by probably 20,000 marines, sergeants, lieutenants, and other officers. Constructing that base right now are about 8,000 to 10,000 employees; in addition there are all the people who are necessary to service that camp. Remember that the camp was located at a village with a population of only 700, but now the housing representative tells me that they can build housing only for the permanent defense workers.

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I yield the balance of my time to the gentleman from North Carolina.

Mr. BARDEN. Now, if I know anything about a defense worker, I think a soldier or a marine, a sergeant, a colonel, or a general, is engaged in defense work. And if those men want to see their families they must ride 30, 40, or 50 miles to the surrounding villages to see them.

The money for that construction may not come out of this particular fund, but I say to the Members of this House that I am not altogether in accord with Mr. Blandford, Mr. Forrestal, and Mr. Patterson getting together and saying that they have decided such and such a thing will be done after the Congress has passed a housing bill. The situation is desperate down there. This housing official said he had never in his life seen a situation where an exception to that order was so deserving. Yet the exception has not been made.

I sometimes think that while we are debating these bills—and I am for this bill—we might just as well let these folks down in the departments know that we are not altogether in sympathy with their

taking a bill, after it has been thoroughly debated by Congress, and we think we understand what we are doing, and then interpreting it and deciding what will be done regardless of what we may think, and sometimes regardless of what the language of the bill might be.

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

COMMITTEE ON MILITARY AFFAIRS

Mr. PATTON. Mr. Speaker, I offer a resolution from the Committee on Accounts, and ask for its immediate consideration.

The Clerk read the resolution (H. Res. 542), as follows:

*Resolved*, That the expenses of further conducting the studies and investigations authorized by House Resolution 162 of the present Congress, incurred by the Committee on Military Affairs not to exceed $15,000, including expenditures for the employment of clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee conducting such studies and investigations or any part thereof, signed by the chairman of the committee and approved by the Committee on Accounts.

SEC. 2. The official stenographers to committees may be used at all hearings held in the District of Columbia unless otherwise officially engaged.

The resolution was agreed to.

DEFENSE HOUSING

Mr. LANHAM. 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. 7312) to increase by $600,000,000 the amount authorized to be appropriated for defense housing under the act of October 14, 1940, as amended.

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. 7312, with Mr. WHITTINGTON in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. LANHAM. Mr. Chairman, I wish to make a few brief observations in explanation of this measure.

On the 27th of May the President of the United States sent to the Congress a message recommending the authorization of $600,000,000 for additional defense housing. Based upon that message the Committee on Public Buildings and Grounds held extensive hearings. I hold a copy of the hearings in my hand. They constitute 335 printed pages. The committee did a very accurate and comprehensive job in hearing every phase of this particular question.

I was present throughout the hearings, and my familiarity with the situation as presented by the hearings, in correspondence that has come to me from all over the country, and from many conferences with many Members of the House of Representatives with reference to conditions in their respective districts, has convinced me that it is not only important but imperative that this bill be passed and passed promptly. I may say that in that connection that an identical measure was passed by the Senate of the United States on yesterday.

After the hearings, the Committee on Public Buildings and Grounds reported this measure favorably on July 20, and requested a rule for its consideration. Just at that time the informal recess came, and we have been delayed necessarily in getting the measure before this body for action.

The testimony, not only of the National Housing Agency through its representatives but the testimony of the representatives of the War Department, the Navy Department, and the Maritime Commission, advises us that at the time we were considering this in the committee this matter was most urgent and that our war effort was lagging because of a lack of housing for workers at many of these industrial plants. You know that almost without the turn of a hand we appropriated great sums of money for these various industrial plants connected with our war effort, shipbuilding plants, munition plants, airplane plants, and so forth. You will all recall that in one bill alone we appropriated $42,000,000,000, and the aggregate of all the bills carrying appropriations for the purposes of these plants would be very, very considerable. Now these plants are worthless without the workers to carry on the necessary labor in the production of those things that these plants produce. From all over the country urgent appeals are coming in and statements that our war effort is lagging because of the lack of such housing.

Let me reiterate what has been said many times. This particular act, which is not the only housing act, is purely an emergency measure. Ninety percent of the construction to be done under the funds herein authorized is to be temporary construction. It is not for purposes of slum clearance. It is simply for the purpose of supplying these workers in these war plants with some fairly reasonable living quarters to the extent that they cannot be furnished by private capital or by housing already available.

From the study I have made I am convinced that this money is urgently needed and that with delay in making the necessary provision for its expenditure we may not have the necessary housing for these workers. In my judgment, I repeat, it is not only important but imperative that we take immediate action upon it.

Of course, this is a colossal undertaking. Mistakes may have been made in some districts, but I think that under the efficient management of the gentlemen who are now in control of the supervision and direction the construction procedure is taking very much better form. They came into a complicated situation and in the short time in which they have been operating they have been showing a remarkable grasp of the situation. But regardless of what our quibbles may be as to whether things were done exactly right in any particular locality, the urgent need for these quarters for workers is very apparent.

We have a good law. The law does not need any modification or amendment. The authorities have promised to comply with the provisions of the law and, personally, I regret that we are thus late in getting the authorization for this necessary housing, because I feel that our war effort is lagging and has been lagging because of the fact that we have been somewhat necessarily delayed in the consideration of the measure in the House.

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

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

Mr. HANCOCK. Does not the gentleman feel that the rent ceilings will have to be raised if private enterprise is going to contribute to this housing problem? Where I live private enterprise cannot afford to construct dwellings even for defense workers, because the rent ceilings are so low.

Mr. LANHAM. Of course, the rent ceilings insofar as the terms of the law are concerned are supposed to be fixed with reference to what is paid for similar accommodations where these houses are built. As indicated by one of the gentlemen who spoke today, in some places the local authorities have established rent ceilings and that may militate in some ways against entirely satisfactory operation, both from the standpoint of private and public construction in some instances.

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

Mr. LANHAM. I yield to the gentleman.

Mr. DONDERO. The rent ceilings in the city of Detroit were fixed by the Federal Government. In Chicago they were fixed as of April 1, 1942, and in Detroit as of April 1, 1941, with the result that the testimony before your committee shows that a survey made in May 1942, in Detroit, showed that hardly a single house was being constructed to rent, because people could not afford to build them to rent under the rent ceilings fixed by the Federal Government. Let me ask the gentleman this question: Is there any area in the United States where housing is more acute than it is in the Detroit metropolitan area?

Mr. LANHAM. I cannot say that definitely, but I can say this: It is acute in a great many places and the construction contemplated under this authorization is in 40 of the 48 States of the American Union.

Mr. DONDERO. But it is more acute in that area than any place in the whole country according to the hearings before the gentleman's committee.

Mr. LANHAM. I know that it is a situation of great magnitude.

Mr. DONDERO. And the rent ceiling fixed by our Government is actually calculated to make the conditions worse in Detroit because private enterprise cannot possibly enter the field to build the houses. I am for the bill wholeheartedly, but I want to point out that situation.

Mr. LANHAM. We hope, of course, the proper regulations will be made in that regard.

