

2765. Also, petition of Mrs. William M. Millen and 34 residents of Swan Lake and Sullivan County, N. Y., appealing for the enactment of House bill 2082, and contending that by its enactment untold amounts of money, food materials, coal, iron, rubber, gasoline, and shipping space will be conserved, and a large percentage of the cause of absenteeism in war plants will be eliminated; to the Committee on the Judiciary.

2766. Also, petition of Florence B. Mallory, of Pine Bush, Orange County, N. Y., and 39 residents of Pine Bush, N. Y., requesting Congress to pass House bill 2082, introduced by Representative JOSEPH R. BRYSON, of South Carolina, in order to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by the prohibition of the manufacture, sale, and transportation of alcoholic liquors in the United States for the duration of the war and until the termination or demobilization; to the Committee on the Judiciary.

2767. Also, petition of Alfred B. Helsner, of Beacon, N. Y., and 34 other residents of Dutchess County, N. Y., urging early consideration and a favorable vote on the Bryson bill (H. R. 2082) in order to bring about a suspension of the alcoholic beverage industry for the duration of the war, to reduce absenteeism, increase production, and eliminate sources of disorder and physical disability which are hampering our war effort; to the Committee on the Judiciary.

2768. Also, petition of Mildred Browning and 45 other residents of Hyde Park, Dutchess County, N. Y., protesting against the wastage of sugar and grains in the manufacture of beer, wines, and distilled liquors, contending that the use of these beverages jeopardizes the efficiency, morale, and safety of all our people, and advocating legislation to prevent such waste; to the Committee on the Judiciary.

2769. By Mr. PLOESER: Petition of Elmer G. Huch and 19 petitioners of St. Louis, Mo., opposing any enactment of House bill 2082, known as the Bryson bill; to the Committee on the Judiciary.

2770. Also, petition of Harry J. Fields and 20 petitioners of St. Louis, Mo., opposing any enactment of House bill 2082, known as the Bryson bill; to the Committee on the Judiciary.

2771. Also, petition of Carl C. Cook and 20 petitioners of St. Louis, Mo., opposing any enactment of House bill 2082, known as the Bryson bill; to the Committee on the Judiciary.

2772. Also, petition of Eugene Bauer and 20 petitioners of St. Louis, Mo., opposing any enactment of House bill 2082, known as the Bryson bill; to the Committee on the Judiciary.

2773. Also, petition of Al. Becker's Market and 40 petitioners of St. Louis, Mo., opposing any enactment of House bill 2082, known as the Bryson bill; to the Committee on the Judiciary.

2774. Also, petition of Fred J. Eggeman and 20 petitioners of St. Louis, Mo., opposing any enactment of House bill 2082, known as the Bryson bill; to the Committee on the Judiciary.

2775. Also, petition of Bruce J. Strode and 43 petitioners of St. Louis, Mo., opposing any enactment of House bill 2082, known as the Bryson bill; to the Committee on the Judiciary.

2776. Also, petition of Edward Harder and 20 petitioners of St. Louis, Mo., opposing any enactment of House bill 2082, known as the Bryson bill; to the Committee on the Judiciary.

2777. Also, petition of George Gable and 20 petitioners of St. Louis, Mo., opposing any enactment of House bill 2082, known as the Bryson bill; to the Committee on the Judiciary.

2778. Also, petition of Fred Saettelle and 20 petitioners of St. Louis, Mo., opposing any

enactment of House bill 2082, known as the Bryson bill; to the Committee on the Judiciary.

2779. Also, petition of Moses Aaron Teitelbaum and 320 petitioners of St. Louis, Mo., opposing any enactment of House bill 2082, known as the Bryson bill; to the Committee on the Judiciary.

2780. Also, petition of Louis Amelung and 19 petitioners of St. Louis, Mo., opposing any enactment of House bill 2082, known as the Bryson bill; to the Committee on the Judiciary.

2781. By Mr. HOWELL: Petition of Evangelist E. L. Banta and 10,533 sundry citizens of the counties of Sangamon, Christian, Macoupin, and Montgomery in the Twenty-first Congressional District of Illinois, urging Congress to use its influence to improve conditions in the vicinity of Army camps in connection with the sale of intoxicants and the presence of vice; to the Committee on the Judiciary.

2782. Also, petition of Mrs. Margaret Schwass and 20 citizens of Elmhurst, Ill., protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

2783. By Mr. TREADWAY: Petition of milk producers of southern Berkshire County, Mass., opposing a subsidy on milk; to the Committee on Banking and Currency.

2784. By Mr. RAMEY: Petition of Daisy Meachen and 12 other residents of Lakeside, Ottawa County, Ohio, urging the passage of House bill 2082, to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war, sponsored by Hon. JOSEPH R. BRYSON; to the Committee on the Judiciary.

2785. Also, petition of Mrs. C. B. Harmon and 50 other residents of Lucas County, Ohio, urging the passage of House bill 2082, to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war, sponsored by Hon. JOSEPH R. BRYSON; to the Committee on the Judiciary.

2786. By Mr. COCHRAN: Petition of the Atlanta Coast Line Railroad of Washington, D. C., and signed by 19 citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2787. Also, petition of N. H. Brown, of Washington, D. C., and 19 other citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2788. Also, petition of Capt. Tom's Restaurant, of Washington, D. C., and signed by 20 citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2789. Also, petition of the 400 Restaurant, of Washington, D. C., and signed by eight citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2790. Also, petition of the P. & N. Restaurant, of Washington, D. C., and signed by 58 citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2791. Also, petition of the Westinghouse Electric Supply Co. and signed by 22 St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2792. Also, petition of the Brass & Copper Sales Co. and signed by 24 St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2793. Also, petition of Joseph H. Muckholz and 20 St. Louis citizens, protesting against

the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2794. Also, petition of the Tobacco Workers' International Union, Local No. 200, and signed by 132 St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2795. Also, petition of the Chemical Workers' Union, Local No. 21536, and signed by 57 St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2796. Also, petition of Rose Koby and 20 St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2797. Also, petition of the International Longshoremen's Association and signed by 20 St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2798. Also, petition of Joseph J. Langen and 20 other St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2799. Also, petition of Ruth Rogers and 20 other St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2800. Also, petition of Angelo Oldani and 22 St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2801. By Mr. NORMAN: Petition of Mrs. Robert W. Keller, of Raymond, Wash., urging passage of the Bryson bill (H. R. 2082), in order to bring about a suspension of the alcoholic beverage industry for the duration of the war, to reduce absenteeism, increase production, and eliminate sources of disorder and physical disability which are hampering our war effort; to the Committee on the Judiciary.

2802. Also, petition of Mrs. Lantz Wiss, of Shelton, Wash., and 57 other citizens of Shelton and vicinity, urging passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2803. By Mr. LUTHER A. JOHNSON: Memorial of Mrs. Bill Collins, of Navarro, Tex., favoring House bill 2350; to the Committee on Pensions.

2804. By Mr. HOWELL: Petition of Vincent Jacobs, secretary of the Staunton Trades Council, Staunton, Ill., and sundry citizens of the Twenty-first Congressional District of Illinois, protesting against the overriding, by Congress, of the President's veto of the Smith-Connally bill, and protesting against the congressional ban on subsidies in connection with the roll-back of prices on food and other items to the levels of September 18, 1942 and urging Congress to support an extensive program of subsidies to effect such a roll-back; to the Committee on Military Affairs.

SENATE

TUESDAY, OCTOBER 12, 1943

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of the nations, on this day of national honor we give Thee thanks for the daring faith of that intrepid mariner who, trusting in Divine guidance, gained a New World for Thy benign purposes on the earth. From fragile ships tossing on

mad and mystic seas we would listen again to the voice of the brave captain whose words as leaping swords stir our sluggish hearts, "Sail on! Sail on!" May that stern command resound in our hearts today as Thy summons to us who live in this supreme hour, that we may discover for our own time the meaning and significance of America for itself and for the world. May we discover America as a moral and spiritual enterprise which has direct responsibility both to the people who live under it and to the God who reigns above it. Thus, in the spirit of the great explorer who pushed back the veil from a waiting continent which, in the unfolding of history was to be Thy last and best hope for humanity, may our America fulfill its manifest destiny in proving an instrument in Thy hands for making this old world of human hate into the New World of Thy redeeming love. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, October 8, 1943, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT

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

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:

Andrews	Guffey	Pepper
Bailey	Gurney	Radcliffe
Bail	Hatch	Reed
Bankhead	Hawkes	Revercomb
Barbour	Hayden	Reynolds
Barkley	Hill	Robertson
Bilbo	Holman	Shipstead
Bridges	Johnson, Calif.	Smith
Brooks	Johnson, Colo.	Stewart
Buck	Kilgore	Taft
Burton	Langer	Thomas, Idaho
Bushfield	Lucas	Thomas, Okla.
Butler	McCarran	Thomas, Utah
Byrd	McClellan	Tunnell
Capper	McFarland	Tydings
Caraway	McKellar	Vandenberg
Chavez	McNary	Van Nuys
Clark, Idaho	Maybank	Wagner
Connally	Mead	Walsh
Danaher	Millikin	Wheeler
Davis	Moore	Wherry
Ellender	Murdock	White
George	Nye	Wiley
Gerry	O'Daniel	Willis
Gillette	O'Mahoney	Wilson
Green	Overton	

Mr. HILL. I announce that the Senator from Washington [Mr. BONI] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from California [Mr. DOWNEY] is absent on official business for the Special Committee to Investigate Labor Conditions on the West Coast.

The Senator from Missouri [Mr. TRUMAN] and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate the National Defense Program.

The Senator from Kentucky [Mr. CHANDLER], the Senator from Montana [Mr. MURRAY], and the Senator from Georgia [Mr. RUSSELL] are necessarily absent.

The Senator from Missouri [Mr. CLARK], the Senator from Mississippi [Mr. EASTLAND], the Senator from Connecticut [Mr. MALONEY], and the Senator from Nevada [Mr. SCRUGHAM] are detained on important public business.

Mr. McNARY. The Senator from Vermont [Mr. AIKEN] is absent on public business.

The Senator from Vermont [Mr. AUSTIN] and the Senator from Massachusetts [Mr. LODGE] are necessarily absent.

The Senator from Michigan [Mr. FERGUSON] is necessarily absent from the city as a member of the Truman investigating committee.

The Senator from New Hampshire [Mr. TOBEY] is necessarily absent on official appointments.

The Senator from Wisconsin [Mr. LA FOLLETTE] has been confined to a Madison hospital since September 13, where he is now recovering from virus pneumonia.

The VICE PRESIDENT. Seventy-seven Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 3309. An act to suspend during the present war the application of sections 3114 and 3115 of the Revised Statutes, as amended;

H. R. 3338. An act relating to Government and other exemptions from the tax with respect to the transportation of property;

H. R. 3363. An act extending the time within which applications under section 722 of the Internal Revenue Code must be made; and

H. R. 3381. An act relating to credits against the Victory Tax.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 755) to amend the National Housing Act, as now or hereafter amended, so as to give protection to persons in military service, and their dependents, as to certain mortgages, and it was signed by the Vice President.

REPEAL OF CHINESE EXCLUSION LAWS AND GRANT OF CITIZENSHIP TO CHINESE (H. DOC. NO. 333)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read by the legislative clerk and referred to the Committee on Immigration:

To the Congress of the United States:

There is now pending before the Congress legislation to permit the immigration of Chinese people into this country and to allow Chinese residents here to become American citizens. I regard this legislation as important in the cause of winning the war and of establishing a secure peace.

China is our ally. For many long years she stood alone in the fight against aggression. Today we fight at her side. She has continued her gallant struggle against very great odds.

China has understood that the strategy of victory in this world war first required the concentration of the greater part of our strength upon the European front. She has understood that the amount of supplies we could make available to her has been limited by difficulties of transportation. She knows that substantial aid will be forthcoming as soon as possible—aid not only in the form of weapons and supplies, but also in carrying out plans already made for offensive, effective action. We and our allies will aim our forces at the heart of Japan—in ever-increasing strength until the common enemy is driven from China's soil.

But China's resistance does not depend alone on guns and planes and on attacks on land, on the sea, and from the air. It is based as much in the spirit of her people and her faith in her allies. We owe it to the Chinese to strengthen that faith. One step in this direction is to wipe from the statute books those anachronisms in our law which forbid the immigration of Chinese people into this country and which bar Chinese residents from American citizenship.

Nations like individuals make mistakes. We must be big enough to acknowledge our mistakes of the past and to correct them.

By the repeal of the Chinese Exclusion Laws, we can correct a historic mistake and silence the distorted Japanese propaganda. The enactment of legislation now pending before the Congress would put Chinese immigrants on a parity with those from other countries. The Chinese quota would, therefore, be only about 100 immigrants a year. There can be no reasonable apprehension that any such number of immigrants will cause unemployment or provide competition in the search for jobs.

The extension of the privileges of citizenship to the relatively few Chinese residents in our country would operate as another meaningful display of friendship. It would be additional proof that we regard China not only as a partner in waging war but that we shall regard her as a partner in days of peace. While it would give the Chinese a preferred status over certain other Oriental people, their great contribution to the cause of decency and freedom entitles them to such preference.

I feel confident that the Congress is in full agreement that these measures—long overdue—should be taken to correct an injustice to our friends. Action by the Congress now will be an earnest of our purpose to apply the policy of the good neighbor to our relations with other peoples.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, October 11, 1943.

ADDITION OF LAND TO THE MONTEZUMA CASTLE NATIONAL MONUMENT, ARIZ.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 378) to

provide for the addition of certain land in the State of Arizona to the Montezuma Castle National Monument, which was, on page 2, line 14, after the word "necessary", to insert "but not to exceed \$25,000."

Mr. HAYDEN. I move that the Senate concur in the amendment of the House of Representatives.

The motion was agreed to.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

PERSONNEL REQUIREMENTS OF DEPARTMENTS AND AGENCIES

Letters from the Secretary of State, the Under Secretary of Agriculture, the Secretary of Commerce, the Chairman of the Federal Trade Commission, the Chairman of the Federal Deposit Insurance Corporation, the Comptroller General of the United States, the Administrative Officer of the President's Committee on Fair Employment Practice of the Office for Emergency Management, and the Secretary of the Smithsonian Institution, submitting, pursuant to law, estimates of personnel requirements for their respective departments and offices for the quarter ended December 31, 1943, and for the Department of Agriculture for the quarter ended September 30, 1943 (with accompanying papers); to the Committee on Civil Service.

REMISSION OF CLAIMS ON ACCOUNT OF OVERPAYMENTS TO CERTAIN CHARWOMEN

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to remit claims of the United States on account of overpayments to part-time charwomen in the Bureau of Engraving and Printing, and for other purposes (with an accompanying paper); to the Committee on Claims.

REPORT ON PERSONNEL OF THE LAND FORCES

A letter from the Secretary of War, submitting, pursuant to law, a confidential report relating to the personnel of the land forces on August 31, 1943; to the Committee on Military Affairs.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

A letter from the Attorney General, submitting, pursuant to law, a report stating all the facts and pertinent provisions of law in the cases of 131 individuals whose deportation has been suspended for more than 6 months under the authority vested in him together with a statement of the reason for such suspension (with an accompanying report); to the Committee on Immigration.

ABSTRACTING, TITLING, ETC., OF FEDERAL LANDS

A letter from the Comptroller General of the United States, reporting, in accordance with law, as to suggested legislation the purpose of which is to establish and centralize in the General Land Office, Department of the Interior, the necessary facilities for the acquisition, abstracting, titling, recording, and disposition of Federally owned and controlled lands (with an accompanying paper); to the Committee on Public Lands and Surveys.

FEES OF KICKBACKS, GIFTS, OR GRATUITIES TO EMPLOYEES UNDER COST-PLUS-A-FIXED-FEE CONTRACTS

A letter from the Comptroller General of the United States, transmitting, in accordance with law, a draft of proposed legislation having for its purpose the elimination of the practice by subcontractors under cost-plus-a-fixed-fee prime contracts of paying fees or

kickbacks, or of granting gifts or gratuities to employees of cost-plus-a-fixed-fee prime contractors, or of other subcontractors, for the purpose of securing the award of orders or subcontracts thereunder (with an accompanying paper); to the Committee on Expenditures in the Executive Departments.