Of course by reason of varying conditions we cannot in legislation undertake to establish a certain rent ceiling in one locality and another rent ceiling in another locality, but I think it should be taken up with the administrative authority. I believe the gentleman will find they will try to arrange the matter satisfactorily.

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

Mr. LANHAM. Yes.

Mr. TREADWAY. Is any provision made in the bill having to do with different types of construction according to the climatic conditions where the buildings are to be erected? I have in mind an area where the gentleman recently visited, Pittsfield, Mass. I have heard complaint that no provision is being made for cold weather occupancy, in view of the fact that they are putting the buildings on piles, with no cellars.

Mr. LANHAM. I may say that that matter has been discussed heretofore, and certainly the congressional intent has been that there should be a modification of construction depending upon the condition of the climate in the various localities. The gentleman will recall that his colleague [Mr. CLASON] brought that matter up in a previous debate and that is one reason that we have increased in former amendments of this act the maximum amount for the average cost of dwellings that can be constructed under the act. We realize that in some sections cellars are necessary, and in others they are not, and certainly it is the intent of those who have the legislation in charge that within those rigorous climates there should be necessary arrangements to enable the tenants to meet the conditions.

Mr. TREADWAY. Is that matter left to the local contractor or will it be regulated from Washington? Who is to judge of the weather conditions?

Mr. LANHAM. Just what specifications are made in that particular I am unable to tell the gentleman. Of course we look after the legislation rather than the administration, but our intent certainly has been definitely expressed on more than one occasion that we do want the houses constructed in such a way that they will be suitable for the kind of climate in which they are built.

Mr. TREADWAY. And the people having charge of the administrative features of this bill understand that thoroughly, do they not?

Mr. LANHAM. I feel sure they do, and I think if the gentleman will take this matter up with them, he will receive courteous and I trust sympathetic treatment.

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

Mr. LANHAM. Yes.

Mr. DIRKSEN. I think it is worthy of observation that up to this time one-half of 1 percent of defense appropriations and authorizations have been devoted to housing, and if this amount is added it will amount to only three-fifths of 1 percent of the total amount, and that is a very small percentage.

Mr. LANHAM. I appreciate what the gentleman has said, and I tried to intimate as much in my brief remarks to the effect that we have appropriated those large sums of money for the construction of these plants, and a very small amount, in proportion to those colossal sums, for the housing of the workers in the plants.

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

Mr. LANHAM. Yes.

Mr. McGREGOR. And is it not true that this bill is simply an increase of an authorization and that we do not change the rules, nor do we undertake to tell the Administrator what to do? It is simply a continued authorization in amount of $600,000,000.

Mr. LANHAM. The gentleman is correct. We have heretofore enacted the law that seems to be thoroughly applicable to this situation, and this bill merely increases the amount for operation under that law, in view of the fact that the funds heretofore appropriated have been expended.

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

Mr. LANHAM. Yes.

Mr. IZAC. I would like the gentleman to explain for the benefit of the gentleman from Michigan [Mr. DONDERO] that this bill is mostly for Government housing, and not for private housing. At least in my section of the country we have found that there are plenty of funds privately held ready today to be put into housing but we cannot get priorities from the War Production Board to have private industry build those houses. That would help us tremendously and require much less sums out of the $600,000,000 that we are asking to be appropriated today.

Mr. DONDERO. I tried to make that clear to the chairman of the committee, that private enterprise has been so thwarted by Government regulation and priorities that they cannot enter the field of competition with the Government to build houses to take care of these workers which private enterprise would like to do.

Mr. SMITH of Ohio. Mr. Chairman, the situation seems to be different from what it is in our defense area. What is the rent situation where private capital is ready to go ahead?

Mr. IZAC. They cannot get the priorities.

Mr. SMITH of Ohio. What is the rent situation with respect to ceilings?

Mr. IZAC. The ceilings are lower than in any other part of the country. We have the earliest freezing date in the United States, January 1, 1941, and private capital is still able to compete if they can get the priorities, and I have been down to the Administration and seen Mr. Blandford and Mr. Emerick, and asked that that be part of their policy, that private builders be permitted to build these homes, which the stable population wants to have, for ownership as well as for rent, but we cannot get priorities from the War Production Board unless the National Housing Agency declares that San Diego needs 500 and Detroit 5,000, and so on, and once they have determined the number of houses or communities that are required, then they can get priorities from the War Production Board.

You will find there are large sums of capital ready to be invested if we can get the go-ahead signal from the administration to let private enterprise proceed.

Mr. LANHAM. May I say further, with reference to what the distinguished gentleman from California [Mr. IZAC] has said, that we had before our committee representatives from all of these various agencies and departments of government, and among them the representative of the War Production Board, who said that they would see to it that for the housing contemplated through this authorization the materials would be available on a par with the construction of the plants, so that when the plants were ready for the workers the houses would be ready for the living quarters for the workers. Furthermore, by reason of recent developments, very much less of critical material is being used in the construction of these houses today than heretofore. It is surprising the great percentage of reduction in the use of critical materials.

Mr. IZAC. Will the gentleman yield?

Mr. LANHAM. I yield.

Mr. IZAC. But the administration fails to take this point into consideration: When Government housing goes into a vacant area they have to lay down the water mains, the sewer mains, and have all facilities brought into that area. If they will permit private capital to take vacant lots and put up these houses there, you already have all of those facilities right at the front door. The city manager of San Diego has testified that the critical materials used will be less if we permit private industry to go ahead and build the houses.

Mr. SMITH of Ohio. Do I understand the gentleman from California to say that all you need is a survey?

Mr. IZAC. I have asked for a resurvey of our area, and I understand it is to be given us.

Mr. SMITH of Ohio. And that is all you need to go ahead with your housing?

Mr. IZAC. We have plenty of capital ready to go ahead with private housing.

Mr. LANHAM. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WRIGHT], and then I will reserve the remainder of my time.

Mr. WRIGHT. Mr. Chairman, some of the questions propounded on the floor today have bothered me considerably. I have tried my best to find their solution. I think the criticism of the gentleman from Michigan [Mr. DONDERO], in which he complains about the price ceilings affecting the market for privately owned real estate for rent, may be true in part, but from everything we could determine when members of the committee made more or less of a Nation-wide survey of housing conditions we find that private capital generally was loath to build for rent until very recently. I think there is a little more willingness on the part of private builders to build for rent at the present time. One of the reasons why

they were not willing to do it was that in a great many of these localities where they had defense plants they did not consider the man who had come in from the country districts and from other sections of the country to be there permanently. Consequently if they had invested a considerable sum of money in a house they did not know how long they were going to be able to get a tenant. The private builder was very willing to build for sale, but naturally no person is going into a business proposition in which he does not see his way clear to have his investment protected and to get a fair return on his investment in the meantime. That was one of the impelling reasons that led to the construction of federally financed houses in the beginning.

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

Mr. WRIGHT. I yield.

Mr. HOLMES. I do not quite get the gentleman's point. As I understand it, when new buildings are built by private capital today, buildings which were not in existence when this rent-control legislation was passed or set up in a community, the rents charged for those individual houses have not been established. The owner, as I understand it, has a right to charge any fair rental that he can show or establish as a fair rental, under the cost of building that property.

Mr. WRIGHT. I think that is correct, but I was attempting to answer the gentleman from Michigan [Mr. DONDERO], who spoke of the rent ceilings as fixed by the Office of Price Administration as deterring private owners of real estate from renting this property to war workers. Naturally those regulations apply only to old properties. What the gentleman from Massachusetts is referring to now is new properties, and his statement is correct.

As to the question propounded by the gentleman from California [Mr. IZAC], I may say we have had considerable trouble in the city in which I reside about the very same problem. We have men who are willing to build houses there who have had a great amount of difficulty in starting the house, and in some cases completing it after having started it. I do not think there has been any deliberate effort on the part of the War Production Board—because they finally have the decision as to the priority of materials—I do not think there has been any deliberate effort to discriminate against the private builder in favor of the public builder, but I think that due to the fact that some materials are tied up for a considerable length of time, much longer than it was anticipated at the time the houses were commenced, and the private builder is not able to carry the load financially as well as the Federal Government, there has been considerable hardship worked upon the private builder.

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

Mr. WRIGHT. I yield.

Mr. IZAC. Is it not also true that when an attempt is made to build houses by private capital it is necessary to live up to a certain proportion which is demanded by the War Production Board that a certain number shall be for sale and a certain number for rent, and a certain number for rent below a certain figure?

Mr. WRIGHT. I understand that is true. I understand there is a restriction as to the number of houses that may be built in any certain locality. We do not have any more during the duration of the war, we do not have free building enterprise in the fullest sense of the word; but once an area has been determined to be a defense area and once it has been found by a survey that houses are needed, if private capital is available to do the work my understanding—and we have the words both of the housing authorities here in Washington and the War Production Board, that there is absolutely no discrimination in the obtaining of priorities.

[Here the gavel fell.]

Mr. LANHAM. Mr. Chairman, I yield 3 additional minutes to the gentleman from Pennsylvania.

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

Mr. WRIGHT. I yield.

Mr. McGREGOR. I do not want to disturb the gentleman's thought but I want to call the gentleman's attention to page 39 of the hearings where this colloquy took place:

> Mr. HÉBERT. However, if private capital is able to meet the requirements and meet the rules they will be given preference?
>
> Mr. BLANDFORD. Yes.

Mr. WRIGHT. Yes.

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

Mr. WRIGHT. I yield.

Mr. DONDERO. May I make the observation that rent ceilings do not apply to new construction but only to old buildings?

Mr. WRIGHT. I believe that is correct. That is the rent ceiling opposed by the O. P. A. There are, however, rents fixed in these Federal housing projects and I do not want to confuse them.

Mr. DONDERO. The reason I bring this to the gentleman's attention is because I find this line in the hearings:

> A survey dated May 22, 1942—

That is this year—

> conducted by the Work Projects Administration shows that of the houses under construction which they checked none was being built for rent.

So it did have some effect upon the new construction as well as the old construction. No one felt he could build a house for rent and get a reasonable return on the money invested. I think that is what is causing all the difficulty in the Detroit area.

Mr. WRIGHT. The gentleman may be right; I do not care to quarrel with him about his own back yard, but we did find as much as a year and a year and a half ago that the private builder was unwilling to build to rent because he did not see where he could get his investment out.

In the city of Pittsburgh and in the steel section surrounding the city of Pittsburgh, due to increase in the necessary production of steel, there have been plant expansions, and due to the topography of Pittsburgh it has been necessary in order to expand several of these plants to tear down several thousand presently existing dwelling units. This not only destroys present housing but it also brings new workers to the vicinity of Pittsburgh in an area where there already is considerable congestion. In Pittsburgh there is inability on the part of workmen to obtain homes. We have complaints not only on the part of labor but also on the part of management of such plants of the size and type of the Dravo Construction Co., the Carnegie Illinois Steel Co., the Jones & Laughlin Steel Co., and other large plants. They are experiencing an abnormal turn-over in the labor they are employing in those plants. Various men in responsible positions in these industries have told me they blame the turn-over largely upon the shortage of housing. There has been one recent expansion in the Dravo Construction Co. and two plant expansions in the Carnegie Illinois Steel Co. The management of the plants have told me personally that they did not see how they were going to get the necessary supply of labor without competing against each other for labor in necessary war industries unless they get some housing.

I notice in the hearings that they list the need of the Pittsburgh district as 4,000 more houses, but we have been allocated, on the presumption that this bill would pass, only a fractional part of that number. I do not therefore see how we are going to be able to avoid the expenditure of this entire amount of money. I am, of course, taking it for granted that the Pittsburgh district, Allegheny County, is getting its fair proportion of this money. Witnesses representing labor, witnesses representing capital, witnesses representing the real-estate industry, witnesses representing the Federal Housing Authority—which has not always seen eye to eye with the Housing Authority on defense housing—have testified as to the necessity for the expenditure of this money. I therefore feel that its present expenditure is necessary in the aid of the war and I think the bill should be passed.

[Here the gavel fell.]

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

Mr. Chairman, I believe every Member is familiar with the Lanham Housing Act. There is one piece of legislation on which a committee has worked diligently where there has never been a trace of politics, favoritism, sectionalism, or other disturbing district interest. We have been quite generous in our recommendation of appropriations; not only that but the committee has taken it upon itself to view various housing projects under construction and confer with municipal authorities. We feel we are in position to know the job that has been done up to the present time. There is no member of the committee who does not feel there is need for additional housing; we are a unit on that score. Early in the summer, when we held hearings on this additional appropriation or on the President's message, many of us thought that, in view of the huge amounts of money that had been appropriated and in view of the generosity on the part of Congress previously

in appropriating over a billion twenty million dollars for defense housing, that the recommendation should be for $300,000,000 rather than $600,000,000 at this time, allowing those in authority to allocate to the extent of $300,000,000, and after that had been done to come back to the Congress and give the committee and the House the benefit of a further survey of the needs and requirements throughout the country in connection with housing defense workers at these defense plants. In the committee I offered an amendment to accomplish this purpose, but the committee voted it down and reported, as you have before you today, legislation authorizing an additional $600,000,000. I am going to support, if an amendment is offered, which I think there will be, a reduction to $300,000,000.

When you realize the importance today of the use of strategic materials when we are having all kinds of drives to collect scrap iron, scrap steel, scrap rubber, scrap copper, scrap everything; when we hear and read about the steel mills being shut down because of lack of raw materials to produce steel plates and other materials that go into our ships, our tanks, our guns, and almost every article that we need to fight this war, I believe we should be more cautious in authorizing appropriations for housing. After a comprehensive study, and from what has been brought out on the floor of the House today, I know that in many communities, and I refer to defense communities, private capital is ready to build houses. Private capital has been hammering at the doors of the Federal Housing Administration and the War Production Board to get priorities for materials which they already have and have had for a long, long time, frozen today because they are denied the right to use them in building homes in defense areas.

The criticism of those in authority is well deserved. I presume every Member of the House has had more or less experience in trying to get some bureau here to release some strategic material that may go into a house or some equipment for the remodeling of a building or the building of a new home. I have had that experience and my experience has not been too satisfactory when I know that the material is there frozen and will never be used, to my knowledge, by the War Production Board, because they are not going to take the material and throw it back into the furnace and remelt it.