REGISTRANTS DEFERRED BECAUSE OF EMPLOYMENT UNDER THE GOVERNMENT

A letter from the Director of the Selective Services System, transmitting, pursuant to law, the fifth monthly list of registrants who have been deferred because of their employment in or under the Federal Government as of September 15, 1943 (with accompanying papers); to the Committee on Military Affairs.

PETITION AND MEMORIAL

The VICE PRESIDENT laid before the Senate the following resolutions of the Legislature of Pennsylvania, which were referred to the Committee on the Judiciary:

Joint resolution making application to the Congress of the United States to call a convention for proposing an amendment to the Constitution of the United States prohibiting the imposition of conditions upon grants of moneys and rebates of taxes in certain cases

The General Assembly of the Commonwealth of Pennsylvania hereby resolves as follows:

SECTION 1. The General Assembly of the Commonwealth of Pennsylvania hereby makes application to the Congress of the United States, in accordance with the provisions of article V of the Constitution of the United States, to call a convention for proposing the following amendment to the Constitution of the United States:

Resolved by the Convention for proposing amendments to the Constitution of the United States, called by the Congress of the United States, pursuant to application of the legislatures of two-thirds of the several States, That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as a part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. All grants of public moneys to the several States or political subdivisions thereof shall be outright and without condition, except as to the public purpose for which they shall be used. Congress shall not make any law providing to any State or to the people thereof any rebate, refund, or payment by way of taxes or otherwise, except in the exercise of powers delegated to the United States by the Constitution. Any State through its proper officers may enforce the provisions of this article by injunctive process.

"SEC. 2. The Secretary of the Commonwealth shall transmit certified copies of this resolution to the President of the Senate of the United States and to the Speaker of the House of Representatives of the United States and to the president of the senate and the speaker of the house of representatives of the legislatures of each of the other 47 States of the United States.

"SEC. 3. The provisions of this resolution shall become effective immediately upon its final enactment."

JOHN C. BELL,
President of the Senate.

IRA T. FISS,
Speaker of the House of Representatives.

Approved the 27th day of May A. D. 1943.
EDWARD MARTIN, Governor.

Concurrent resolution memorializing the Congress of the United States to amend the Constitution of the United States relative to taxes on incomes, gifts, and inheritances; and providing limitations on taxes so levied; and repealing the sixteenth amendment to the Constitution of the United States

Whereas there is now pending in the current session of the Congress of the United States proposed legislation to repeal the sixteenth amendment to the Constitution of the United States and to amend the Constitution of the United States relative to taxes on incomes, gifts, and inheritances; and providing for a limitation of taxes thereon; and

Whereas the people of the State of Pennsylvania are greatly interested in the passage of such legislation: Now therefore, be it

Resolved by the House of Representatives of the State of Pennsylvania (the Senate concurring), That the Congress of the United States be memorialized as follows: That application be, and it is hereby, made to the Congress of the United States to call a convention for the purpose of proposing the following article as an amendment to the Constitution of the United States.

"ARTICLE —

"SECTION 1. The sixteenth amendment to the Constitution of the United States is hereby repealed.

"SEC. 2. The Congress shall have power to lay and collect taxes on incomes from whatever source derived without apportionment among the several States and without regard to any census or enumeration: *Provided*, That in no case shall the maximum rate of tax exceed 25 percent.

"SEC. 3. The maximum rate of any tax, duty, or excise, which Congress may lay and collect with respect to the devolution or transfer of property or any interest therein, upon or in contemplation of death, or intended to take effect in possession or enjoyment at or after death, or by way of gifts, shall in no case exceed 25 percent.

"SEC. 4. Sections 1 and 2 shall take effect at midnight on the 31st day of December following the ratification of this article. Nothing contained in this article shall affect the power of the United States after said date, to collect any tax on incomes for any period ending on or prior to said 31st day of December, laid in accordance with the terms of any law then in effect.

"SEC. 5. Section 3 shall take effect at midnight on the last day of the sixth month following the ratification of this article. Nothing contained in this article shall affect the power of the United States to collect any tax on any devolution or transfer occurring prior to the taking effect of section 3, laid in accordance with the terms of any law then in effect." Be it further

Resolved, That the Congress of the United States be and it hereby is requested to provide as the mode of ratification, that said amendment shall be valid to all intents and purposes as part of the Constitution of the United States, when ratified by the legislatures of three-fourths of the several States; be it further

Resolved, That the secretary of state be and he hereby is directed to send a duly certified copy of this resolution to the Senate of the United States and one to the House of Representatives in the Congress of the United States and to each Pennsylvania Member thereof.

IRA T. FISS,
Speaker of the House of Representatives.

W. J. RIDGE,
Chief Clerk of the Senate.

W. E. HARRYSHAW,
Chief Clerk of the House of Representatives.

COMMONWEALTH OF PENNSYLVANIA,
GOVERNOR'S OFFICE,
Harrisburg, June 7, 1943.

I file herewith, in the office of the secretary of the Commonwealth, with my objections, House Concurrent Resolution No. 50, Printer's No. 651, entitled "Concurrent Resolution, Pennsylvania Legislature, memorializing the Congress of the United States to amend the Constitution of the United States relative to taxes on incomes, gifts, and inheritances; and providing limitations on taxes so levied; and repealing the sixteenth amendment to the Constitution of the United States."

This resolution would memorialize the Congress to call a convention to amend the Constitution of the United States to limit the maximum rate of any tax, duty, or excise which Congress may lay and collect with respect to the devolution or transfer of property to a maximum of 25 percent and in like manner to limit the power to lay and collect taxes on incomes.

Much as I feel constrained, as a matter of general policy, to keep taxes to the lowest possible sum consistent with good government, and anxious as I am to collaborate with those bent upon erecting barriers against the mounting costs of government, with the concomitant increases in taxes, I am yet above all conscious of our deep involvement in the most serious as well as the most expensive war in which this or any other nation was ever engaged. There is as yet no indication of the termination of the war or of the vastness of additional funds necessary to prosecute the war to victory. At this time of great national crisis, with the future demands for money unpredictable, and not knowing what the service charge will be on the national debt at the conclusion of the war, I am unwilling to take any action that might hamper the Government in the due prosecution of the war.

For these reasons the resolution is not approved.

EDWARD MARTIN.

REGULATION OF INSURANCE BUSINESS—
LETTER FROM LEAVENWORTH (KANS.)
INSURANCE BOARD

Mr. CAPPER. Mr. President, I present and ask unanimous consent to have printed in the RECORD and appropriately referred a letter containing resolutions adopted by the Leavenworth Board of the Kansas Association of Insurance Men, favoring the enactment of the bill (S. 1362) to affirm the intent of the Congress that the regulation of the business of insurance remain within the control of the several States and that the acts of July 2, 1890, and October 15, 1914, as amended, be not applicable to that business, introduced in the Senate by the Senator from Indiana [Mr. VAN NUYS] and the Senator from North Carolina [Mr. BAILEY].

While I have the floor, I desire to state that I intend to support S. 1362. The bill, as I understand it, would reaffirm and write into a statute the intent of Congress that the regulation of the business of insurance shall remain within the control of the States.

There being no objection, the letter containing resolutions was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

KANSAS ASSOCIATION OF
INSURANCE AGENTS,
Leavenworth, Kans., September 29, 1943.
Hon. ARTHUR CAPPER,
United States Senate,
Washington, D. C.

DEAR MR. CAPPER: The Leavenworth Insurance Board asks you to support Senate

bill 1362 (Van Nuys and Bailey), a bill to affirm the intent of the Congress that the regulation of the business of insurance remain within the control of the several States.

Enactment would make possible continued operation of the business of insurance under State regulation which has proven in Kansas to be in the public interest.

Some of the older members of our association remember what unsatisfactory conditions existed in Kansas before State regulation.

Your support of this measure will be greatly appreciated.

Yours very truly,
THE LEAVENWORTH INSURANCE BOARD,
Z. D. KELLY,
The Kelly Agency.
ED. REILLY,
JOHN BAUM,
Fidelity Insurance Agency,
MARGARET E. BERNHARDT,
Manager, Reyburns Agency,
W. W. FLUHONY.

PROTEST AGAINST MANUFACTURE OF
BEER, WINE, AND DISTILLED LIQUORS—
MEMORIAL

Mr. O'DANIEL. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD at this point a tabulation of a memorial sent in by Mildred Browning, of Hyde Park, N. Y., expressing opposition to the wastage of foods and other materials essential to the operation of the war, and especially sugar and grain used in the manufacture of beer, wine, and distilled liquors.

There being no objection, the memorial was referred to the Committee on Finance and the tabulation was ordered to be printed in the RECORD, as follows:

Hyde Park, N. Y.	22
Staatsburg, N. Y.	22
Keuka Park, N. Y.	1
Salt Point, N. Y.	2

CONTROL AND REGULATION OF LIQUOR
TRAFFIC DURING THE WAR—PETI-
TIONS

Mr. O'DANIEL. Mr. President, I present for appropriate reference and ask unanimous consent to have inserted in the RECORD at this point a tabulation of 379 petitions supporting the bill (H. R. 2082) to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. Is request made that all the petitions in question shall be made part of the RECORD, together with the names and addresses?

Mr. O'DANIEL. I ask for the printing of the tabulation, Mr. President.

Mr. LUCAS. Only the tabulation?

Mr. O'DANIEL. Yes; only the tabulation.

There being no objection, the petitions were referred to the Committee on the Judiciary and the tabulation was ordered to be printed in the RECORD, as follows:

Maine	52
Maryland	105
Minnesota	124
Texas	97
Virginia	1

Total..... 379

PROHIBITION OF LIQUOR SALES AROUND
MILITARY CAMPS—PETITIONS

Mr. O'DANIEL. Mr. President, I present for appropriate reference and ask unanimous consent to have inserted in the RECORD at this point a tabulation of 5,716 petitions. The petitions pray for the enactment of the bill (S. 860) relating to the sale of alcoholic liquors to the members of the land and naval forces of the United States.

There being no objection, the petitions were referred to the Committee on Military Affairs and the tabulation was ordered to be printed in the RECORD, as follows:

Alabama	246
California	20
Connecticut	52
Delaware	237
Florida	40
Illinois	1,997
Indiana	44
Kansas	49
Maine	516
Maryland	120
Minnesota	1,521
New Jersey	89
New York	39
Ohio	470
Oklahoma	79
Pennsylvania	174
South Carolina	22
Virginia	1

Total..... 5,716

Mr. O'DANIEL. Mr. President, I ask unanimous consent to have inserted in the RECORD at this point an editorial published in the Providence (R. I.) Journal of September 15, 1943, and also a news item published in the Providence Evening Bulletin of September 15, 1943. The editorial and the news item bear on the subject of the petitions indicated by the tabulation.

There being no objection, the editorial and news item were ordered to be printed in the RECORD, as follows:

[From the Providence (R. I.) Journal of September 15, 1943]

THERE IS A LIMIT

Conditions in downtown Providence during the evening hours—especially on week ends—require considerably more attention than they are receiving from naval shore patrols, Army MP's and the local police.

Drunkenness among servicemen is getting out of bounds. The attitude of a considerable number of the men—drunk or sober—toward unescorted women has grown increasingly bold and embarrassing. The conduct of some of them and the women companions they find on the streets is far outside the realm of ordinary decency.

This situation reflects on the armed services and on the majority of servicemen, whose behavior is beyond reproach. It ought to be promptly corrected. Otherwise it will become worse.

There is no disposition to make this a puritanical community. We want men who come here on leave to feel welcome and to enjoy themselves within reason while they are here. We are aware of the restraints they are under most of the time and understand their consequent urge to cut loose a bit when on liberty.

But there is a limit, and when uniformed men stumble around the streets too drunk to know what they are doing, when women cannot go about their own affairs on our highways without fear of insult and even physical molestation, and when some seek

to make downtown Providence a sort of open-air brothel, that limit has been exceeded.

[From the Providence (R. I.) Evening Bulletin of September 15, 1943]

NAVY AUTHORITIES SILENT ON SERVICEMEN'S CONDUCT—NEWPORT OFFICERS DECLINE COMMENT ON EDITORIAL ABOUT PROVIDENCE CONDITIONS

Navy officials at Newport today declined comment on an editorial in the Journal and Bulletin urging action by Navy, Army, and local police authorities to curb the excesses of many servicemen on liberty in Providence.

The editorial asserted that the drinking, accosting of unescorted women, and the activities of some servicemen and their women companions was "getting out of bounds."

The public relations officer at the Newport Naval Operating Base, asked to obtain comment on the editorial from Admiral William S. Pye, the commandant, or the proper authority, brought back word that the Navy had no comment to make.

Efforts to reach Captain Teed, United States Army, of the 1102d Battalion, Military Police, stationed at Niantic, Conn., for comment on the Army's views on downtown Providence's wartime social condition, were not immediately successful. At present, it is understood, Captain Teed details a sergeant and six men to Military Police duty in Providence. The MP's are housed at Chad Brown station. Week ends, two additional MP's arrive from Camp Edwards for duty at the bus station.

Soldiers of the Narragansett Bay harbor defenses are not responsible for any deterioration in conditions in downtown Providence, Brig. Gen. Arthur G. Campbell, United States Army, in command of the harbor defenses, said. He said men from the forts going to Providence are for the most part residents of Providence, and when they get leave they don't go home to make trouble.

Police Chief James J. Cusick, of Providence, commenting on the editorial, outlined difficulties police faced in prosecuting law violations connected with nocturnal conditions in the city, but at the same time said he felt police were making progress.

Refusal of some women to make complaints against servicemen who have molested them is a factor which ties the hands of police, Cusick said.

In many cases, he said, women who have been molested have refused even to report to police. Others who tell police about being bothered by servicemen refuse to identify themselves.

Cusick said the police department has a special detail of 12 men working in plain clothes downtown each night, checking activities of young girls and servicemen in hotels and cafes. The details are so made up that the patrol posts overlap and there is relatively little time during which some cafes are without a police observer, he said.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BILBO, from the Committee on Pensions:

S. 1225. A bill granting a pension to Constance Eager; without amendment (Rept. No. 460).

By Mrs. CARAWAY, from the Committee on Commerce:

H. R. 3029. A bill to authorize the adoption of a report relating to seepage and drainage damages on the Illinois River, Ill.; without amendment (Rept. No. 461); and

H. R. 3145. A bill to revive and reenact section 9 of an act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved August 26, 1937; without amendment (Rept. No. 462).

By Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs:

S. 1372. A bill to authorize the purchase of certain interests in lands and mineral deposits by the United States from the Choctaw and Chickasaw Nations of Indians; with amendments (Rept. No. 463).

By Mr. McCARRAN, from the Committee on Commerce:

S. J. Res. 82. Joint resolution to create the War Shipping Field Service; with amendments (Rept. No. 464).

By Mr. VAN NUYS, from the Committee on the Judiciary:

S. J. Res. 63. Joint resolution requesting the President to proclaim February 11, 1944, as Edison Day in commemoration of the birthday of Thomas Alva Edison; without amendment.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

By Mr. VAN NUYS, from the Committee on the Judiciary:

James Patrick McGranery, of Pennsylvania, to be the Assistant to the Attorney General, vice James Rowe, Jr., resigned.

By Mr. McCARRAN, from the Committee on the Judiciary:

Luther M. Swygert, of Indiana, to be United States district judge for the northern district of Indiana, vice Thomas W. Slick, resigned.

By Mr. WALSH, from the Committee on Naval Affairs:

Rear Admiral Herbert F. Leary, United States Navy, to be a vice admiral in the Navy, for temporary service, to rank from the 1st day of November 1943 and to continue during his assignment as commander, Eastern Sea Frontier; and

The following named rear admirals of the Navy, when retired on November 1, 1943, to be placed on the retired list with the rank of vice admiral pursuant to an act of Congress approved June 16, 1942:

Adolphus Andrews.

Roland M. Brainard.

By Mr. BAILEY, from the Committee on Commerce:

Col. Edwin C. Kelton, Corps of Engineers, United States Army, for appointment as president and member of the California Debris Commission, provided for by law, vice Brig. Gen. Warren T. Hannum, to be relieved; and

Col. Rufus W. Putnam, Corps of Engineers, United States Army, for appointment as a member of the California Debris Commission, provided for by law, vice Col. Clay Anderson, Corps of Engineers, to be relieved.