Under the public housing program, if they go into a defense community and the War Production Board grants the Public Housing Authority a priority, certainly the private builder who has material should also be accorded the same right.

Mrs. BOLTON. Will the gentleman yield?

Mr. HOLMES. I yield to the gentlewoman from Ohio.

Mrs. BOLTON. How do we know that there could be a release of priorities? We have no assurance to the effect that private builders are going to be able to build anything.

Mr. HOLMES. In reply to the gentlewoman, I can assure her that nobody knows and we have not been able to determine that, but, as I understand it, and we asked particularly the question if in a defense area private builders or private capital are in a position to build and finance it privately, and they have the material whether they would be given a priority, and we were assured "Yes," but as far as I know those priorities are not coming through.

Mrs. BOLTON. Exactly. We have today raised the limit on houses for officers. We need houses for workmen and the line men. If we have no assurance that we can get priorities for private buildings, are we going to deprive the workman of his home? He is not going to have tires to go any distance. He must live near his work. How is he going to do that unless we see to it that something is done, because we cannot get priorities for private building. We surely have a responsibility to see that the Government builds.

Mr. HOLMES. I thank the gentlewoman for her contribution. That is positively correct. We have been trying to get the War Production Board in communities that are defense communities to release priorities and let them utilize the equipment and build homes for workers near defense plants. If the Government goes into your district or my district or any other district in the United States and says, "We are going to put up a public housing project, build 400 or 1,000 individual homes or dormitories," it will get a priority. I say it is unfair to private enterprise and to private industry if they are in position to do this work without calling upon the Federal Government for any contribution to be denied that same priority that the Government itself will automatically get the minute it goes in and says it is going to build these public houses.

Mr. HANCOCK. Will the gentleman yield?

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

Mr. HANCOCK. In my community which I think is typical of defense areas, there are a great many contractors who wish to build houses and banks which wish to finance them. They are prevented from going ahead by two things which are not in the law but are conditions attached by the bureaucrats downtown, both of which have been pointed out by the gentleman from California. First, the private builders must offer a certain proportion of houses for rent. Now, no investor is going to spend money to build houses for rent in an area where the factories will close and the workers will move away in a few years, but there are a lot of people there who wish to buy homes. That is one condition that prevents private investors from going ahead. Then there is another condition in connection with the guaranteeing of these loans imposed by the F. H. A. The contractor is limited by rent ceilings which are too low for profits. Those are two instances in which the bureaucrats are thwarting the will of Congress. The law does not contain these restrictions. Does not the gentleman think we ought to amend the law so that the administration will not be able to thwart our intention or distort the law for its own purposes? Should we not take care of that situation by amendment to this act? And does not the gentleman think there is too much divided authority and too many conflicting interests between the several agencies concerned with the housing problem?

Mr. HOLMES. I do not think that we should do it by amendment to this act.

Mr. HANCOCK. I mean the National Housing Act.

Mr. HOLMES. I think that probably is a subject for the committee to take up at some future date. It is my hope that if we amend the bill today, reducing the amount to $300,000,000, then after this $300,000,000 is allocated, we could come back and review the picture as it is today or as they find it after spending the $300,000,000. I think it may change very materially. I know there is a demand. There may be a demand for the full $600,000,000. I know, too, that they can not go to work, allocate and spend that $600,000,000 within the next 3, 4, or 5 months. The House would be perfectly safe in saying that at the present time and under present conditions we will allow you $300,000,000, then you can come back to the committee, give the committee the benefit of what the future situation really is, then we may discuss also other phases of the law. I think the gentleman from New York [Mr. HANCOCK] has brought out a very good point—there is too much division of authority. Some one unit should have the power to say who should have priorities and who should not. I am familiar with the situation in San Diego. They are planning homes now far away from the center of the city, far away from the industrial plants. How they are ever going to get those workers living in the adjacent towns to the plants I do not know, in view of the shortage of gasoline and rubber. San Diego presents a big problem.

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

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

Mr. IZAC. While the debate has been going on this afternoon, a constituent of mine who has $3,000,000 with which he wants to put up 1,000 units within 1 mile of an aircraft factory has been turned down by the War Production Board. He is offering to put up these houses for rent under a ceiling that they will determine. He will use a minimum of critical materials. Still he cannot get the word to go ahead. That is the thing we should correct if it is possible for the gentleman's committee to correct it.

As long as private capital is willing to go in there and relieve the situation we should allow it to do so, because it is a situation that must be relieved. Our largest aircraft factory for 6 weeks has held at 45,000 employees although it wants to go 20,000 stronger, but there is no place to put these employees; in fact, they are sleeping in the theaters every night.

Mr. HOLMES. I thank the gentleman for his contribution. I am familiar with the situation in San Diego. We tried to correct that situation in the original law,

and we emphatically stated in the law that the authorities in Washington who had anything to do with housing should consult with the municipal officials and the local housing authorities and place these units at the most convenient and accessible points in order to eliminate the necessity for long transportation, confining the housing as closely as possible to the location of the plants in order to take advantage of the facilities already in the streets of the communities, instead of going way out into some area and then depending upon the transportation system to take care of the employees, when often there is no transportation system connecting the communities.

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

Mr. HOLMES. I yield to the gentleman from Ohio.

Mr. McGREGOR. Does not the gentleman believe that a good many of the conditions that he and other members of the committee, on which it is my pleasure to serve, found on our previous trips are now being corrected by the present administration, and that they are really endeavoring to locate these houses in areas where they are absolutely needed?

Mr. HOLMES. I think that is quite generally true, although as a member of this committee I do receive calls from various Members of the House calling my attention to the conditions they find in their localities. It is not wholly cured. One of the worst offenses of that type, of ignoring communities, occurred back in the early stages in dealing with the cities of San Diego, Los Angeles, and many other communities, where the authorities absolutely and totally ignored the communities and said they were going to place these units any place they wanted to; and they did that in many cases. In the original law we tried to express our feeling that there should be closer cooperation between the authorities in Washington and in the municipalities scattered all over this Nation that need defense housing.

Mrs. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. HOLMES. I yield to the gentlewoman from Ohio.

Mrs. BOLTON. The gentleman spoke a moment ago of the use of the facilities already established in the various towns, saying that it would be better to have the new housing projects use those facilities. Does the authorization in the pending bill include anything for facilities?

Mr. HOLMES. No; it does not.

Mrs. BOLTON. Then it would not correct the situation I have in my district of a large housing area having no facilities, so that all the facilities of the town are so overcharged that a very serious health problem has been created.

Mr. HOLMES. In reply to the gentlewoman's question regarding facilities, I may say that at the present time the construction of the facilities is handled by a different department altogether. As far as we understand, up to the present time they have all the money that is required. However, if we pass this bill carrying an additional $600,000,000 authorization, when they start to allocate this money to certain locations for the construction of new units the Federal Works Administration will be in here with a request for an additional appropriation to take care of the facilities needed in order to expand to these various locations.