BILLS INTRODUCED

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

By Mr. McNARY:

S. 1424. A bill for the relief of Owen Wimmer; to the Committee on Military Affairs.

By Mr. WHEELER:

S. 1425. A bill to amend section 409 of the Interstate Commerce Act, relating to joint rates of freight forwarders and common carriers by motor vehicles; to the Committee on Interstate Commerce.

(Mr. MAYBANK introduced Senate bill 1426, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. WALSH:

S. 1427. A bill to authorize the appointment of Gregory Boyington a first lieutenant in the Marine Corps;

S. 1428. A bill to amend the provision of the act authorizing payment of 6 months' death gratuity to widow, child or dependent relative of officers, enlisted men, or nurses

of the Navy or Marine Corps, and for other purposes;

S. 1429. A bill to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the Outlying Degaussing Branch of the Norfolk Navy Yard, Portsmouth, Va., on December 4, 1942; and

S. 1430. A bill to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in Tent L-76 at the Amphibious Training Base, Camp Bradford, Norfolk, Va., on March 15, 1943; to the Committee on Naval Affairs.

By Mr. BROOKS:

S. 1431. A bill for the relief of Carl F. R. Wilson; to the Committee on Claims.

By Mr. McCARRAN:

S. 1432. A bill to extend the Civilian Pilot Training Act of 1939; to the Committee on Commerce.

By Mr. PEPPER:

S. 1433. A bill for the relief of Clarence A. Giddens; to the Committee on Claims.

By Mr. BRIDGES:

S. 1434. A bill to provide for voluntary apprenticeship in the District of Columbia; to the Committee on the District of Columbia.

By Mr. LANGER:

S. 1435. A bill granting a pension to Frances Leonard Barnes; to the Committee on Pensions.

(Mr. LANGER also introduced Senate bill 1436, which was referred to the Committee on Territories and Insular Affairs, and appears under a separate heading.)

SUSPENSION OF TAXES ON OLEOMARGARINE

Mr. MAYBANK. Mr. President, I introduce a bill to provide that certain taxes imposed with respect to the sale or manufacture of oleomargarine which is yellow in color shall be suspended until the expiration of 6 months after the termination of hostilities in the present war.

In view of the fact that the bill relates to the subject of taxation, I ask that it be referred to the Finance Committee.

There being no objection, the bill (S. 1426) to provide that certain taxes imposed with respect to the sale or manufacture of oleomargarine which is yellow in color shall be suspended until the expiration of 6 months after the termination of hostilities in the present war, was read twice by its title and referred to the Committee on Finance.

Mr. MAYBANK. In connection with the bill I have just introduced, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an excellent article dealing with the subject matter of the bill, written by Jefferson G. Bell, and appearing in the New York Times of October 2, 1943. I also ask to have printed at this point an editorial entitled "Inequitable Oleo Tax," published in the Washington (D. C.) Star.

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

[From the New York Times of October 2, 1943]

HOSPITAL PATIENTS GET LITTLE BUTTER—VOLUNTARY INSTITUTIONS REPORT THEY ARE 40 PERCENT SHORT AS SUBSTITUTE IS URGED—OLEOMARGARINE TAX CITED—LEVY ON COLORING MATTER SAID TO MAKE SUBSTITUTE'S COST ALMOST PROHIBITIVE

(By Jefferson G. Bell)

High point rationing and the Federal Government's set-aside requirements for

lend-lease, the armed forces, and other priority consumers, have placed butter almost beyond the reach of New York City's voluntary hospitals and other charitable institutions, it was reported yesterday.

This group of institutions, trying to provide for the sick, the indigent, the orphans, and other unfortunates, have now been compelled to reduce their consumption of butter to about 40 percent of normal.

"Like everyone else, we are having a very hard time getting butter," explained John Hayes, president of the Greater New York Hospital Association. "Some of our hospitals are giving butter to our people only once a day—at breakfast. This cut in butter consumption, of course, represents a cut in the consumption of bread, which is significant from the standpoint of the welfare of the patients in our hands."

PATIENTS REVOLTED

Mr. Hayes explained that without the use of coloring it was impossible to use oleomargarine as a substitute for butter as a spread on toast, for instance, because many patients revolted at the sight of oleomargarine in its natural state when it resembles lard. When coloring is used to make oleomargarine resemble butter, an acceptable and wholesome substitute results, according to Mr. Hayes, but the Federal tax levied on the mere use of coloring matter for butter makes the compound's cost just about prohibitive.

The point made by Mr. Hayes was further emphasized by a bulletin of one of the purchasing agents for a group of hospitals and other charitable institutions.

Under the heading, "Butter is harder to buy than filet mignon," the commodity bulletin of the purchasing agent for institutional users had this to say:

"We don't buy many beef tenderloins (13 points per pound), but our hospitals and other institutions have always been large butter consumers. The announcement that the number of ration points needed to buy a pound of butter has been increased 33½ percent to 16 points per pound comes as no special surprise.

"However, being so well aware of the seriousness of the butter shortage, we have no reason to question the wisdom of the authorities in placing this item farther out of reach by the present increase in points, although it would seem to us that a way would be found to make it easier for hospitals, particularly, to procure an adequate supply.

OLEOMARGARINE TAX LAW

"What we do object to and with good reason we believe, is the oleomargarine tax law which prohibits the use of oleomargarine to which color is added, in voluntary institutions, unless a Federal tax is paid amounting to \$600 a year per institution, plus 10 cents a pound for every pound so colored. We object to this law because:

"1. City, State, and Federal institutions are exempt therefrom.

"2. Any member of the public can buy oleomargarine in its natural state, and add color, so long as the product is used in his own house.

"To serve oleomargarine in its natural state to sick people or to the aged (whose appetites at best are rather indifferent), is completely to discourage the use of this product. Margarine to which color has been added is almost indistinguishable from regular butter, and since it is claimed to have the same nutritive value as butter and since, further, there is a very free supply pressing on the market (at half the price of butter), it seems a shame that these institutions cannot use it as a substitute without involving themselves in such a prohibitive tax.

"An institution using only 120 pounds of margarine a week to which color has been

added would have a tax liability of \$1,200 a year, or 20 cents a pound."

City Markets Commissioner Daniel P. Woolley hailed metropolitan New York's victory gardens which had swelled the harvest of garden truck, when he released his weekly review of food supplies showing continued improvement in supplies of meats, butter, and eggs, and plentiful farm produce.

[From the Washington Evening Star]

INEQUITABLE OLEO TAX

Even in some of the big dairy States there is evidence of rising dissatisfaction with tax laws which prevent the citizens of these States from buying oleomargarine at reasonable prices under the existing conditions of the butter shortage.

In a recent editorial the Milwaukee Journal cites a letter from a Wisconsin housewife complaining about the butter situation. She would like to have more butter; lacking that, she would like to have some oleomargarine, "which she cannot get because a State tax effectively prohibits the sale of this substitute in our communities." Thousands of Wisconsin housewives, says the editorial, "will agree with the writer of this letter. They know that the oleo law has hurt Wisconsin in other States because of its discriminatory character. Now they know that the law is hurting Wisconsin residents themselves, for with butter hard to get even at 12 ration points a pound, oleo, which could be had for four points a pound, is barred by statute."

The editorial goes on to cite the Wisconsin State laws, whose repeal it demands as an "unpardonable interstate trade barrier," and also as an unwise way of dealing with the butter-oleo problem.

Citizens outside of Wisconsin can do little about these Wisconsin State laws; however, similar arguments apply to certain Federal taxes on the manufacture and sale of oleomargarine all over the country, and the citizens of all States should actively interest themselves in the matter of bringing to their Congressmen's attention the matter of relieving at least this phase of the injustice.

ELECTION OF THE GOVERNOR OF ALASKA

Mr. LANGER. Mr. President, I introduce a bill for appropriate reference providing for the election of the Governor of Alaska. A short time ago a committee representing the Senate was sent to Alaska to study the new highway. Some months ago I introduced a bill providing for statehood for Alaska. The bill I now introduce is exactly identical to a bill introduced by Delegate DIMOND, of Alaska, with the exception of the last two lines of section 9, which I have eliminated, as follows:

The repeal thereof to take effect on January 1, 1945.

Under the terms of the bill I now introduce, it would take effect immediately upon its signing by the President of the United States, in case it is passed by Congress.

In connection with introduction of the bill providing for the election of the Governor of Alaska, I desire to state that I am not receding at all from my contention that Alaska should have been made a State some 25 or 30 years ago.

I may add that the bill providing for the election of the Governor of Alaska has in its favor all the points mentioned a few days ago by the President of the United States when he sent to Congress a special message asking for the election of the Governor of Puerto Rico, except

that I think the case for the election of the Governor of Alaska is much stronger than that for the election of the Governor of Puerto Rico.

The bill (S. 1436) to provide for the election of the Governor of Alaska was read twice by its title and referred to the Committee on Territories and Insular Affairs.

Mr. LANGER. Mr. President, in this connection I send to the desk, and ask to have printed at this point in the RECORD, a resolution adopted by the Wrangell Chamber of Commerce, Wrangell, Alaska, in favor of statehood for Alaska.

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

Whereas there is now pending before Congress a measure—S. 951—introduced by Senator WILLIAM LANGER, of North Dakota, and Senator PATRICK A. MCCARRAN, of Nevada, providing for statehood for Alaska; and

Whereas Alaska, long isolated due to lack of transportation and communication, is now moving rapidly forward in its general development, industrially and agriculturally; and

Whereas it is no longer isolated due to the Alaska military highway road connection with continental United States, as well as numerous air lines in addition to water transportation; and

Whereas the permanent population of Alaska is more than 100,000 persons, exclusive of the military, and is growing by leaps and bounds; and

Whereas this rapidly increasing population, through industrial effort, is capable of absorbing the additional cost of statehood: Therefore be it

Resolved, That the Wrangell Chamber of Commerce go on record urging the passage of S. 951 to provide statehood for Alaska, and that copies of this resolution be presented to the Honorable ANTHONY J. DIMOND, Delegate in Congress from Alaska; the Honorable WILLIAM LANGER, United States Senator from North Dakota; and the Honorable PATRICK A. MCCARRAN, United States Senator from Nevada.

Adopted this 17th day of June 1943.

H. C. MCKOWAN,

President.

W. L. EASTAUGH,

Secretary.

Mr. LANGER. Likewise, Mr. President, I call the attention of the Senate to a report to the people prepared by William R. Carter, one of the outstanding newspapermen in the Territory of Alaska, who resides at Juneau, and ask that it be printed, together with the preface. Let me say that when the matter comes up, as I hope it will some time later in the day, I expect to devote more time to a discussion of the Alaskan question.

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

THE SIXTEENTH ALASKA LEGISLATURE—A REPORT TO THE PEOPLE

(By William R. Carter)

PREFACE

At the conclusion of the 1943 session of the Alaska Territorial Legislature an opinion was expressed by many that it was unfortunate the people of Alaska did not have the privilege of securing a more comprehensive picture of the way in which the representatives whom the people elected

conducted themselves—some of the background that only those in attendance were able to see.

For the purpose of better informing the people, some members of the legislature, acting in the belief that only an informed public can choose its representatives wisely, furnished the money necessary to pay the expense of printing this small booklet.

The author attended all meetings of the sixteenth session as a correspondent for the Daily Alaska Empire and has attempted to tell the truth in the following pages, even though some feelings may be hurt, some toes trod upon, and expecting the usual hue and cry from the offended.

I. THE LINE-UP

When the doors to the legislative halls in Juneau closed for good on the sixteenth session late on the night of March 25, 16 representatives filed out of the house chambers and 8 senators left the senate. In 1945, according to an amendment to the Organic Act of Alaska, passed in 1942 by the United States Congress, 24 representatives will enter the house for the seventeenth session, and 16 senators.

The senate will be doubled in size, and the house larger by one-third. For that reason Alaskans must take a greater interest than ever in choosing who will represent them in 1945. In the fall of 1942, little interest was shown generally throughout the Territory in either the primary or general election. This paved the way for election to office of several persons who by their deeds proved that a disinterested public is not always well represented.

To accuse any legislator without qualification would not be fair. Neither would any purpose be accomplished. But it is the author's belief that several of the solons were negligent in their attitudes toward the people they were pledged to represent. The reader will be able to decide for himself.

The lineup of the sixteenth legislature was as follows:

Anchorage, Fairbanks, and Nome each had two senators. Ketchikan had one and one came from Pelican City, also in southeast Alaska.

From Anchorage came Edward D. Coffey, a veteran with two sessions in the house behind him and 1943 was his second term in the senate. He held the important position of chairman of the finance committee. Also from Anchorage was Herbert H. McCutcheon, with seven terms in the house to his credit.

Fairbanks' senators were Hjalmar Nordale, completing his first term, serving in his second session, and Frank S. Gordon, serving his first term in the senate but with two terms in the house behind. Nordale was chairman of the judiciary committee, Gordon headed the committee on taxation.

From Nome came veteran O. D. Cochran and Stewart L. Stangroom, the latter taking his first seat in the senate with one term in the house to back him up, the former completing his fourth year in the senate, as president this time.

Ketchikan came up again with N. R. "Doc" Walker, former president of the senate, member of the legislature since 1933.

Arthur P. Walker was the eighth member of the upper house, a resident of Pelican City serving his first year in the senate, but with sessions in the house in 1935 and 1939 behind.

In the house, Juneau had two members—Mrs. Crystal Snow Jenne serving her second term, and James V. Davis serving his fourth term, this time as speaker.

R. E. Hardcastle, first-timer, and Andrew Gunderson, also new, were elected from Ketchikan.

From Nome came Tolbert F. Scott to serve for a fourth term; Frank H. Whaley, for the second time, and Christian A. Roust, for the

first time. Wallace Porter, of Haycock, came down from the second division for a second term.

Harvey J. Smith, of Anchorage, chairman of the rules committee, was present for a third term; and Stanley McCutcheon, also of Anchorage, son of the senator, was serving a first term.

Joseph W. Kehoe came down for a second term from Seward, and William A. Egan was down for a second time from Valdez.

Fairbanks had the remaining four. Mrs. Alaska Stewart Linck came down for a first time, and Leo Rogge was serving his fourth term. Rogge held the most important committee chairmanship in the house—the ways and means committee. Jesse Lander was down for his third straight session, and John J. O'Shea, Jr., was here for the first time.

These were the representatives of the people.

II. INVESTIGATION

The legislative happening which created the greatest amount of interest as far as the people were concerned was the investigation of charges of politics in the Territorial department of labor, charges brought to the attention of the legislature at the first of the session by Walter P. Sharpe, elected commissioner of labor to replace appointed Michael J. Haas.

The charges involved Haas and newly elected Senator Arthur P. Walker of the first division formerly employed by the labor department as an inspector.

Senator Walker brought about the investigation by demanding a thorough airing of the charges on the Senate floor. The results were not beneficial either to Haas, Walker, or to the new commissioner, the events proved.

The investigation had a direct bearing upon the newly elected commissioner's appropriation, gave the people who attended the hearings a picture of politics in operation, resulted in one new law.

When Sharpe took over the department of labor at the end of 1942, he found rows of empty filing cabinets, a bank account almost as empty, in spite of the fact that the appropriation for the operation of the office was supposed to run the office for at least 2 months in 1943.

Between July 1, 1941, and December 31, 1942, Haas had caused to be expended practically the entire \$30,000 appropriation. Consequently, Sharpe had no funds with which to operate the office efficiently until the legislature made an appropriation.

Drawn up by resolution, a committee consisting of the judiciary committees of each house, with the exception of Representative Stanley McCutcheon, chairman of the house judiciary committee, held public hearings to determine the truth or falsity of the charges.

McCutcheon asked to be excused because the investigation involved his brother, Steve McCutcheon, former inspector for the department. Representative McCutcheon, however, took an active part in the proceedings and used his seat in the house in a move to stall the general appropriations bill containing allowances for the department.

He was replaced on the house committee by Representative Harvey J. Smith. Smith was nominated for the job by the house committee on committees, and his appointment was confirmed unanimously on the floor.

As the resolution was drawn up, the power of appointing members of the investigating committee was not given to the chair in either house.

In addition to Smith, house members were Representative Christian A. Roust of the second division, Joseph W. Kehoe of the third, and John J. O'Shea, Jr., of the fourth. Senate members were Hjalmar Nordale of the fourth division, Norman R. Walker of the first, O. D.

Cochran of the second, and Edward D. Coffey of the third.