Mrs. BOLTON. Instead of taking the opportunity that is given them by private industry to use the private facilities already established in San Diego, they build outside where there are no facilities?

Mr. HOLMES. As I understand the gentleman from California [Mr. IZAC], they have agreed to make a resurvey of the public housing situation as it is at the present time in San Diego.

Mr. IZAC. So that they may determine the quotas for the entire United States and then go to the War Production Board and get priorities for the number of units needed in each locality. I asked for a resurvey of the San Diego area. They said they would take it up with their area man in San Francisco, and I presume some day they will get around to it. In the meantime, however, as long as private industry is willing to go ahead and put up houses for rent, or for sale, for that matter, and as long as private industry has the money, all it lacks being the priorities and the permission from the War Production Board, I cannot see why the gentleman's committee cannot tell them down there that it is the wish of the committee and of the House of Representatives that we have a directive from the War Production Board to private industry to go ahead.

Mr. HOLMES. I can assure the gentleman from California that every member of our committee has in no uncertain terms told the authorities handling public housing that we are wholly in sympathy with allowing private capital to go as far and build as many of these houses as possible, and that only where private capital fails to meet the requirements should the Federal Government go in and build these houses.

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

Mr. HOLMES. I yield to the gentleman from Connecticut.

Mr. DOWNS. Is it not true that the committee, after investigating the situation on the Pacific coast, recommended to the Authority at that time that private capital be allowed to build houses for defense workers wherever possible?

Mr. HOLMES. That is right and I fully agree with what the gentleman has said.

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

Mr. HOLMES. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. I wonder if the gentleman's experience does not correspond with mine that Mr. Blandford, the present head of the Housing Administration, is sympathetic to private capital, but the snarl we have had is at the War Production Board where, necessarily, they have more or less focused their attention upon material for tanks, ships, and planes, and have neglected to consider housing for the workers who are going to produce these things.

Mr. HOLMES. In reply to that I will say that the War Production Board more or less depends upon the recommendation made by the Federal Housing Authority. In other words, if I or anyone else wanted to build a number of units or homes, we would have to go to the Federal Housing Authority and they would recommend to the War Production Board that priorities be granted and allocations made for my community or your community with respect to the number of units required, and then it is up to the War Production Board to grant that priority.

Mr. WRIGHT. But I am thinking particularly of the situation as to copper wire. I have not had any difficulty with the Housing Administration, but when I go to the War Production Board I find that private dwellings use copper wire and we are given an A-1J rating. When they go to their utility and the utility does not have that stock on hand and goes to the manufacturer, there are so many articles having a higher priority rating than A-1J that there is no chance of getting the wire for the private housing. In the meantime your contractor is held up and cannot close his loan with the F. H. A. and is suffering a loss which he cannot afford to carry. This has been the principal trouble in my district.

Mr. HOLMES. I think, perhaps, other communities have had the same experience the gentleman has had.

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

Mr. HOLMES. I yield to the gentleman from Ohio.

Mr. McGREGOR. Further clarifying the question raised by the gentleman from California [Mr. IZAC], I would like to call his attention to the record of the hearings on page 39, at which point, as a member of the committee, I asked Mr. Blandford this question:

> Does any machinery exist to get the cooperation of the States and of the communities or of the industrial units in or near where you contemplate building houses?

Mr. Blandford replied:

> Our old policy and our new policy, as indicated, are clearly on the basis of doing this job out in the field, working with the State commissions, all the city departments, local housing authorities, and all local groups, in order to get a unit pattern that the community desires. That is definitely our intent and practice.

Mr. HOLMES. I recall Mr. Blandford making that statement.

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

Mr. HOLMES. I yield.

Mr. JENSEN. In the event private enterprise proves they can furnish sufficient houses in the defense area, are they permitted to go ahead or does the Government still step in under this bill and build those houses?

Mr. HOLMES. Under the Lanham Act, of course, they could step in whether private capital is ready to do it or not, if they desired. There is nothing we can do to stop it.

Mr. JENSEN. If private capital or private contractors do indicate and prove that they can furnish the necessary houses, can they then get equal priority

rating with the Government or with F. H. A.?

Mr. HOLMES. We were assured by the War Production Board that any priority granted to a public housing unit, the same priority would be extended to the private contractor, but that has not been the fact.

Mr. JENSEN. What is the committee doing or what are we doing to remedy that situation, if anything?

Mr. HOLMES. We are not trying to amend the Lanham Act in any shape. As far as the Lanham Act is concerned, if they follow that act and the spirit of the committee and the Congress that passed it, there would be no trouble between private capital and the Government or between the municipal and Federal authorities. It is just a case of needing to use a little common, horse sense.

Mr. JENSEN. That is what I thought.

Mr. HOLMES. And also being human in their dealings with each other. That is all that is needed and that is what the law tries to express. We did not think it was necessary to amend the law, and we did have assurance from Mr. Blandford and the new housing authority that they would cooperate to the fullest extent with municipalities, with private contractors, with private capital, and with banks or any other unit that wanted to construct or build houses for defense workers. Our experience with this new organization has not been very long and we still believe that Mr. Blandford, when he told the committee that, was honest and meant what he said. We are hopeful he is going to do that.

Mr. JENSEN. I thank the gentleman.

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

Mr. HOLMES. I yield to my colleague from Massachusetts.

Mr. CLASON. I understood from reading the report and the testimony of Mr. Blandford that in September of 1941 private contractors were given the right to build 200,000 family dwelling units. Then it was also stated in these hearings that in June of 1942 a quota of 200,000 additional dwelling units was set out. Was that also given out to private contractors?

Mr. HOLMES. I understand for individual homes there was an allocation made throughout the United States, so many for the city of Springfield, so many for the city of Worcester, and so many for many other defense areas.

Mr. CLASON. It also appears that that 200,000 quota has already been used up except for a very small reserve. Did that 200,000 go to private contractors?

Mr. HOLMES. I cannot tell the gentleman whether it goes to private contractors or not.

Mr. CLASON. Is there any likelihood for a new quota for private houses to be built, being set up in the near future in view of the statement here that they do not expect those to be started, or any large number until 1943?

Mr. HOLMES. I understand the procedure to be that even in the communities where the quotas have been fixed, that provision is made that if individuals or private contractors want to build 10 or 20 or 30 houses or even 50, they will have to go through the necessary application and get the quota for the community increased in order to allow them to do that, and that is being done universally throughout the United States.

Mr. CLASON. Then the quota is being increased at the present time?

Mr. HOLMES. Yes.

Mr. CLASON. And every house that is to be built now is to be for an in-migrant war worker, and no private individual will be able to build a house for himself if he is a local resident.

Mr. HOLMES. Oh, I do not think that is true. You have the right to go and build a house for yourself if you can get the priority.

Mr. CLASON. Do they still issue priorities for private individuals? Can you still secure priorities to build for private individuals?

Mr. HOLMES. I understand so; yes.

Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SMITH of Ohio. Mr. Chairman, this bill, H. R. 7312, provides for the authorization of additional funds for defense houses. I am assuming the amount requested is needed and therefore I shall support the bill. My home city, Marion, Ohio, has been designated a defense area. In this area there is now under construction a defense plant, the Scioto Ordnance Plant, which, when completed, will be operated by the United States Rubber Co.

Marion is already greatly overcrowded. This has resulted from the in-migration of a great number of workers who are employed in our normal manufacturing industries. These industries are now engaged in war work. In addition there has been an influx of workers who are now employed in the construction of the ordnance plant—some 5,000 or 6,000. The normal population of Marion is about 35,000.

It is anticipated by the officials of the United States Rubber Co. that between 11,000 and 20,000 persons will be employed in the plant when completed. It creates a situation where the housing shortage must become still more critical.

Provision is being made by the National Housing Agency for the construction of several hundred houses in Marion under the F. H. A. plan. This is wholly inadequate to meet the great need.

The indications are private capital cannot be depended on to construct more than the number of houses now being provided for under F. H. A. One thousand five hundred additional houses are needed immediately. Five hundred of these are now being provided for by the National Housing Agency under the Lanham plan. This leaves 1,000 additional houses that are needed.

It will be impossible for the United States Rubber Co., operators of the plant, to secure the proper personnel for the operation of this plant unless they have the necessary houses for those persons to live in.

The Scioto Ordnance Plant at Marion, Ohio, is costing upward of $40,000,000 to construct. It is important now that the necessary houses are provided in order to attract the people needed to put this plant in operation.

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

Mr. SMITH of Ohio. I yield.

Mr. WILSON. It is not a question of money. If they can build the houses with money they can have the money. The question is the critical materials involved.

Mr. SMITH of Ohio. Let us consider this critical material situation for just a moment.

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

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

Mr. SMITH of Ohio. To be sure, there is a serious shortage of materials that go into the construction of these defense houses. But suppose funds are authorized, even appropriated, if no materials are available no funds will be spent. May I ask the chairman of the committee [Mr. LANHAM], if I am correct in asserting that the funds for the construction of these houses we have under consideration at the present time, are about exhausted? In fact, they are exhausted, and some of the funds are being reallocated; is that not correct?

Mr. LANHAM. The funds have been exhausted. That is correct.

Mr. WILSON. Does the gentleman realize that the bureaucrats in Washington will use those funds whether they are put into the houses or not?

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

Mr. SMITH of Ohio. I yield.

Mr MICHENER. As a matter of fact, this is an authorization bill, and as explained to the Rules Committee, there is an understanding between the Committee on Public Buildings and Grounds and the Appropriations Committee that a subcommittee from the Committee on Public Buildings and Grounds is to sit with the Appropriations Committee when this money is allocated. So as a matter of fact I can see no reason why anyone who believes in adequate national defense housing should oppose this authorization.

Mr. LANHAM. Mr. Chairman, there are no further requests for time. The Clerk may read.

The Clerk read as follows:

*Be it enacted, etc.*, That section 3, as amended, of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, is amended by striking out "$600,000,000" and inserting in lieu thereof "$1,200,000,000."

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

The Clerk read as follows:

Amendment offered by Mr. WILSON: On page 1, line 7, strike out "$1,200,000,000" and insert in lieu thereof "$900,000,000."

Mr. WILSON. Mr. Chairman, my prime interest, as is the interest of every other Member of this House, is the winning of this war. We must win the war! I wonder how much critical material the

Axis Powers are diverting from guns, planes, tanks, and ships to build houses for their workers. Our distinguished Chairman stated that our defense effort was lagging because of lack of adequate housing for our war workers, but he did not state that our defense effort was operating at about 60 percent capacity or less because of the shortage of critical materials. But he would divert this critical material, 2,500 pounds that goes into each house, from the guns and planes and tanks and ships to build houses for war workers, which we have so far been able to get along without.

Now, I am not offering the amendment to cut this appropriation out entirely. I only offer the amendment to cut it down to $300,000,000 instead of $600,000,000. The $600,000,000 offered in this bill is equivalent to the entire amount that has been appropriated to date for this purpose. There is nothing in the world to keep us from meeting again at a later date to authorize another appropriation for $300,000,000 if this first $300,000,000 is properly used, but I say that these funds in the past have not been properly used.

In my own district in Indiana we have built 100 houses, nice houses, the best that have been built under this program. These houses have been finished from 6 months to 9 months and 42 of them are still standing vacant.

There they stand empty, 42 monuments to the short-sightedness and improper planning of those charged with the spending of this money in the building of houses for the defense workers of America. I do not know why these houses were located there; I did not have anything to do with it and the committee did not listen to me when I told them before they were built that they never would be occupied. That is why I am against this authorization.

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

Mr. WILSON. No; I am sorry; I do not have time.

My friend from Michigan said this did not mean anything; that it was just an authorization, but in my experience an authorization by this House is tantamount to an appropriation. Perhaps the last chance I shall have to stop this will be on the floor of the House today and I am going to use this chance. I represent several thousand people. This will cost each person in my district about $4. It means something to us. Why do we not have rubber? There are a lot of farmers in my district. Why do we not utilize their farm products to manufacture rubber? Then we should not have to build these houses.

Ten months of political piddling and all that we have gotten out of it is a committee. We could have had rubber long ago if we had made rubber from farm products and we should have saved critical materials because that was the only process by which we could get rubber quickly and utilize the least amount of critical materials. These are the reasons why I am opposed to this authorization. Critical materials are the things involved, not the money. I have money allocated to my district, to my own home town of Bedford, $86,000 to build a hospital. It was a much-needed hospital. Every bed in that hospital was full. The Government came along and put up a powder depot in the area. We had some accidents, lost some lives. They allocated money to build that hospital but when we found we could not have the critical materials we needed we refused to accept the money and turned it back to the Government. I am going to leave the problem of allocation of critical materials to the War Production Board, for I feel that the War Production Board knows where the critical material should go. So my city, my home county, refused to accept that money. If we take this critical material away from the production of ships, planes, tanks, and so forth, we do not need to put up houses, for we shall not need the workers because they will not have the critical materials with which to work.

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

Mr. WILSON. I am sorry; my time has expired.

[Here the gavel fell.]

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

Mr. Chairman, I do not intend to go into the rubber situation; I will stay on defense housing.

Mr. Chairman, this request for $600,000,000 was made after a very careful survey. The committee also went into the matter thoroughly. The committee is convinced that the entire $600,000,000 is needed to build these houses. Many of the large industrial centers today are in dire need of houses for defense workers.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield at that point?

Mr. DOWNS. I yield.

Mr. McCORMACK. In reading yesterday's RECORD I noticed that the Senate passed a bill authorizing $600,000,000 for defense housing and I found that the author of the bill was none other than the distinguished Senator from Ohio [Mr. TAFT].

Mr. DOWNS. That is correct.

Mr. Chairman, I received a letter today from the works manager of a large industrial plant in my city. It reads as follows:

UNDERWOOD ELLIOTT FISHER CO.,
*Bridgeport, Conn., September 22, 1942.*

Congressman LE ROY D. DOWNS,
*House Office Building,*
*Washington, D. C.*

DEAR MR. DOWNS: We keep reviewing the housing situation as it stands today in the Bridgeport area and get almost nervous prostration, wondering how the devil we are going to fit thousands of additional industrial workers, which seem to be indicated by both industrial plant surveys and reports from the local employment service.