Kehoe was elected chairman, and the investigation followed regular court procedure as closely as possible. Attorney General Henry Roden represented the Territory, and Ketchikan attorney and Mayor Harry G. McCain represented Haas and Walker.

On the closing day of the session the committee issued a report which found the following:

1. That Haas didn't keep books of account, but did file vouchers of expense with the auditor and kept duplicates. That he sent or received 184 telegrams at the expense of the Territory and left copies for only 94 of these, a few being purely personal or political. That the files which Haas removed from the office at the expiration of his term were records of work performed for the Wage and Hour Division of the United States Department of Labor. The committee said that the failure to keep books of account or records of expenditures of his office was negligence on the part of Haas.

2. That shortly before the primary election in April 1942, at which time Haas was a candidate for election to the commissioner's job, Steve McCutcheon, then inspector for the office, "unnecessarily and without benefit" to the Territory or anyone except Haas, went to Anchorage "for the sole purpose of making a political speech . . . in the political interests of Haas," that the cost of the trip plus per diem expenses were charged to the Territory and paid for by the department of labor.

3. That the facilities of the office were used by Haas and A. P. Walker to advance their political interests, Walker being a candidate for senator.

4. That Walker made several trips to first division towns for the ostensible purpose of inspecting canneries, but there were no canneries operating at the time (February and March), that he made no inspections but did distribute campaign literature for himself and Haas. The Territory paid the expenses, but the committee found that the trips were of no benefit to the labor department, the Territory, or anyone else, "except the said Walker and Haas."

5. That Walker used the facilities of the office to advance his political campaign.

All members of the committee signed the report except Chairman Kehoe, who submitted a minority opinion, a procedure which would have been proper had the committee been sitting as a supreme court, but which seemed improper in this case.

Kehoe could find no foundation "for the charge of misconduct and fraud alleged against former Commissioner Haas."

In my opinion, when any official approves a voucher for paying expenses of trips for political purposes at the expense of the people, and certifies these expenses as just and proper, without doubt knowing for what purpose the trips were made, that is a perversion of the truth, and an intentional perversion. What else is fraud? These actions also come under the heading of official misconduct.

Kehoe said that the evidence did sustain the charges that Walker used the facilities of the office to further his political interests. But he blandly overlooked the fact that Haas as the administrative officer approved Walker's actions.

At the time of the hearings Haas held the job of War Labor Board representative for Alaska, also taking with him the post of Wage-Hour representative, formerly vested by the United States Department of Labor in the Territorial Department of Labor at no cost to the Federal Government.

Here it might be well to mention that the new commissioner has been criticized several times for stating during the hearing that it was not the duty of the commissioner to collect wage claims. Before making that

statement he asked for an opinion on the matter from the attorney general, who agreed that the law creating the department did not authorize the commissioner to collect these claims.

Neither did it appear to be the desire of the legislature that this become one of the commissioner's duties. Senator A. P. Walker introduced a bill for this purpose and it was killed.

Apparently most of the wage claims which Haas collected were collected under enforcement of the wage-hour law. Haas was the Federal Government's agent for this division, serving without pay while commissioner of labor for the Territory.

After leaving the office and receiving the War Labor Board appointment, Haas was also named wage-hour representative and therefore took the collection duties out of the office with him.

During the hearings, the attorney general pointed out that expenditures of the labor department under Haas increased before the elections, and also shortly before the end of Haas' term. The attorney general charged that Haas deliberately tried to deplete the fund after losing in the election.

Letters and telegrams read during the hearings pointed out political connections between Haas and numerous candidates, including Representative Joseph W. Kehoe. One telegram brought Secretary of Alaska E. L. "Bob" Bartlett into the picture in a way that might be taken as evidence of a violation of the Hatch Act. Introduced as evidence was a telegram reading:

Mr. BOB BARTLETT,

Care of Alaska Steamship Co., Cordova:
Joe contacted Seattle. Papers with Don. Believe Joe leans toward upper. Don certain easy victory for lower. Joe would work hard for upper. Highly desirable they both run, their friends will be pleased. Contact Don.

MICHAEL J. HAAS,
Commissioner of Labor.

This telegram undoubtedly referred to Kehoe and to Don Carlos Brownwell. It was paid for by the Territory. It should be pointed out here that Bartlett is not an employee of the Territory but of the Federal Government, is not responsible to the people of Alaska.

Haas followed this telegram up with another, 5 days later, addressed to:

DON CARLOS BROWNWELL,
Seward, Alaska:

Very important that you return; also that Joe file for house. Full support, both of you. Regards.

MICHAEL J. HAAS.

Also charged to the Territory.

At the first hearing, Edmund J. Krause, who was a Republican candidate for the legislature, testified that Haas called him in and offered him the underground support of the Democratic Party, if he (Krause) would come out publicly against James V. Davis, elected and named speaker of the house in the last session. Krause was defeated.

Haas denied this at a later hearing. But it was certain that one of the two was lying. Both testified under oath.

The speech made by Steve McCutcheon will be remembered by Anchorage residents. In it he plugged Haas for election, condemned Sharpe and others as being backed by a fantastic whisky ring in Seattle. It was mudslinging at its height. A copy of the speech may be found in the appendix of this booklet.

The investigation accomplished very little for all practical purposes. Haas already had been defeated at the polls and already held a Federal job.

Senator A. P. Walker was elected by the people of the first division. His record in the senate, which will be discussed later, will determine his chances of being reelected. That A. P. Walker only defeated Allen Shat-

tuck, his opponent at election, by seven votes, in spite of the fact that, according to the investigating committee's findings, he had used his office to advance his political campaign, seems worthy of comment.

Commissioner Sharpe lost materially by bringing about the investigation. He was elected and by keeping his mouth shut could have used the office in the same way if he had wished. It also is probable that he would have received the same increase in salary that other officials received during the last session.

But it is this writer's opinion that Sharpe gained with the people by airing the details of the case, and at the same time, other matters were forced out into the open.

Governor Ernest Gruening long has been an opponent of Sharpe. As long as Haas was in office, the Governor condemned the low salary being paid the commissioner, but when the legislature passed a bill raising the salary, and appropriating funds to run the department, the Governor vetoed the bill. A copy of this veto message will be found in the back of the book.

The result was that Sharpe received no increase in salary and the appropriation was contained in the general appropriations bill.

The House voted to override the veto. But in the senate, three senators formed a bloc to like procedure. These were Senators Frank S. Gordon, of Fairbanks, Herbert McCutcheon, of Anchorage, and, naturally, A. P. Walker.

There is no doubt in my mind but what the Governor allowed prejudice to influence his decision to veto that bill. It was also a rare thing for any Governor to attack another public official in a veto message.

Not only did the Governor veto the legislative-approved salary raise for Sharpe, but suggested a 60 percent reduction in salary. This would have given Sharpe, a legally elected official, less than the Territory pays the Governor's stenographers, less than the Territory allots each biennium for the Governor's entertainment.

Siding with the Governor in the battle against Sharpe were the three aforementioned Senators—Gordon, McCutcheon, and A. P. Walker. McCutcheon said once on the senate floor that the labor department was nothing but a "Tammany Hall," a strange statement to make considering his attitude on the question.

Gordon, just a few minutes before the senate closed its doors for good on the sixteenth session, attempted to lead the senate into rejecting the report submitted by the seven members of the investigating committee, and to accept the minority report written by Kehoe.

Needless to say he was ruled out of order by President Cochran. According to the provisions of the resolution bringing about the investigation, the committee was to hold hearings and make a report to the legislature. There was no question of accepting or receiving to be voted on.

On the other hand, it would seem that Chairman Kehoe's separate report was out of order. It was by no means the report of the committee. He had the privilege of not concurring in the committee report along with the other members, but there his privilege ended.

Representative McCutcheon, although at first expressing a desire to have no part in the investigation, attended the hearings and later submitted an affidavit of prejudice against Representative Smith, charging Smith with bias and prejudice. An extra hearing was held to settle this question and Smith stayed on the committee.

Although it should not have been so, the investigation was directly tied up with the question of an appropriation for the department of labor.

It was realized near the beginning of the legislative session that the Governor would probably disapprove a raise in salary for the new commissioner of labor, and there also was the fear that any appropriation for the department might be knocked out if carried in the general appropriations bill, usually one of the last to be passed.

Generally, the appropriations bill reaches the Governor too late for the legislature to receive it back, if any changes are made by the Governor, before the session closes. The Governor usually gets this bill after the fifty-seventh day. He gets 3 days in which to consider it. If the legislature has already adjourned sine die at the end of the third day, the Governor may veto any items at will. This is known as the pocket veto.

For this reason, and also because the department of labor was out of funds with which to operate, a separate bill, making an appropriation and also raising the commissioner's salary to \$5,000, was introduced, passed by both houses over minority opposition, sent to the Governor. He vetoed it.

The Gordon-McCutcheon-A. P. Walker triumvirate in the senate provided the necessary three votes to sustain the veto in the senate, although the house voted overwhelmingly to override the veto.

It was obvious that unless one of the triumvirate gave ground, a separate bill to increase Sharpe's salary, as suggested by the Governor, was doomed.

A bill for this purpose was introduced in the house and passed. But this vicious triumvirate refused to cast a vote to accept the bill in the senate, a two-thirds vote being necessary after the fiftieth day. Later, Senator Coffey attempted to introduce a bill for this purpose in the senate. The same three refused to allow him this privilege. It was the first time, as far as any of the legislators could remember, that a senator had not been granted this courtesy.

There was still the question of making an appropriation for the department. The nature of the Governor's veto message indicated that he would veto such an appropriation, given the opportunity. "The Territory * * * certainly needs a department of labor less now than it did 2 years ago, and it will need it decreasingly as long as the war lasts," he had stated. " * * * newly established Federal agencies—the War Labor Board and the War Manpower Commission—have come in to take over a large part of the governmental labor field * * *"

Ironically, it should be remembered, Haas was War Labor Board representative for Alaska at this time.

Senator N. R. Walker of Ketchikan strongly condemned the move to tear the labor department out of the books. He pointed out how long labor had fought to get such a department in Alaska.

So the Senate proceeded to rush the general appropriations bill through with an amendment carrying funds for the labor department, to get it to the Governor before the fatal fifty-seventh day.

The senate passed the bill unanimously, on the fifty-fifth day, Saturday. But Senator McCutcheon stood up and gave notice of reconsidering his vote on the bill. That meant it would have to be held until Monday, the fifty-seventh day. Senator N. R. Walker condemned McCutcheon, stating that he had declared in the presence of himself (Walker) and Senator Nordale that he would move for reconsideration in order to delay the bill and eliminate certain items. McCutcheon admitted this was true.

And that was the reason the senate met at 5 o'clock in the morning on the fifty-seventh day—to vote again on the appropriations bill and send it to the house for confirmation. The Governor received the bill at 3:46 p. m. on that day and had only until that hour on

the last day to veto or approve it. He approved it.

The incident should not be closed without mention of Representative McCutcheon's move to get a reconsideration of his vote on the appropriations bill when it got back to the House. He tried it, backed by Representative Lander, and was ruled out of order, properly. Speaker Davis refused to recognize the request because it was obviously only to delay the bill. McCutcheon did not challenge the ruling.

III. APPROPRIATIONS AND TAXES

When the legislature convened, its members found on their desks a report from the Territorial board of budget, recommending a total of \$4,384,999 for expenditures for the biennium. Because the board of budget had simply acted as a recorder for requests submitted by various agencies and officials, this figure was nothing more than an expression of these requests.

But at the same time, the report contained an estimate that receipts for the 2 years would probably amount to only \$3,001,307.

Obviously, some new taxes would be needed.

And at the same time, the problem of figuring out a raise in salary for school teachers was something that needed solving. Other officials, too, were low-laid.

When the appropriations bill came out, the final product, approved by the Governor, amounted to \$4,335,861; less than the amount appropriated in 1941, but little less than the recommendations made by the board of budget.

A survey of the tax field showed that little revenue would be expected from mining, that less would come in from the salmon industry.

Yet only two tax bills were passed by the members of the sixteenth session, both increasing existing taxes. No one can say whether the present surplus in the Territorial treasury, plus the revenue that will be obtained will be enough to carry the Territory through 2 more years. But if that is the case, the members of the sixteenth session are to be commended for refusing to increase the tax burden.

It should be the duty of the legislature not to tax to the limit, but to tax only for the purpose of securing enough revenue to pay the bill. Some would tax to the limit in the belief that a huge surplus should be built up. The 1941 legislature was asked to levy an income tax and didn't respond. Still, at the end of the next 2 years, the Territory was in fine shape financially.

An income-tax bill was introduced late in this session, too, and failed to get out of committee. It is this writer's opinion that the Federal Government already has practically exhausted this field. The bill was introduced by Representatives Stanley McCutcheon, Joseph Kehoe, and John J. O'Shea.

The first tax bill that was passed provided for an additional 5-cent tax on each case of salmon packed. If the salmon pack averages 5,000,000 cases each year, this tax would bring in \$500,000 for the biennium.

It is interesting to note that the packers, called in by the Ways and Means Committee, were convinced that additional taxes were needed and readily endorsed the bill.

This fact became generally known. When the bill came up before the Governor, some expected him to veto it. I could find no grounds for this reasoning unless it was in the fact that Senator Gordon was holding in the hole a bill which would have doubled the existing tax.

The Governor did not sign the bill but allowed it to become a law without his signature, remarking, "we should be grateful for small favors at all times and accept them with thankfulness and humility." I would not call \$500,000 small.

The other tax bill, that which broadened the school tax to include employed women,

also was criticized by the Governor and allowed to become a law without his signature.

IV. LEGISLATION, GENERALLY

Out of the grand total of 135 bills which were tossed into the hopper, only 53 of them became laws.

Most of the bills were well written, simple enough for the average person to understand. Some were so complicated that they were doomed from the start.

General speaking, Alaska's 1943 legislature paid little attention to special groups.

The bills that were passed reflected the purpose for which the legislators came to Juneau—to represent the people. But some of the representatives were unable to thrust special interests behind them. Luckily, these were in the minority. But at the same time the minority was able to band together near the end of the session, and whenever a two-thirds vote was needed, to defeat some worthy legislation against the will of the majority.

In addition to the administrative needling, I heard only one criticism of the session concerning the legislation that was or was not passed, and that was in the form of a resolution adopted by a labor union group which claimed that the legislature had not done a good job because it had not voted gains for labor.

Just why it should be the duty of the solons to separate any special group from the people as a whole, and pass bills benefiting this group, was not explained.

The complaint, of course, was in the fact that every bill asking changes in the unemployment compensation set-up that was introduced failed to pass. Most of these proposed measures, by their very complicity, killed themselves. Not only were the authors of the bills unable to explain the purported good of the measures, but the few experts who were called in failed to give an explanation that could be understood.

This objection of complicity immediately lays the grounds for the real block to the bills. Not only would the working man be at a loss to know what his rights were, but the difficulties involved in attempting to administer the proposed laws would have led to endless dispute and trouble. Rarely, under most of these measures, were the regulations down in black and white. Most cases would have been up to the administrator to settle and interpret.

Obviously it is impossible to discuss each bill introduced and all that passed and became laws. Some, however, deserve special comment.

But before continuing, I would like to make one point clear. The house divided itself shortly after the session got underway into two sections. There were nine representatives on one side and seven on the other. These nine were able to more or less control the house except when it came to obtaining a two-thirds vote. The nine-seven combination didn't hold on all things, because sometimes one or two of the seven would slip over to bolster the nine.

Members of the nine were Representatives R. E. Hardcastle, Alaska Stewart Linck, Wallace Porter, Leo Rogge, Christian Roust, Tolbert Scott, Harvey Smith, Frank Whaley, and Speaker James V. Davis.

Members of the other side were William Egan, Andrew Gundersen, Crystal Snow Jenne, Joseph W. Kehoe, Jesse D. Lander, Stanley McCutcheon, and John J. O'Shea.

Of this latter group, Jenne, Kehoe, Lander, and McCutcheon rarely strayed to the other side.

The majority side, in this writer's opinion, stuck more to the job of representing the people, and I failed to find in them any special malice toward any group, including labor.

In the senate, as earlier explained, Senators A. P. Walker, Frank S. Gordon, and H. H. McCutcheon formed the minority bloc.

V. WORTHY BILLS PASSED

The 1943 legislature stamped its O. K. on two bills benefiting the ailing and the young. One of the first through the mill was Representative Harvey J. Smith's bill to establish a juvenile code for the Territory.

For years Alaska's American Legionnaires had attempted to better the plight of Alaska's children.

Under the new law, children under 18 years of age who are delinquent either through fault of their parents or for other reasons, would be brought into the justice courts, not as criminals, not in a public hearing, and if the court deems such procedure advisable, would be cared for by the Territory in private homes wherever possible and given a chance to live a better life. The law carries an appropriation of \$50,000. The department of public welfare, under Director Russell Maynard, strongly recommended the bill's passage.

Another piece of progressive health and welfare legislation was Representative William Egan's bill appropriating \$25,000 for the purpose of providing for the treatment of tubercular patients in hospitals within the Territory, setting up tubercular wards for this purpose under the supervision of the Territorial Department of Health.

Another important piece of legislation was Senator N. R. Walker's Uniform Narcotic Drug Act, modernizing Alaska's laws in cooperation with the Federal Government to prevent the illicit peddling of dope and filling in the twilight zone between Territorial and Federal legislation. A noteworthy feature of the bill is that it will allow pilots on commercial planes to carry certain pain-killing drugs to be used in emergency cases. Heretofore this was prohibited and the victim of many a plane crash underwent unnecessary suffering. Representative Frank H. Whaley succeeded in getting passed a Model Airport Zoning Act, a measure that will greatly aid the development of safe landing fields throughout the Territory.

Also worthy of comment is Senator Edward Coffey's Fire Control Act, a measure that will prove its worth in the interior of Alaska more than in other sections.

The law is aimed to prevent, suppress, and control forest fires throughout Alaska. It establishes a fire season and sets up strict penalties for violations of safety regulations.

VI. THE WAR POWERS BILL

A bill which stirred up quite a bit of interest and gained the nickname of the "Mussolini" bill was the Department of the Interior's bill which would grant the Governor a wide variety of powers over amusements, various health and sanitation subjects, liquor regulations, prostitution, and other matters.

It passed the senate by a narrow margin, Senators O. D. Cochran, Stewart Stangroom, and Edward Coffey voting against it. In the House it was killed by a 9-7 vote. Voting for the bill in the House were Representatives Egan, Gundersen, Jenne, Kehoe, Lander, McCutcheon, and O'Shea.

The bill would have granted to a Federal official not responsible to the people of Alaska, powers guaranteed to the people in Alaska's organic act.

It should be interesting to note in this connection that in Puerto Rico, a Territory now known as the "Gibraltar of the Atlantic," the legislature, unmindful of the people, under the guise of granting war powers allowed Federal officials to turn the Territory into a socialistic guinea pig.

This was a gradual process in Puerto Rico, but in two sessions laws were passed providing for Government ownership of all sugar lands, turning sugar mills into public

utilities, authorizing the Government to purchase and operate all forms of communications, providing for Government ownership of all means of transportation, creating a Government bank for all insular revenues and forming a development company through which the Government could engage in any form of private business.

Unfortunately, the legislature or the Federal officials behind the scenes didn't think of giving the Government a monopoly on the press, and the news got to Congress, where it created quite a bit of fuss.

Representative Kehoe strongly defended the "Mussolini" bill as did Mrs. Jenne, Lander, O'Shea, and others.

VII. GOVERNOR VERSUS THE PEOPLE

No attempt will be made in this booklet to sidestep the glaring breach which existed between Gov. Ernest H. Gruening and the majority of the legislature, representing the people.

Until Alaskans are allowed to elect their own executive, one who will be called to task in an election at regular intervals, the breach will continue to exist.

With all due credit to the Governor as a man of great ability, perhaps like any man in his position, he realizes that he is not responsible to the people of Alaska and therefore has a tremendous advantage over an administrative official who would be weighted down with this responsibility. And perhaps as any other man in his position might do, he took advantage of the situation, going out of his way to take jabs at the bills that were passed, attacking elected Territorial officials, criticizing the writing of the bills, ridiculing our "patchwork tax system."

The legislature reacted to this needling from above as might be expected. Many legislators refused to have anything to do with bills backed by the Governor. Because of this breach an appropriation for the Alaska Territorial Guard, certainly needed at this time, was almost whittled down to where the organization would have been stumped for operating funds.

There were statements of protest on the floor of the house and on the senate floor for the lobbying from above, and not without justification.

It was a great disappointment to me, after hearing the excellent speech given by the Governor at the opening of the legislative session, to see him allow prejudice or other reasons lead him beyond the realm of logic in later messages concerning various legislation.

On January 27 the Governor delivered his message to a joint session of the house and senate.

"It is a time," he told the legislators, "for laying aside petty differences, personal and political animosities; for the submergence of selfish interests; for clear-headed and full-hearted devotion; for patriotism of deeds rather than of words; for action. It is a time for greatness."

That was a fine statement.

Later, however, whether the heat of the battle was the cause, or what, the Governor seemed to completely forget other statements he made in that message, turning around to contradict his own words.

When the Governor informed the legislature that he was allowing the new fish-tax bill to become a law without his signature, one of his criticisms was that the bill spoke of losses of taxes.

His exact words were, "The preamble likewise speaks of the loss of taxes from other sources resulting from the war." What are these? Liquor stamp taxes have been higher than ever. * * *

Yet this statement was made hardly 2 months after the Governor had said in his message:

"The Territory may face a substantial deficit before the end of the coming biennium. The reasons for this foreshadowed decrease

in revenue are familiar to all of us; the mining of gold, a commodity not essential to the prosecution of the war, has been suspended for the duration except in the few instances where its extraction is accompanied by the recovery of strategic minerals; and salmon packing, our largest industry, is likewise, curtailed owing to transportation difficulties. * * *

Later in the speech he said:

"Likewise it is impossible to foretell with any degree of accuracy what the tax returns from liquor sales will be: they were high during the first part of last biennium, but factors relating to the war are curtailing the supply and limiting the hours in which liquor may be sold; and there may be further restrictions."

Concerning liquor in his message on the fish tax bill, the Governor said, "liquor stamp taxes have been higher than ever."

* This wasn't the only example of the Governor switching his opinions in the middle of the road.

The Governor made another statement in his opening message that was to be remembered later for comparison. He said:

"The argument that local, State, or Territorial government should be practically inoperative in wartime, and that instead we should abdicate to the Federal Government, is a negation of the very essence of democracy."

But later, in his veto message of the Territorial department of labor bill, he suggests the Territory abandon a Territorial agency because " * * * newly established Federal agencies—the War Labor Board and the War Manpower Commission—have come in to take over a large part of the governmental labor field and are carrying out the far-reaching provisions beneficial to labor which have been established with the creation of these agencies. As the war continues, Alaska's labor will increasingly come under Federal jurisdiction * * *."

And in the same veto message, the one in which he suggests a cut in salary for the labor commissioner, he inserts a copy of the message on the subject which he wrote for the 1941 legislature, stating, "the salary of the commissioner * * * is inadequate. The salary of every other elected official in the Territory is \$5,000 per annum. The commissioner of labor should rank with these."

These glaring contradictions leap out of all of the Governor's contacts with the legislature, shouting too loud to be overlooked. No one can deny that these were the facts, however unbelievable.

It was apparent that the chief executive went out of his way to widen the existing breach, to go to great length to take a jab at the people's representatives, to hammer at bills for "defective draftsmanship," a phrase that appeared often in messages to the two houses.

Many of these things could have been overlooked. It is noteworthy that some mistakes were overlooked.

For instance, until the 1943 legislature amended the law, the Territory had upon its statute books a law which said that every public office, institution, officer, or employee of the Territory, before making purchases over \$50, would have to obtain bids for the purchases. The 1943 legislature changed this amount to \$250.

Meanwhile three bills (in the monetary sense) came into the legislature to be paid—some old debts. One was for \$798 worth of steel lockers purchased for the Alaska National Guard in Ketchikan. Another was for \$427 worth of lumber for the same purpose in Fairbanks, and the other for \$325 for a safe at Bethel, all purchases apparently made without competitive bids being called for, necessary according to both old and new laws. Yet these bills were approved in spite of the fact that the law had been violated if these purchases were made without calls for bids.

At this writing a bill has been introduced in Congress by Alaska Delegate ANTHONY J. DIMOND, asking that Alaskans be granted the privilege of electing their own Governor. Speaker James V. Davis introduced and the house and senate of the Territorial legislature passed a memorial urging Congress to take favorable action upon such a measure.

Davis introduced the memorial on March 11 and it was referred to Representative Stanley McCutcheon's judiciary committee where it was held until March 17 before being referred out. That was on the fifty-second day, and it was obvious that it would have to be advanced rapidly if passed through both houses before the session ended.

The votes on this measure, so close to the Territory's universal desire for home rule, are important. How any of the elected representatives could vote against the measure was hard to believe.

Yet, when the bill came up for second reading, and Representative Harvey J. Smith moved to suspend the rules and advance it to third reading and final passage, Representative Crystal Snow Jenne voted against advancing it. Mrs. Jenne objected to this reporter for mentioning this fact in a story, saying that her reason for so voting was that she was against advancing measures out of their regular procedure. Her objection was not valid because the house journal will show that Mrs. Jenne at various times voted for advancing other measures.

The action of certain senators on this all-important memorial also should be interesting to the people. Because it was received in the senate on the fifty-fourth day, a two-thirds vote was necessary for its acceptance for consideration. Both Senator Frank S. Gordon and Senator A. P. Walker voted against receiving the measure. One more vote would have killed it right there and then. The other members of the senate, however, voted to receive the measure and it was referred to Senator Hjalmar Nordale's judiciary committee which referred it back out favorably on the same day, advanced to third reading and final passage at the request of Senator Nordale, and passed by a 7 to 1 vote. Senator Gordon voted against it.

Here was an opportunity to determine how well the people's representatives fulfilled their duty to the people.

VIII. LIQUOR BILLS

Only one bill that would have added additional taxes to the liquor field, one already exhausted by the Federal Government, came close to being passed. It would have doubled the taxes on all liquor, making the tax on whisky \$2 a gallon for the Territory.

The House passed the bill which was introduced by Representatives Leo Rogge and Frank Whaley, but it was lost in conference largely because of the opposition raised by Senator N. R. Walker, who was reluctant to advance the tax because he believed sincerely that another boost would put the sale of legal whisky out of reach of the common man and force him to resort to cheap substitutes, even bootlegged moonshine or his own dangerous product when he wanted a drink.

Representative Harvey J. Smith's wholesale liquor bill, while it might well have added some revenue, would have placed the Territory in business heretofore left to private enterprise. In addition, the bill brought more telegraphic objections from the people of the Territory and more from labor unions, than any bill tossed into the hopper.

Both of these bills were introduced solely with the purpose in mind of raising more revenue. But other liquor bills had a prohibitionist ring to them.

Representative Crystal Snow Jenne introduced a bill that would have closed all cocktail bars in the Territory, would have forbidden the sale of hard liquor for consumption on the premises. Not only would it have driven liquor drinking back into the alleys

but it would have knocked a large chunk off the Territory's revenue.

The bill was referred to Representative Jesse Lander's committee on education, public health, quarantine, and morals. The committee recommended against it, and Mrs. Jenne withdrew it, offering a substitute which would have raised the license fees for such dispensaries from \$500 to \$1,000 in small towns, to \$2,000 from \$1,000 in larger towns in Alaska, exactly doubling the license and having the same purpose of taxing out of business many small dispensaries. The bill was killed by a 9-to-6 vote.

Later Mrs. Jenne introduced another bill, this one doubling the licenses for restaurants selling beer and wine from \$150 to \$300. When the bill came up for second reading, Representative Stanley McCutcheon moved, and Representative Joseph Kehoe seconded the motion, to raise the tax license to \$500. The motion was lost by a 12-to-4 vote, and the bill was later killed by a 9-to-6 vote.

IX. TAILINGS

A bill to set up a new office in Alaska was lost in conference after it had been butchered up considerably. This was a measure to set up a tax commission, drafted by Representatives Tolbert Scott and John J. O'Shea to create the office under the Territorial treasurer, and giving the treasurer the power to appoint the commissioner.

Later, it was amended in the senate to give appointive powers to the Governor, to pay the tax commissioner a salary which would have been more than the treasurer gets. The House refused to concur, and a conference committee couldn't make an agreement.

Interest lagged in the bill toward the end. It was doubtful whether the new office was needed.

Representative Crystal Snow Jenne introduced a measure which would have made it illegal to issue marriage licenses to anyone unless applicants could prove that they were free from contagious or infectious venereal diseases, epilepsy, feeble-mindedness, insanity, drug addiction, or chronic alcoholism.

This bill, if it had become law, would have required an examination by a licensed physician to supposedly determine these things. Some legislators believed the bill would lead to more children being born out of wedlock and questioned the justice of any physician being able to determine insanity, when a jury trial is necessary before an insane person may be so adjudged.

A bill introduced by Representatives William Egan and R. E. Hardcastle would have provided for a referendum on statehood. It passed the house 15 to 1, but when referred to the senate committee on education, it never came back on the floor. Chairman of the committee was Senator N. R. Walker, and members were O. D. Cochran, H. H. McCutcheon, and Frank Gordon.

A measure introduced in the senate by Senator Hjalmar Nordale would have provided for the direct election of national committeemen and committeewomen and delegates and alternates to national conventions in the same manner as territorial officers are elected. It was referred to Senator H. H. McCutcheon's committee on elections and brought back out some time later without recommendation. When it came up for final passage, Senator N. R. Walker asked that it be referred to the committee on judiciary and Federal relations for specific amendment, and this was done. The author was chairman of the committee.

Back on the floor, the committee recommended limiting the bill to the direct election of committeemen and committeewomen, deleting the part concerning delegates and alternates to national conventions, and the amendments were adopted.

When the bill came up for discussion and final passage, it was killed.

The legislature attempted to correct differences in salaries existing between certain Territorial officials, and succeeded where prejudice could be thrown aside.

The director of public welfare received a salary increase to \$4,800 from \$4,000. Teachers' salaries generally were raised by 25 percent, but an attempt to set up a retirement-fund system for Alaskan teachers was not successful.

One of the most important pieces of legislation came in the last few moments of the session. It was a memorial by Representative Rogge urging Congress to take some steps to allow Alaskans to prospect, settle in, and develop some of the new territory which transportation networks brought about by the war have opened up.

The house passed the measure with little objection, and the senate passed it by a 6-2 vote after the Governor did his best to kill it.

Specifically, and most important, the memorial concerned a vast 40-mile strip of land containing some 8,000,000 acres along the new Alaska Highway, set aside by Federal order which prohibits sale, location, selection, and entry under the public-land laws, mining laws, and leasing laws. No prospector could cross its bounds. Prospective settlers would have to hike for 20 miles on either side of the highway to take up land.

The order discouraged settlement and development.

The Governor insisted the reservation was made merely for the purpose of permitting a study to determine the best means of developing the new land, but the order as read into the Federal Register said nothing of this.

A representative of the National Park Service already has been up to make a survey of the land.

There are fears that the new area will be turned into another Department of the Interior project—fine for attracting tourists—terrible for encouraging basic development.

Generally, the elected representatives did a good job concerning the problems presented and the interference by the executive branch into the affairs of the legislative branch.

Noticeable was the lack of division between party lines and the lack of friction in this respect. Senator Stewart L. Stangroom, the lone Republican, voted like a true Jeffersonian Democrat.

I was favorably impressed by the average intelligence and ability of the men and women of the first session of the Territorial legislature which I have had the pleasure of covering from a news standpoint.

At the same time, I was sadly disappointed in the actions of some of the elected representatives because they seemed to lose sight of the purpose for which they had been chosen—to represent the people.

Among those who served the Territory well, in my opinion, were Representatives James V. Davis, Leo Rogge, Harvey Smith, Mrs. Alaska Stewart Linck, R. E. Hardcastle, Tolbert Scott, Christian Roust, Frank Whaley, Wallace Porter; Senators O. D. Cochran, N. R. Walker, Hjalmar Nordale, Edward Coffey and Stewart Stangroom.

Alaska is fortunate to have men of this caliber who are willing to devote 60 days every 2 years, away from their homes and businesses for the welfare of the Territory.

Two years hence, when the legislature meets again, it is probable that there will be 16 Senators and 24 Representatives. If they are chosen well, the same high quality will be maintained.