With the handicaps faced by private builders and the lack of speed on the part of public housing projects, the solution seems to be getting further and further away.

I believe that anything that can be done to speed up activity along this line would at least ease one of the real headaches that faces the industrialist in this area now.

Our manufacturers association committee sat in with Mr. Clifford's committee of the chamber of commerce, all of which you are familiar with, and I think that we can concur in his conclusion on the situation. It looks as though our solution were pretty much in the hands of Washington.

I know what real problems you have on your hands today, but this one is definitely related to war production effort and needs your continuing support.

Sincerely yours,

DON SAMMIS,
*Works Manager.*

This same condition exists in Hartford, in Stamford, in New London, in Norwalk, and in all the industrial centers of the State in which I reside. What is true in Connecticut is true throughout the country.

We were told at the hearings that these funds would be allocated over some 40 States covering the various large industrial centers. There is not any question in my mind but what this appropriation is needed. If this authorization is not provided, it is going to bog down the war effort.

My friend brought up the matter of critical materials. Mr. Blandford stated at the hearings that at the present time only 50 percent of the critical materials are used in building defense houses that were used in the beginning of the project period.

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

Mr. DOWNS. I yield.

Mr. WILSON. Is it not true there are defense housing projects that cannot be occupied by defense workers because of the lack of certain critical materials? That they have lain idle for several months?

Mr. DOWNS. Not to my knowledge; I do not know about that.

Mr. WILSON. I think that is true in the Norfolk area.

Mr. DOWNS. I hope this bill will be approved for the $600,000,000 so we can go on with our defense housing program in the country. I urge that the amendment be voted down.

[Here the gavel fell.]

Mrs. ROGERS of Massachusetts. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I feel this defense housing is needed very much. I should like to bring to the attention of the House a matter I have brought before the House previously; that is the miles upon miles of steel rails lying idle in the streets of the cities, and towns, and communities of the country. We have an acute steel shortage today. Here is one source of a considerable quantity of this critical material which can be gotten quickly. In my own city of Lowell, the steel rails are being taken up immediately. If that were done in other cities I believe you would have all the steel you want.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. WILSON].

The amendment was rejected.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WHITTINGTON, 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. 7312) to increase by $600,-

000,000 the amount authorized to be appropriated for defense housing under the act of October 14, 1940, as amended, pursuant to House Resolution 538, reported the same back to the House without amendment.

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

The question is on the engrossment and third reading of the bill.

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

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

Mr. LANHAM. Mr. Speaker, in view of the fact that on yesterday the Senate passed an identical bill to that just passed by the House (S. 2725), and in view of the action just taken by the House, I ask unanimous consent for the immediate consideration of the bill S. 2725, to increase by $600,000,000 the amount authorized to be appropriated for defense housing under the act of October 14, 1940, as amended.

The Clerk read the title of the bill.

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

There being no objection, the Clerk read the Senate bill as follows:

*Be it enacted, etc.*, That section 3, as amended, of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes", approved October 14, 1940, is amended by striking out "$600,000,000" and inserting in lieu thereof "$1,200,000,000".

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.

Mr. LANHAM. Mr. Speaker, I ask unanimous consent that the action by which the House just passed H. R. 7312 be vacated.

The SPEAKER. Is there objection to the request of the gentleman from Texas, [Mr. LANHAM]?

There was no objection.

AUTHORIZING SPEAKER TO SIGN ENROLLED BILL

Mr. LANHAM. Mr. Speaker, I ask unanimous consent that, despite the fact the House may not be in session, the Speaker may be authorized to sign the enrolled bill.

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

There was no objection.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

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

Mr. MICHENER. Mr. Speaker, reserving the right to object, will the majority leader advise the House as to the program next week?

Mr. McCORMACK. Mr. Speaker, Monday is District Day, and I understand it is the intention of the chairman of the District Committee to call up four bills, three of them Senate bills, namely, S. 2733, relating to the registration of births; S. 2689, relating to the incorporation of St. Ann's Infant Asylum; S. 2503, relating to the retirement pay for judges; and H. R. 7522, relating to nursery schools in the District of Columbia. Those are schools which take care of children while mothers are engaged in defense work. In any event, that bill relates to the nursery schools of the District. I have been informed by the gentleman from West Virginia [Mr. RANDOLPH] that those four bills will be called up, and he also states that he believes they are noncontroversial. I cannot say definitely that they are or are not controversial, but I assume if any controversy arises, and in view of the fact the chairman of the Committee on the District of Columbia believes they are noncontroversial, the bill over which any controversy might arise will not be pressed. That is my own personal observation and hope.

I know of nothing after Monday with the exception of the Senate action on the price stabilization, which is expected tomorrow if the Senate does not act today. Of course, that bill will go to conference; and if it goes to conference, any conference report will be brought up as quickly as possible after the conference report is filed. What day that may be I am unable to say.

Mr. MICHENER. I assume again it is the gentleman's hope it will be brought up on Tuesday?

Mr. McCORMACK. That is my hope, and it is my hope it will be a very satisfactory bill. It is my hope further that the vote of yesterday will serve notice on those able and constructive leaders of the farm group that it is probably well to arrive at something that is satisfactory.

Mr. MICHENER. That is very assuring. Can the gentleman give us any hope as to the tax bill?

Mr. McCORMACK. No. I wish I could, but I cannot. It will not be next week, however.

Mr. CLASON. Mr. Speaker, reserving the right to object, may I ask whether or not any bill is likely to come up in regard to civilian Government employees?

Mr. McCORMACK. In reference to overtime?

Mr. CLASON. Yes.

Mr. McCORMACK. I am glad the gentleman from Massachusetts asked that question. The 90-day extension covering overtime expires on September 30. We passed that bill about three months ago. It seems to me that the matter will have to be taken care of promptly. If the gentleman from Georgia [Mr. RAMSPECK], is on the floor I am sure he can make a contribution in reference to that matter.

Mr. RAMSPECK. I may say that I am drawing up a resolution to continue the present overtime legislation for another 60 days which I hope to call up on Monday by unanimous consent.

Mr. CLASON. May we expect to have legislation before the House in the near future which will provide for better pay for civilian Government employees than under the present system?

Mr. RAMSPECK. I may say to the gentleman from Massachusetts that the House Committee on the Civil Service held hearings on that subject and had hoped to work out a satisfactory solution, but we have not yet been able to do it. The Senate Committee on the Civil Service has had hearings this week and some progress has been made toward a satisfactory solution, but I do not think it will be possible to pass any such legislation by September 30.

Mr. McCORMACK. The other resolution is necessary in order to extend the overtime pay legislation that now exists?

Mr. RAMSPECK. That is correct.

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

There was no objection.

EXTENSION OF REMARKS

Mr. FORAND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein two statements by the Secretary of the Treasury on the subject of silver.

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

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOBBS. Mr. Speaker, I ask unanimous consent that on Monday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 30 minutes.

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

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. VINSON of Georgia, for 15 days, on account of official business.