Some of those who came down for the Sixteenth Session of the Alaska Territorial Legislature were not well chosen.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on Finance:

H. R. 3309. An act to suspend during the present war the application of sections 3114 and 3115 of the Revised Statutes, as amended;

H. R. 3338. An act relating to Government and other exemptions from the tax with respect to the transportation of property;

H. R. 3363. An act extending the time within which applications under section 722 of the Internal Revenue Code must be made; and

H. R. 3381. An act relating to credits against the Victory tax.

ASSISTANCE TO STATES AND TERRITORIES IN FINANCING THEIR SYSTEMS OF PUBLIC EDUCATION—AMENDMENT

Mr. ROBERTSON submitted amendments intended to be proposed by him to the bill (S. 637) to authorize the appropriation of funds to assist the States and Territories in more adequately financing their systems of public education during emergency, and in reducing the inequalities of educational opportunities through public elementary and secondary schools, which were ordered to lie on the table and to be printed.

ABSENTEE VOTING BY MEMBERS OF ARMED FORCES

Mr. GREEN. Mr. President, the absentee balloting amendment which I am submitting on behalf of the senior Senator from Illinois [Mr. Lucas] and myself today is a proposed revision of the legislation which we introduced last June to amend existing Federal law as to absentee balloting by members of the armed forces.

In September of 1942 the Congress established machinery for absentee balloting by members of the armed forces. This machinery, although a step in the right direction, has proved to be too complicated, time-consuming and cumbersome to afford a genuine opportunity for voting.

For these reasons, last June the Senator from Illinois and I, and Representative WORLEY, introduced tentative bills, known as S. 1285, in the Senate, and H. R. 3073 in the House of Representatives, which sought to simplify and facilitate balloting by the services.

Since its introduction, this bill has been carefully studied by its proponents, by representatives of the War and Navy Departments, and by many others. As a result of these studies, the bill has been redrafted in several important respects, and it may interest Senators to have attention drawn to them.

The new draft of the bill which is submitted today would establish a United States War Ballot Commission, composed of five members, including at least two Democrats and at least two Republicans. The Commission would be charged with the duty of generally supervising the administration of the Federal absentee balloting machinery established by the proposed legislation. Acting in consultation with the War and Navy Departments, the Commission would ease the administrative burdens which absentee balloting imposes upon those departments. The Commission would also serve as a liaison between the Federal Government and the States insofar as absentee balloting is concerned, and would gen-

erally seek to facilitate and expedite voting by members of the armed forces.

As originally introduced last June, the bill provided for V-mail balloting by those outside the United States. Studies show that the transmission of a large number of ballots might clog the V-mail facilities and thus prevent many ballots from being returned in time. So the new draft of the bill eliminates the requirement that the ballots be microfilmed. All ballots cast outside the United States would be transmitted by airplane, however, in order to get them back to the United States as soon as possible, and in actual experience air mail is often quicker than V-mail and also ensures secrecy of the ballot.

The June version of the bill had provided for distribution of simple write-in ballots to members of the armed forces outside the United States. The new version of the bill, submitted today, extends this feature to members of the armed forces within the United States, as well. The effect is to cut out application for and return of the ballot and so to cut down the number of steps necessary for balloting from three to one. This simplifies voting very much. It also reduces the time necessary for voting to, at most, one-third of that required by the existing statute, thereby helping to solve the tremendous communications problem involved in voting by servicemen who are scattered all over the world.

Although the amendment sets up a precise and careful procedure for balloting, directed at furnishing the opportunity to vote to as many of the members of the armed forces as possible, considerable administrative discretion is given to the Secretary of War and Secretary of the Navy, and to commanding officers so as to prevent interference with military operations.

The bill as proposed to be amended would also permit noncommissioned officers, as well as commissioned officers, to administer and attest oaths of electors, thereby easing the burden which existing law and the earlier bill placed upon commissioned officers.

The new draft of the bill also creates sanctions to guarantee that, to the fullest extent compatible with military operations, members of the armed forces will have a genuine opportunity to vote, and that votes cast by them will be counted. Criminal penalties are imposed upon anyone who, willfully and without due justification, deprives any voter of the right or privilege provided for in the amendment or interferes with his right to vote under the amended bill, or who willfully refuses or fails to count any ballot validly cast, or who does any fraudulent act in connection with the casting of ballots. In addition, the amendment provides that when the Governor of each State certifies, as he is required to do by existing law, the appointment of the electors of President and Vice President in his State, he must also certify that there has been a substantial compliance by the officials in his State with the provisions of the proposed voting bill. If the Governor of the State does not so certify, or if the United

States War Ballot Commission certifies that there has not been substantial compliance by officials in the State, the Senate and the House of Representatives are empowered to determine by separate but concurrent action whether the noncompliance so affected the appointment of electors as to require the electoral vote to be treated as invalid.

The right to vote under the bill is extended to members of the United States Merchant Marine and to civilians outside the United States who are attached to and serving with the armed forces or who are officers or employees of the United States.

In order to afford an opportunity to vote for State officials and to utilize State absentee balloting procedures to the fullest possible extent, post-card forms would be made available to members of the armed forces upon request. These post cards may be used, if State law permits, as applications for ballots or to register under State absentee balloting laws, or as sources of information to implement State absentee balloting laws.

Where a voter casts a ballot under a State absentee balloting law, whether he uses the post-card application form or not, he cannot vote also under the Federal procedure.

I ask that the amendment in the nature of a substitute intended to be proposed on behalf of the Senator from Illinois [Mr. LUCAS] and myself to the bill (S. 1285) to amend the act of September 16, 1942, which provided a method of voting, in time of war, by members of the land and naval forces absent from the place of their residence, and for other purposes, be referred to the Committee on Privileges and Elections, to which the original bill was referred.

The VICE PRESIDENT. Without objection, the amendment will be referred as requested by the Senator from Rhode Island, and printed.

Mr. LUCAS subsequently said: Mr. President, earlier in the day, my colleague from Rhode Island [Mr. GREEN] submitted an amendment to a bill which was introduced in July of last year. I wish to make one or two observations with respect to that amendment.

Much discussion has been had throughout the country with respect to the bill which was introduced, which would permit soldiers in this country or in foreign lands to participate in the elections of 1944. There was quite a bit of comment in some of the newspapers of the country with respect to voting through V-mail. Many contended that such a procedure would be unconstitutional because of the violation of the secrecy of the ballot. I do not agree with that contention. Nevertheless, in the amended bill which has been introduced that portion of the bill has been stricken, and a ballot voted in a foreign land would be voted as it would be voted in this country, and would be sent to this country by air.

On July 14 of this year, in an address over a national radio hook-up, I said, among other things:

The bill is now before the Committee on Privileges and Elections. Hearings will be held as soon as the recess of Congress is over. The bill may not be perfect in every detail. I invite Members of the Congress, or any other citizen of the country who is interested in the bill, to study it with a view toward making constructive suggestions to the end that there will be no question about providing citizens in the armed service the opportunity to vote.

During the recess of Congress many suggestions have been made to the Senator from Illinois as well as to the Senator from Rhode Island, containing constructive amendments to the original bill which was introduced. Out of all those suggestions has come the amendment which was today referred to the Committee on Privileges and Elections.

In conclusion, let me say that hearings on the bill will be held in the very near future, and I sincerely hope that any Senator, or any other individual who is interested in the mechanics of the bill, will give to the Senator from Rhode Island and myself, or the Committee on Privileges and Elections, the benefit of his knowledge, because the mechanics of the bill are rather difficult, to say the least.

INVESTIGATION OF INTERNATIONAL COMMUNICATIONS BY WIRE AND RADIO

Mr. WHEELER (for himself, Mr. WHITE, and Mr. MCFARLAND) submitted the following resolution (S. Res. 187), which was referred to the Committee on Interstate Commerce:

Whereas efficient communication by wire and radio between the United States and foreign countries is important to the diplomatic, military, and commercial interests of the United States; and

Whereas such international communications by wire and radio and the facilities and personnel employed therein are in substantial measure subject to the jurisdiction, control, and influence of foreign governments and foreign nationals; and

Whereas it is necessary in the interests of the United States that a national and an international policy of the United States with respect to international communications should be determined and declared, and that the highest practical standards of operations and of service should be made effective at fair and just rates: Now, therefore, be it

Resolved, That the Interstate Commerce Committee of the Senate or a subcommittee thereof appointed by the chairman be, and it hereby is, authorized and directed to make a thorough study and investigation of international communications by wire and radio, and in particular of such communications from and to the United States; to receive and hear evidence as to (1) the ownership, control, the services rendered, the rates charged therefor, and the methods of operation, of United States carriers engaged in such communications; (2) the extent and nature of the control and influence, direct or indirect, of foreign governments over communication carriers authorized by them, the extent to which foreign governments own and operate such foreign communications services, whether such operation by government is direct or otherwise, the character and extent of the competition between foreign companies, whether owned by governments or privately, in communications to and from the United States, and in particular the nature and degree of competition of such foreign companies with American companies in such communication services; (3) the character and adequacy of services furnished by

American companies now engaged in international communications to the people and the diplomatic, military, and commercial interests of the United States; (4) the developments and improvements in the art of communication by wire or radio affecting, or which may be expected to affect, such international communications; (5) whether there should be competitive services between American companies in particular areas or circuits in international communications; (6) desirable forms and standards of organization of American communication companies, and in particular whether such companies should be permitted or required to merge or consolidate and the general terms, conditions, and obligations which should be imposed in the event of such permitted or required merger or consolidation; (7) the form and authority of the regulatory body of the United States to be charged with carrying out the policies in international communications declared by the Congress; and (8) generally to consider and to make recommendations to the Congress as to all other matters and things necessary in its judgment in meeting the purposes of the studies herein specifically set forth.

APPROPRIATIONS FOR AND EXPENDITURES BY EXECUTIVE DEPARTMENTS, BUREAUS, AND AGENCIES

Mr. REED submitted a resolution (S. Res. 188), which was ordered to lie on the table, as follows:

Whereas in the several years immediately preceding Pearl Harbor (December 7, 1941) the civilian administrative bureaus and agencies of our Federal Government were increased and expanded manifold, beyond any comparable period in our history with the result of utilizing or impounding manpower and requiring huge sums of money for their various programs, far in excess of their contribution to our national welfare; and

Whereas this expansion of civil administrative bureaus has been continued since war was declared on December 8, 1941, and many additional bureaus have been created to manage the daily affairs of our citizens in addition to necessary war agencies; and

Whereas heads of many of these bureaus have come to regard themselves as beyond and above the law and not accountable to lawmaking bodies and as outside of and not responsible to fundamental restrictions imposed by the Constitution adopted by the Thirteen Original States as the basis of our system of government; and

Whereas as this disregard of fundamental law has become and is a serious threat to the permanence of our theory of government; and

Whereas it is imperative that this condition be corrected before the financial solvency of our Government is impaired beyond mending; and

Whereas the executive division of the Government has been disdainful and disregardful of the limitation imposed by the Constitution and the division of power and responsibility explicitly set forth in that immortal document; and

Whereas departments, bureaus, and agencies, while flouting the fundamental authority of the legislative arm of the Government and operating upon their own theories of civil and economic organization must, as yet, come to the legislative branch for grants of money and supplies with which to operate; and

Whereas these several departments, bureaus, and agencies immediately disregard plainly and clearly expressed limitations upon and directions as to the use of funds only obtainable by action of the legislative body: Therefore be it

Resolved, That the duly constituted Committee on Appropriations, an agency and servant of the Senate, be instructed that—

(1) In all cases of appropriations requested by the several departments, bureaus, and agencies, the responsible heads be summoned before the committee (or a duly constituted subcommittee) and be interrogated as to the expenditure of funds requested, with particular regard to the extent that the clearly expressed intent of the legislative body has been observed or has been disregarded.

(2) The Senate having created a special committee to give especial attention to the matters referred to herein, namely, the Joint Committee on Reduction of Nonessential Federal Expenditures, the Committee on Appropriations is hereby directed to request the cooperation of this committee in determining the extent of cooperation or disregard on the part of the several departments, bureaus, and agencies, of the expressed policy or policies of the legislative body, the observance of which is the essential factor in the use of public funds; be it further

Resolved, That if, upon interrogation, the heads of the several departments, bureaus, and agencies fail to give satisfactory answers and assurance as to the use of funds in accordance with the letter and the spirit of the act making appropriation of funds, the funds for such departments, bureaus, and agencies shall be reduced one-half from the amount requested or be refused entirely, and the committee is directed to recommend to the Senate the extent of the reduction it deems advisable in the various estimates submitted to it. As a matter of policy the Senate of the United States declares that the permanency of institutions created by the Constitution is imperiled unless the legislative branch of government reasserts and obtains complete control over public funds obtained by taxation of citizens of the United States, and brings to an immediate end the flagrant disregard and freely expressed contempt of safeguards over the public purse regarded as essential if our Government is to endure; and be it further

Resolved, That the committees named herein are directed to give particular attention to, among other departments, bureaus, and agencies, the Office of Price Administration, Office of War Information, Department of Labor, War Manpower Commission, Reconstruction Finance Corporation (and its agencies and subsidiaries), Civil Service Commission, Department of Agriculture, Commodity Credit Corporation, Office of Economic Warfare, Petroleum Administration for War, Agricultural Adjustment Agency, War Production Board, War Relocation Authority, Federal Power Commission, Federal Communications Commission, Securities and Exchange Commission, Department of the Interior, Office for Emergency Management, Maritime Commission, Federal Works Agency, Office of Lend-Lease Administration, and Farm Security Agency.

INVESTIGATION RESPECTING THE DISTRIBUTION AND SUPPLY OF FARM LABOR

Mr. LANGER. Mr. President, I send to the desk a resolution providing for the appointment of a special committee of five Senators, to be appointed by the President of the Senate, to make a full and complete investigation with respect to the supply and distribution of farm labor. I submit the resolution, and I may add that I hope it will be referred to the appropriate committee, which I take it is the Committee on Agriculture and Forestry. I hope the resolution will be agreed to at an early date. In submitting the resolution, I particularly desire to emphasize that I voted against Public Law 45, of the Seventy-eighth Congress.

The resolution (S. Res. 189) was referred to the Committee on Agriculture and Forestry, as follows:

Resolved, That a special committee of five Senators, to be appointed by the President of the Senate, is authorized and directed to make a full and complete investigation with respect to the supply and distribution of farm labor, for the purpose of ascertaining whether the fullest possible utilization is being made of migratory and seasonal agricultural workers in the United States, and whether the effective utilization of such workers has been hindered by the administration of the provisions of the joint resolution making an appropriation to assist in providing a supply and distribution of farm labor for the calendar year 1943, approved April 29, 1943 (Public Law 45, 78th Cong.). Such committee shall report to the Senate as soon as practicable the results of its investigation, together with its recommendations for necessary legislation.

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 during the sessions, recesses, and adjourned periods of the Senate in the Seventy-eighth Congress, to employ such experts, and such clerical, stenographic, and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

INVESTIGATION OF THE EFFECT OF THE CENTRALIZATION OF HEAVY INDUSTRY

Mr. McCARRAN submitted the following resolution (S. Res. 190), which was referred to the Committee on Interstate Commerce:

Resolved, That a special committee of seven Senators, to be appointed by the President of the Senate, is hereby authorized and directed to make a full and complete investigation of the effect upon interstate commerce of the centralization of heavy industry in the United States, with particular regard to whether such centralization inhibits or deters adequate use and development of natural resources or hampers the full and free flow of commerce between the States, and to make a comprehensive study of plans and proposals for industrial decentralization, particularly through establishment of new or expanded facilities for the production of iron and steel. Such committee shall report to the Senate at the earliest practicable date the results of its investigation and study, with such recommendations for legislation as it may deem necessary and desirable, and shall also report to the Senate from time to time its views on needed or desirable executive or administrative action by any department or agency of the Federal Government.

SEC. 2. For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate during the Seventy-eighth Congress, to employ such experts, and such clerical, stenographic, and other assistants, to request such assistance and information from any departments and agencies of the Government, to require by subpoena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents,

to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

**THANKS TO SENATORIAL COMMITTEE
VISITING WAR FRONTS, AND PRINTING
OF REPORT**

Mr. DANAHER. Mr. President, I submit for appropriate reference a resolution which for the information of the Senate I desire to be permitted to read. The resolution* (S. Res. 191) is as follows:

Resolved, That the Senate express its thanks to RICHARD B. RUSSELL, a Senator from Georgia; to JAMES M. MEAD, a Senator from New York; to HENRY CABOT LODGE, Jr., a Senator from Massachusetts; to ALBERT B. CHANDLER, a Senator from Kentucky; and to RALPH O. BREWSTER, a Senator from Maine, for the fidelity of purpose and the objectivity with which they have severally reported to the Senate concerning the matters and things coming to their notice and examined by them while in the course of their world-wide investigation of American participation in the war; and

Resolved, That the report prepared and read by Mr. RUSSELL to the Senate October 7, 1943, after it shall have been edited by him at his discretion, be printed as a public document.

The VICE PRESIDENT. Without objection, the resolution submitted by the Senator from Connecticut will be referred to the Committee on Foreign Relations.

WARTIME NATIONAL MILK SUPPLY

Mr. CAPPER. Mr. President, I desire to quote with my endorsement the following four points made by the National Cooperative Milk Producers' Federation in a statement of policy dealing with consumer food subsidies:

1. Food subsidies represent a constantly increasing public debt which will be transferred in large part, when they return from the war, to the men in our fighting forces, the majority of whom are now serving for \$50 a month.

2. Food subsidies are inflationary. The printing of bonds to pay for food is not unlike the printing of currency to pay for governmental expenditures when the governmental credit has run out.

3. Food subsidies imply that the Government intends to share, more or less permanently, the payment of grocery bills of its citizens without regard to their capacity to pay their way through life.

4. The new milk subsidy, which we are informed is being worked out on the basis of individual subsidy payments to some 3,000,000 producers of milk, will strengthen bureaucratic control over the lives of the farm people.

I may add, Mr. President, that through the use of consumer food subsidies, a bureaucratic administration also can increase its control over voters as consumers, by promising more subsidies or threatening to decrease food subsidies to consumers. I ask unanimous consent that the statement of policy from which I have just quoted be printed in full in the RECORD as part of my remarks at this point.

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

A serious impending shortage of the national milk supply now confronts the American people. Increase of the number of ration points on butter to 16 per pound or double the number of points originally set by the Government, and the recent freeze on sales of fluid milk, are but surface manifestations of a critical condition whose advent was predicted early in the year by the National Cooperative Milk Producers' Federation. Failure of the Government to provide means whereby dairy farmers could pay for advancing production costs, including higher farm wages and feed costs, is the cause of this national crisis with respect to the milk supply. An arbitrary policy of holding down prices of some dairy products and beating down the prices of others without regard to its consequences now brings the people face to face with the stark reality that violation of the eternal principle of supply and demand, coupled with rationing of relatively low-priced commodities, leads to scarcity.

Instead of following the simple and natural course of adequate pricing to obtain adequate production, the Government has chosen the hard way of attempting to freeze prices, freeze the free movement of producers from one outlet to another and to substitute instead various types of subsidies, to give producers partial compensation under terms and conditions which greatly inhibit their freedom.

At this time we will not attempt to discuss the relative demerits of the different types of subsidies. We limit our comment to the broad question of subsidy in lieu of adequate prices at a time when the vast majority of the people of this Nation are amply able to pay for the food which they are now eating. Such a policy is open to many objections, among which are:

1. Food subsidies represent a constantly increasing public debt which will be transferred, when they return from the war, in large part, to the men in our fighting forces, the majority of whom are now serving for \$50 per month.

2. Food subsidies are inflationary. The printing of bonds to pay for food is not unlike the printing of currency to pay for governmental expenditures when the governmental credit has run out.

3. Food subsidies imply that the Government intends to share more or less permanently the payment of the grocery bills of its citizens without regard to their capacity to pay their way through life.

4. The new milk subsidy, which we are informed is being worked out on the basis of individual subsidy payments to some 3,000,000 producers of milk, will strengthen bureaucratic control over the lives of the farm people.

The payment of subsidies has developed an elaborate scheme of interlocking controls so that the terms and conditions of receiving a subsidy constitutes the exercise of policing power not contemplated by existing law. Thus government by regulation is constantly supplanting government by law; and government by regulation rapidly emerges into government by fear. Knowledge is within our possession of many instances wherein this type of governmental compulsion is being exercised coordinately by various branches of officialdom to require persons to obey regulations through pressure tactics and to make them fearful of entering the courts to protect their constitutional rights.

While one branch of the Government is putting an iron hand upon food cost, another branch of the Government is continuously telling the Congress that the people have so much money unexpended that it must be taxed away from them and that compulsory savings must be inaugurated; and various plans are offered to utilize the increasing take-offs from the incomes of individuals. We hold that a line of distinction

should be drawn between those who are able to pay their own grocery bills and those who for various reasons, such as old age, dependency, disability, and lack of sufficient skill, and workers in educational, ministerial, and kindred types of employment, are not able to earn a sufficient amount of money to provide a decent standard of living. For such as these, we concede that the Government should in some degree supplement low standard earnings with relief payments. But for the remainder of the people, it seems to us only common sense that they should pay their own way through this war and not transfer their present living costs to the returning members of the armed forces. If Congress intends to subsidize living costs for those who can afford to pay, let it make cash payments to those consumers who are to benefit; and let those beneficiaries shoulder the responsibility of this stigma. Farmers do not desire such payments. They seek only fair prices.

A large percentage of America's remaining dairy farmers can and will survive the distress under which they now labor. Many will abandon dairy operations. More will curtail dairy production so as to reduce their losses to a minimum; but enforced self-protection of this character will not maintain enough production of milk and its products. The choice, therefore, lies with the people as to whether they will prefer to pay moderately increased prices for dairy products or severely curtail and in some instances do without these products until the time comes when dairy production can be revived.

We are confident that the Congress is aware of this serious economic situation. We, therefore, offer to the Congress the suggestion that it immediately enact legislation which will direct the responsible agencies of the Government to provide reasonable price ceilings which will at least compensate milk producers for their increasing costs of production and enable them to meet the competition of alternative opportunities in farming.

**SHORTAGE OF BOXCARS FOR SHIPMENT
OF GRAINS**

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter dated October 8, 1943, addressed to managers and directors of all cooperative elevators, signed by Mr. M. W. Thatcher, general manager of the Farmers Union Grain Terminal Association, St. Paul, Minn., together with a statement by Mr. Charles E. Nieman, general counsel of the Farmers Union Grain Terminal Association, delivered at a meeting of the Northwest Shippers Advisory Board, on September 30, 1943.

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

FARMERS UNION GRAIN TERMINAL
ASSOCIATION,
St. Paul, Minn., October 8, 1943.
To Managers and Directors of All Cooperative
Elevators:

The American Railroad Association Car Order No. 10 directly threatens the welfare of your cooperative elevator and every other cooperative elevator. We have records of cooperative elevators which will suffer a loss in volume of business—because of A. R. A. Order No. 10—of from 100,000 to 200,000 bushels this year. That means that farmers who own and patronize these elevators will lose between 4 and 10 cents a bushel. In each of these communities the farmers will lose between \$4,000 and \$20,000 because they are unable to move grain through their own cooperative elevators.

If you want to end this discrimination against farmers and their cooperative elevators, read the attached statements. They

consist of a brief filed by legal counsel for Farmers Union Grain Terminal Association at a hearing held in the Minnesota State Office Building, St. Paul, September 30, and the text of a broadcast made by Farmers Union Grain Terminal Association on October 3.

Certain selfish interests are making a real effort to preserve the discriminatory A. R. A. Order No. 10. This is another battle in the war against consumer as well as producer cooperatives. These same interests have always fought the cooperative movement. Here is at least part of the record of what these interests have either opposed or failed to support:

The McNary-Haugen bill, influencing its veto on two occasions.

Enactment of Agricultural Adjustment Act. The ever-normal granary.

The Commodities Exchange Act which enables farm cooperatives to trade on the market places.

The Farm Act of 1938.

They now use the opportunity afforded under A. R. A. Car Order No. 10 to take to themselves profits which rightfully belong to the farmers' cooperatives.

The order must and will be changed. It is to your interest and to the interest of the farmers you represent to read the attached legal brief and broadcast which summarize the present discrimination being practiced against cooperatives through A. R. A. Order No. 10.

Very truly yours,

M. W. THATCHER,
General Manager.

My name is Charles E. Nieman. As general counsel for Farmers Union Grain Terminal Association, I appear for the more than 50,000 farmers who own the 300 cooperative elevators affiliated with Farmers Union G. T. A. My remarks are equally in the interest of the additional 300 farmers' elevators not affiliated with G. T. A.

We appreciate that Order No. 10 is not law. It has not been promulgated by any governmental authority. The farmers, therefore, should be relieved of its unfair effects without recourse to governmental authorities having power to compel such correction.

Order No. 10 is simply a voluntary agreement between the railroads. It provides that each railroad shall deliver an equal number of cars to each elevator in the same community—and without regard to their actual requirements or their ordinary volume of business. They each get one car even though one elevator's business may be two or three times the size of the other—even though one elevator actually may need two or three times as many cars as the other.

For example, there are three elevators at Poplar, Mont. I quote the assistant freight traffic manager of the railway serving that station:

"On August 14 the Poplar Elevator filed notice that they were blocked and turning away grain. On August 15 the Farmers Union filed notice that they were blocked and turning away grain. On August 16 the Occident Elevator filed notice that they were blocked and turning away grain. Prior to those dates, the Farmers Union had loaded 24 cars during the month of August; the Poplar Elevator 14 cars; the Occident Elevator 13 cars. From August 18 to 22 during which period all 3 elevators were blocked, each elevator received the same number of cars, or 7 cars apiece, which is in line with the American Railway Association Car Service Division Circular No. 10."

In other words, the farmers' elevator with a business and a need for cars almost twice as great as either of the other two elevators obtained only one-third of the cars. I have with me convincing evidence of many other,

equally gross injustices under order No. 10. A single illustration is sufficient, however, if we realize that it is no isolated case. Any rule which provides two elevators with cars for half of their normal business, but limits the farmers' elevator to only one-quarter of its normal business, is discriminatory and unfair.

Suppose that fuel oil was rationed on the basis of "one home—one car," or "one factory—one car of oil." Would anyone pretend that that was equitable where an apartment building housing 100 families received no more fuel oil than 1 housing only a dozen families? Or would anyone pretend, in the rationing of food, that a rule of "one family—one package" was fair when a family of 10 received no more food than a family of 2? Yet, that's the rule of order No. 10—"one elevator—one car."

What is more, order No. 10's rule of "one elevator—one car" is an unprecedented distortion of equality in the grain business. Today, grain shipments must be prorated because of the car shortage. A year ago, they were prorated because of the shortage of terminal storage space. At that time a committee fairly representing everyone in the grain business proposed a really equitable plan for prorating shipments of grain. It proposed that:

"The permit committee shall make every effort to allot permits so as to maintain the present competitive relationship, recognizing the requirements of each shipper, based on past volume of business."

Thereafter, shipping permits were issued on "the basis of past volume of business." So, today, the only fair basis for allocating cars is as they were prorated last year under the shipping permit regulations, that is, on the basis of past volume of business.

The fact is that many of the elevators are owned by the farmers. By operating their own elevators, they save between 4 cents and 10 cents per bushel. Moreover, they do a larger business per elevator than the privately owned elevators. That's the crux of this matter.

Notwithstanding that the farmers' elevator ships many times the amount of grain shipped by the private elevator in the same community, order No. 10 arbitrarily divides the available cars evenly between the two elevators. The result is that the farmers who are in the elevator business for themselves, must either take their grain to their competitor's elevator where cars are available under order No. 10, or else pile it on the ground. The farmers must take their grain to someone else's elevator and they lose the 4 cents to 10 cents per bushel they ordinarily save by operating their own elevator. So, order No. 10 mulcts the farmers of 4 cents to 10 cents per bushel on the price they should receive for their grain. That's the unfairness of order No. 10. That unfairness is real, expensive, substantial, and perfectly obvious.

The freight rate is the same whether the grain is shipped from one elevator to another. Hence, the substitution of a fair and equitable rule allocating cars on the basis of the elevator's usual, annual business will cost the railroads nothing.

Consider, on the other hand, the unfairness of order No. 10 to the farmers. The farmers already are in the middle between the Administration's fight to hold the line of retail prices by granting producers' subsidies and the refusal of Congress to continue parity payments. The farmer must sell his wheat at a price depressed by a ceiling imposed when parity payments took up the slack between that ceiling and parity. Now those payments have been suspended, but the ceiling remains.

On top of that, order No. 10 now is resurrected from the limbo where it has rested for 20 years. That order extracts still an-

other 4 cents to 10 cents per bushel from the farmers—without 1 cent of profit to the railroads and without adding 1 bushel to our country's food supply.

Our country needs more and more food to win the war. The farmer is urged to increase wheat production by 25 percent. The farmers' patriotism is his only incentive. As against that single incentive, the increase of wheat production is discouraged by the cessation of parity payments, and by the retention of the subparity price ceiling. Now, that needed increase in production is further discouraged by Order No. 10 which means simply that the farmer cannot market his grain through his own elevator. It increases his marketing expense. It reduces by another 4 to 10 cents per bushel his income from his grain. It is unfair to the farmers and is another deterrent to the sorely needed increased production of grain.

Order No. 10 allocates one car to each elevator regardless of how many cars they actually may need. The only fair and equitable basis for allocating cars during the current shortage is to prorate them on the basis of past volume of business. To do otherwise, is to deprive the farmers' elevators of their fair share of the available cars and to compel farmers who own those elevators to sell their grain to their competitors who have the cars. That costs the farmers 4 to 10 cents per bushel which they ordinarily save by marketing their grain through their own elevators.

Order No. 10 is costing the farmers money with no corresponding benefit to the railroads or the Nation. In fact, it will be a substantial deterrent to the achievement of the increased wheat production our country so urgently needs. The farmers therefore urge that the "one elevator—one car" rule of Order No. 10 promptly be rescinded voluntarily by the railroads, in their own interest, as elementary fairness to the farmers, and in the interest of encouraging the wheat production needed by our country at war. The farmers urge the substitution of a rule allocating the available cars on the basis of the ordinary, annual bushelage of grain shipped by each elevator in prior years.

RESIGNATION OF DRAFT BOARD IN PROTEST AGAINST DRAFTING OF FATHERS

Mr. WHEELER. Mr. President, in the issue of the Washington Star of last evening appeared an Associated Press article under the headline "Entire draft board quits in protest on father rule."

The article is date-lined Whitehall, N. Y., October 11, and is as follows:

Resignations of all members of the Whitehall Draft Board were on file today in protest against I-A classification of pre-Pearl Harbor fathers while, they said, childless married men and single men were being deferred "for reasons we consider insufficient."

In a letter to State Selective Service headquarters, Judge Leon M. Layden, chairman, and H. J. Bascom and Robert Dempsey, the other members, stated:

"We felt that we could no longer conscientiously classify pre-Pearl Harbor fathers, some of them fathers of four and five children, in class I-A, when childless married men and also single men were still being deferred for reasons we consider insufficient, and local boards being apparently nothing more or less than rubber stamps."

At Albany, Brig. Gen. Ames T. Brown, State selective service director, said the resignations would be accepted.

AMERICA'S SALVATION—ADDRESS BY SENATOR BURTON

[Mr. BURTON asked and obtained leave to have printed in the Record an address entitled "America's Salvation," delivered by him at the annual conference of the Ohio Fed-

eration of Republican Women's Organizations, Columbus, Ohio, October 6, 1943, which appears in the Appendix.]

SHALL THE PEOPLE OF ITALY RULE?— ADDRESS BY SENATOR LANGER

[Mr. LANGER asked and obtained leave to have printed in the RECORD a radio speech delivered by him, on the subject Shall the People of Italy Rule? which appears in the Appendix.]

ADDRESS BY SENATOR BROOKS AT NA- TIONAL FOOD CONFERENCE

[Mr. BROOKS asked and obtained leave to have printed in the RECORD the address delivered by him at the National Food Conference of Consumers and Producers, Chicago, Ill., September 16-17, 1943, which appears in the Appendix.]

ADDRESS BY SENATOR PEPPER TO YOUNG DEMOCRATIC CLUBS OF WEST VIR- GINIA

[Mr. PEPPER asked and obtained leave to have inserted in the RECORD excerpts from an address delivered by him before the Young Democratic Clubs of West Virginia, at Wheeling, on September 12, 1941, which appear in the Appendix.]