To Mr. THOMAS of Texas (at the request of Mr. THOMASON), for September 23 and 24, on account of important business.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2655. An act to amend the Judicial Code to authorize the Chief Justice of the United States to assign circuit judges to temporary duty in circuits other than their own; to the Committee on the Judiciary.

ENROLLED BILL SIGNED

Mr. KIRWAN, 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. 6196. An act to amend the Canal Zone Code in relation to the control of marihuana.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 2670. An act to amend section 61 of the National Defense Act of June 3, 1916, as amended, for the purpose of providing State and Territorial military forces with such arms, ammunition, clothing, and equipment

as is deemed necessary to enable them to execute their internal security responsibilities within their respective States and Territories, and for other purposes;

S. 2686. An act to amend the act of May 19, 1926, entitled "An act to authorize the President to detail officers and enlisted men of the United States Army, Navy, and Marine Corps to assist the governments of the Latin-American republics in military and naval matters";

S. 2698. An act to make transportation and storage facilities available for military use where military necessity exists, by authorizing the removal to other points of merchandise in customs custody; and

S. 2747. An act to authorize a reduction in the course of instruction at the United States Military Academy.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 44 minutes p. m.), under its previous order, the House adjourned until Monday, September 28, 1942, at 12 o'clock noon.

## COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Wednesday, September 30, 1942, at 10: 30 o'clock a. m., on H. R. 7548, to provide for the issuance of a device in recognition of the services of merchant sailors.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet on Wednesday, September 30, 1942, at 10:30 a. m., to begin hearings on House Joint Resolution 297, to permit the diversion of waters from Lake Michigan to safeguard the public health.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1919. A letter from the Comptroller General of the United States, transmitting his report and recommendation to the Congress concerning the claims of the Young Men's Christian Association, the Young Women's Christian Association, the Richland County Post, No. 6, of the American Legion, and C. J. Nairn, against the United States; to the Committee on Claims.

1920. A letter from the Administrator, Federal Security Agency, a report of the Superintendent of St. Elizabeths Hospital; to the Committee on Expenditures in the Executive Departments.

1921. A letter from the Archivist of the United States, transmitting a list of papers for disposition by him by certain agencies of the Federal Government; to the Committee on the Disposition of Executive Papers.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PATTON: Committee on Accounts. House Resolution 542. Resolution providing for the expenses of further conducting the studies and investigation authorized by the resolution (H. Res. 162) authorizing the Committee on Military Affairs to conduct studies and investigation of the progress of the national defense program; without amendment (Rept. No. 2482). Referred to the House Calendar.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 7522. A bill to amend the District of Columbia Appropriation Act, 1943, so as to authorize the use of public-school buildings in the District of Columbia as and for day nurseries and nursery schools, and for other purposes; without amendment (Rept. No. 2483). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLE of New York: Committee on Naval Affairs. S. 2627. An act to amend the act approved August 27, 1940 (54 Stat. 864), entitled "An act increasing the number of naval aviators in the line of the Regular Navy and Marine Corps, and for other purposes"; without amendment (Rept. No. 2484). Referred to the Committee of the Whole House on the state of the Union.

Mr. JACOBSEN: Committee on Naval Affairs. S. 2677. An act to authorize an exchange of land at Mechanicsburg, Pa., between Edgar Eberly and the United States; without amendment (Rept. No. 2485). Referred to the Committee of the Whole House on the state of the Union.

Mr. DREWRY: Committee on Naval Affairs. S. 2679. An act to authorize the transportation of dependents and household effects of personnel of the Navy, Marine Corps, Coast Guard, and Coast and Geodetic Survey, incident to secret or confidential orders, and for other purposes; with amendment (Rept. No. 2486). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAGNUSON: Committee on Naval Affairs. H. R. 7576. A bill to provide for the advancement of Rear Admiral Emory S. Land, Construction Corps, United States Navy, retired to the rank of vice admiral; without amendment (Rept. No. 2487). Referred to the Committee of the Whole House on the state of the Union.

Mr. MOTT: Committee on Naval Affairs. H. R. 7577. A bill to amend the act approved July 24, 1941 (34 U. S. C., Supp. I, 350f), so as to adjust the pay status of enlisted personnel appointed to commissioned rank for temporary service, and for other purposes; without amendment (Rept. No. 2488). Referred to the Committee of the Whole House on the state of the Union.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GREEN:

H. R. 7598. A bill to make available any unobligated balances of existing appropriations heretofore made under the War Department Civil Appropriations Act of 1943 for the prosecution of improvement of the Gulf Intracoastal Waterway and the barge canal across Florida, authorized by the act approved July 23, 1942; to the Committee on Appropriations.

By Mr. RANKIN of Mississippi (by request):

H. R. 7599. A bill to amend section 305 of the World War Veterans' Act, 1924, as amended; to the Committee on World War Veterans' Legislation.

By Mr. STEFAN:

H. R. 7600. A bill relating to loans and sales to producers of agricultural commodities which are destroyed or damaged; to the Committee on Agriculture.

By Mr. WENE:

H. R. 7601. A bill to provide for the construction and operation by the Federal Government of a system of new military superhighways for national defense in time of war, or insurrection, and for Government and commercial use by automobiles in time of peace; to provide for the financing of same; to provide for the relief of unemployment after the present World War ends; to promote public safety; to stimulate general business throughout the Nation; to earn revenue for the Federal Government; and for other purposes; to the Committee on Ways and Means.

By Mr. DITTER:

H. R. 7602. A bill to terminate certain monetary powers of the President and the Secretary of the Treasury; to the Committee on Banking and Currency.

H. R. 7603. A bill to repeal certain silver purchase legislation and terminate the authority of the President and the Secretary of the Treasury with respect to fixing the weight of the silver dollar and providing for unlimited coinage of silver; to the Committee on Ways and Means.

By Mr. MAY:

H. R. 7604. A bill to amend Article of War 52; to the Committee on Military Affairs.

By Mr. CELLER:

H. J. Res. 345. Joint resolution to assist Jewish refugees from France; to the Committee on Immigration and Naturalization.

# SENATE

FRIDAY, SEPTEMBER 25, 1942

*(Legislative day of Monday, September 21, 1942)*

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

The Reverend Edward Hughes Pruden, Ph. D., D. D., pastor, First Baptist Church, Washington, D. C., offered the following prayer:

O gracious Father and our God, we thank Thee that in our moments of deepest need we discover more of Thy greatness and power than in all our days of comparative peace and security. In this dark hour of international chaos and confusion deepen our faith and conviction that Thou art the Preserver and the Sustainer of all truth and righteousness and justice. May we know that, though the things which we hold dear are now threatened and challenged, ultimately they must prevail.

Give to these men deep wisdom and understanding, as they face their significant obligations and responsibilities, and may all their deliberations and actions be acceptable 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 Thursday, September 24, 1942, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed, without amendment, the following bill and joint resolution of the Senate:

S. 2725. An act to increase by $600,000,000 the amount authorized to be appropriated for defense housing under the act of October 14, 1940, as amended; and

S. J. Res. 129. Joint resolution to remove certain limitations on the cost of construction of Army and Navy living quarters.