REPUBLICAN POLICY—ADDRESS BY GOV- ERNOR GRISWOLD, OF NEBRASKA

[Mr. BURTON asked and obtained leave to have printed in the RECORD an address entitled "Republican Policy," delivered by Gov. Dwight Griswold, of Nebraska, at the annual banquet of the Ohio Federation of Republican Women's Organizations, Columbus, Ohio, October 6, 1943, which appears in the Appendix.]

ADDRESS BY J. E. McDONALD AT NATIONAL FOOD CONFERENCE

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD an address by Mr. J. E. McDonald, Texas Commissioner of Agriculture, delivered before the National Food Conference, Chicago, Ill., on September 16, 1943, which appears in the Appendix.]

ADDRESS BY HON. HOWARD LEONARD AT NATIONAL FOOD CONFERENCE

[Mr. BROOKS asked and obtained leave to have printed in the RECORD an address by Hon. Howard Leonard, director of agriculture, State of Illinois, delivered at the National Food Conference, held at Chicago, Ill., on September 16-17, 1943, which appears in the Appendix.]

ADDRESS BY LEON TODD AT NATIONAL FOOD CONFERENCE

[Mr. BROOKS asked and obtained leave to have printed in the RECORD an address by Leon Todd, representing the National Poultry Defense Committee, delivered at the National Food Conference of Consumers and Producers, held at Chicago, Ill., September 16-17, 1943, which appears in the Appendix.]

SOCIAL SECURITY—ARTICLES BY ROBERT LASCH

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a series of four articles entitled "Towards Security," analyzing Senate bill 1161, written by Robert Lasch and published in the Chicago Sun October 1, 2, 3, and 4, 1943, which appear in the Appendix.]

MY VICTORY GARDEN—ARTICLE BY F. HINER DALE

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD an article entitled "My Victory Garden," prepared by Hon. F. Hiner Dale, of Guymon, Okla., which appears in the Appendix.]

MAJ. GEN. JAMES A. ULIO—ARTICLE BY BERNARD GODWIN

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD a character sketch of Maj. Gen. James A. Ullo, The Adjutant General, United States Army, written by Bernard Godwin, and published in the Washington Star of last Sunday, under the heading "America's war leaders," which appears in the Appendix.]

POLITICAL AND ECONOMIC DISINTEGRA- TION IN NAZI-OCCUPIED COUNTRIES

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an article by Constantine Brown dealing with the political and economic disintegration in Nazi-occupied countries, published in the Washington (D. C.) Star of October 9, 1943, which appears in the Appendix.]

OLD-AGE PENSIONS—LETTER FROM MR. TULLY WILLIAMS

[Mr. LANGER asked and obtained leave to have printed in the RECORD a letter received by him from Mr. Tully Williams, of Hankinson, N. Dak., on the subject of old-age pensions, which appears in the Appendix.]

THE CONTRIBUTION OF THE AMERICAN BUSINESSMAN TO AMERICA'S PRODUC- TION EFFORT

[Mr. HOLMAN asked and obtained leave to have printed in the RECORD a letter addressed to him by H. A. Benning, president, the Amalgamated Sugar Co., Ogden, Utah, discussing the contribution of the American businessman to the success of America's production effort, which appears in the Appendix.]

TREASURY TAX PROPOSALS—ARTICLE BY FRANK R. KENT

[Mr. HOLMAN asked and obtained leave to have printed in the RECORD an article discussing the new Treasury tax proposals, written by Frank R. Kent, and published in the Washington (D. C.) Evening Star of October 11, 1943, which appears in the Appendix.]

DEPARTMENT OF NATIONAL DEFENSE— PERMANENT PEACE RESOLUTION—EDI- TORIALS FROM RALEIGH (N. C.) NEWS AND OBSERVER

[Mr. HILL asked and obtained leave to have printed in the RECORD two editorials from the Raleigh (N. C.) News and Observer of October 2, 1943, one entitled "Seeing the Light," and the other entitled "Will Santa Claus Fill It?" which appear in the Appendix.]

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 3291) to amend the National Housing Act, as amended, and it was signed by the Vice President.

The VICE PRESIDENT. The routine morning business is concluded.

CALL OF THE CALENDAR

Mr. MEAD obtained the floor.

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

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Kentucky?

Mr. MEAD. I am glad to yield.

Mr. BARKLEY. Pursuant to the notice I gave at the last session of the Senate, I was preparing to ask unanimous consent that the Senate proceed

to the consideration of bills on the calendar to which there is no objection, beginning with Calendar No. 416.

The VICE PRESIDENT. Does the Senator from New York yield for that purpose?

Mr. MEAD. Mr. President, I have no objection to having the calendar called, but I think I should be permitted to continue for a moment.

Mr. BARKLEY. Of course, Mr. President, on the call of the calendar there is a limitation of debate.

Mr. MEAD. I fear that under the rule I would be limited to 5 minutes. Therefore, I cannot yield for a call of the calendar at this time, if it is possible for me to decline to yield, and if it is within my right to object to having the calendar called at this time.

Mr. BARKLEY. Mr. President, I have no desire to interfere with the Senator's remarks. I request that at the conclusion of the address by the Senator from New York the Senate proceed to consider bills on the calendar to which there is no objection, beginning with Calendar No. 416.

Mr. MEAD. That is entirely agreeable, Mr. President.

The VICE PRESIDENT. Without objection—

Mr. ELLENDER. Mr. President, I should like to make a few remarks following the speech of the Senator from New York.

Mr. BARKLEY. Mr. President, I have no desire to interfere with the Senator from Louisiana.

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

Mr. MEAD. I yield.

Mr. WALSH. I do not wish to make any objection to the request of the distinguished Senator from New York, but I wish to say that in my opinion, when notice is given of a call of the calendar, it is notice to all Senators who are interested in bills on the calendar to be present. Under those circumstances bills on the calendar should have the right of way, just as an individual Senator would have if he had made a request to make a speech at a certain time. I hope that after today we may adhere to the policy of recognizing the right of Senators who are interested in bills on the calendar to have them considered. I know that the Senator from New York is complying with the long-established custom of interfering, and I make no objection to it; but it is difficult for Senators who have come to the Chamber for the purpose of watching the calendar to have to wait 2 or 3 hours for speeches to be made, as has been done in the past. In the future I hope it will be recognized that a call of the calendar is a privilege given to Members of the Senate who are interested in bills on the calendar.

Mr. BARKLEY. I may say to Senators that the calling of the calendar will probably require not more than an hour, after which there will be a bill under consideration, during the consideration of which any Senator may speak on that bill, or any subject which he chooses to discuss.

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

Mr. MEAD. Mr. President, reserving the right to object—and I shall not object—I wish to state that I believe my distinguished colleague from Massachusetts has made a very good point in calling the attention of the Senate to the fact that notice was given that the calendar would be called, and that in accordance with the notice, Members who are interested in the bills on the calendar have put in an appearance and are waiting for the calendar to be called. I did not understand that notice had been given. So, if it is possible for me to reclaim the floor, or obtain recognition at the conclusion of the call of the calendar, I should like very much to have the calendar called. I shall be very happy to wait until that business is completed.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. THOMAS of Utah. When the notice was given by our leader that there would be a call of the calendar, notice was also given that immediately after the completion of the call of the calendar a motion would be made to consider Senate bill 637. I wonder if the Senator from New York would not allow that motion to be put, so as to permit Senate bill 637 to become the unfinished business. Then he could speak on it, or on any other subject.

Mr. MEAD. I will agree further that at the conclusion of the call of the calendar the motion to take up Senate bill 637 may be made. We shall then have something before the Senate. That arrangement is perfectly agreeable to me, provided, of course, that I may be recognized immediately after the motion is put.

Mr. THOMAS of Utah. I shall postpone my statement about the bill until after the Senator from New York shall have concluded.

Mr. MEAD. I shall wait until the motion is made.

Mr. WALSH. Mr. President, I wish to commend the Senator from New York for his courtesy and magnanimous attitude. He has always exercised such courtesy in the past.

Mr. MEAD. I believe that the proposal advanced by the Senator from Massachusetts is a very constructive one, and I trust that his suggestion will be followed hereafter.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kentucky [Mr. BARKLEY]? The Chair hears none, and the clerk will proceed to state the measures on the calendar, beginning with Calendar No. 416.

CARRYING CONCEALED WEAPONS IN THE DISTRICT OF COLUMBIA

The bill (S. 1151) to amend the law of the District of Columbia relating to the carrying of concealed weapons was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 4 of the act entitled "An act to control the posses-

sion, sale, transfer, and use of pistols and other dangerous weapons in the District of Columbia, to provide penalties, to prescribe rules of evidence, and for other purposes," approved July 8, 1932 (47 Stat. 651; D. C. Code, 1940 ed., title 22, sec. 3204), be, and it hereby is, amended to read as follows:

"SEC. 4. No person shall within the District of Columbia carry either openly or concealed on or about his person, except in his dwelling house or place of business or on other land possessed by him, a pistol, without a license therefor issued as hereinafter provided, or any deadly or dangerous weapon capable of being so concealed."

CONSTRUCTION OF PIPE LINES FOR STEAM HEATING IN THE DISTRICT OF COLUMBIA

The bill (S. 1345) to permit construction, maintenance, and use of certain pipe lines for steam-heating purposes in the District of Columbia was announced as next in order.

Mr. McCARRAN. Mr. President, there is on the calendar a similar House bill, H. R. 3208, being order No. 423. I ask unanimous consent that the Senate proceed to the consideration of the House bill.

There being no objection, the Senate proceeded to consider the bill (H. R. 3208) to permit construction, maintenance, and use of certain pipe lines for steam-heating purposes in the District of Columbia.

Mr. McCARRAN. Mr. President, the Senate bill was reported from the Committee on the District of Columbia with two perfecting amendments, the language of which does not appear in the House bill. I therefore offer as amendments to the House bill the same amendments reported to the Senate bill, so as to make the two bills correspond.

The VICE PRESIDENT. The amendments will be stated by the clerk.

The CHIEF CLERK. On page 2, line 2, of the House bill, after the word "use", insert "not more than two"; and on the same page, after line 15, insert the following paragraph:

Any repairs to streets, highways, or other public property necessitated by construction or alterations of said pipe lines shall be made in a manner satisfactory to the Commissioners of the District of Columbia, at the expense of Lansburgh and Brother.

The amendments were agreed to. The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The VICE PRESIDENT. Without objection, Senate bill 1345 will be indefinitely postponed.

Mr. HATCH. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. HATCH. I have just arrived in the Chamber. I am wondering what happened to Calendar No. 400, Senate bill 1272.

The VICE PRESIDENT. The call of the calendar was started with Calendar No. 416.

Mr. HATCH. Senate 1272 is an important bill.

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

Mr. HATCH. I yield.

Mr. McKELLAR. The next two bills on the calendar are very important to the Post Office Department. I wonder if the Senator would be willing to postpone his request with respect to Calendar No. 400 until after those bills are called? I am obliged to leave the Chamber.

Mr. HATCH. Very well.

The VICE PRESIDENT. The clerk will state the next business on the calendar.

INTERCHANGEABLE USE OF POST-OFFICE CLERKS AND CITY LETTER CARRIERS

The bill (S. 970) authorizing the Postmaster General to use post-office clerks and city letter carriers interchangeably was announced as next in order.

Mr. McNARY. Mr. President, I am not familiar with the measure. It is not a House bill. It is a bill proposed by the chairman of the Senate Committee on Post Offices and Post Roads [Mr. McKELLAR].

Mr. McKELLAR. The Senator is correct. It is very strongly recommended by the Post Office Department that post-office clerks and city letter carriers be used interchangeably. I will read a very short statement from a letter addressed to the President of the Senate by the Postmaster General:

While the country is in a state of war, it is deemed highly desirable that the Post Office Department have authority to interchange personnel to meet the particular necessities of the occasion.

It was the unanimous opinion of the committee that at a time such as the present, when we are at war, the recommendation of the Post Office Department should be followed. That was the purpose of the bill, and the only purpose.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 970) authorizing the Postmaster General to use post-office clerks and city letter carriers interchangeably was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That while the United States is at war and for 6 months thereafter, the Postmaster General may, when the interest of the Service requires, temporarily assign any post-office clerk to the duties of city delivery carrier or any such carrier to the duties of such clerk and in an emergency may assign any post-office employee to the duties of a railway postal clerk or any railway postal clerk to the duties of a post-office employee without change of pay-roll status, the compensation of any temporary assigned employee to be paid from the appropriation made for the work to which he is regularly assigned.

APPLICATION OF RECLASSIFICATION ACT TO CUSTODIAL EMPLOYEES IN THE POSTAL SERVICE

The bill (H. R. 2250) to extend the provisions of the Reclassification Act of February 28, 1925, to include custodial employees in the Postal Service, was considered, ordered to a third reading, read the third time, and passed.

Mr. McKELLAR. I thank the Senator from New Mexico very much.

Mr. HATCH. Mr. President, I merely wish to say at this time that it was my intention to ask unanimous consent that the Senate proceed to the consideration of Calendar No. 400, Senate bill 1272. However, it has been suggested that I wait until the call of the calendar is completed, which I am glad to do, because the bill is one on which I think there should be a record vote. As soon as the calendar is completed I shall ask unanimous consent to recur to order No. 400, Senate bill 1272, and request a ye-and-nay vote.

Mr. LANGER. Mr. President, I wish later to make the same request with reference to Calendar No. 349, Senate bill 878, which is a bill to amend the act entitled "An act to amend further the Civil Service Retirement Act approved May 29, 1930, as amended, approved January 24, 1942."

The VICE PRESIDENT. The clerk will state the next measure on the calendar.

APPLICATION OF EXCESS-PROFITS TAX TO PRODUCTION BONUS PAYMENTS

The Senate proceeded to consider the bill (H. R. 2888) relating to the application of the excess-profits tax to certain production bonus payments.

Mr. GEORGE. Mr. President, House bill 2888 is designed to amend section 735 (c) and section 711 (a) (1) (I) and (a) (2) (K) of the Internal Revenue Code insofar as these sections relate to nontaxable bonus income. The bill in substance provides that the income from bonus payments made by a Government agency on account of the production in excess of a specified quota of mineral products recovered from mine tailings shall be excluded from the excess-profits tax, whether or not the producer had an economic interest in the mineral property.

Section 4 of the bill provides that the amendments shall be applicable to taxable years beginning after December 31, 1940, which is the effective date of the provisions of the present law relating to nontaxable bonus income. The effective date of the provisions of the present law relating to nontaxable income from excess output of mines and timber blocks is not intended to be changed by this bill. The latter provisions will continue to be applicable only to taxable years beginning after December 31, 1941.

The bill is highly recommended by the War Production Board. The Treasury offers no objection to it. It has been unanimously reported by the Senate Finance Committee without amendment. But there is some possibility that section 4 of the bill might lead to some confusion. I therefore offer an amendment to the bill as reported by the committee, to strike out section 4 of the bill and insert a new section 4, which relates only to the effective date of the amendment. It is intended to prevent confusion in that respect.

The VICE PRESIDENT. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 3, after line 10, it is proposed to strike out section 4 of the bill and insert in lieu thereof the following:

SEC. 4. The amendments made by this act shall be effective as if they were a part of section 209 of the Revenue Act of 1942 on the date of its enactment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Georgia (Mr. GEORGE).

Mr. McNARY. Mr. President, what is the number of the bill?

Mr. GEORGE. It is House bill 2888, Calendar No. 424. It passed the House unanimously and was reported by the Senate Finance Committee without amendment. But in order to avoid any confusion as to the effective date of the amendment the Treasury believes that section 4 should be eliminated, and that a new section 4 should be inserted in lieu thereof.

Mr. McNARY. Mr. President, I have no objection to the explanation of the bill, but I am at a loss to know what happened after we reached Calendar No. 416. As I understand, Calendar No. 418, Senate bill 1345, was passed. Some amendments were included in Calendar No. 423, House bill 3208.

The VICE PRESIDENT. Calendar No. 418, Senate bill 1345, was indefinitely postponed when the corresponding House bill was passed.

Mr. McNARY. Was Calendar No. 421, Senate bill 970, passed?

The VICE PRESIDENT. Calendar No. 421, Senate bill 970; Calendar No. 422, House bill 2250; and Calendar No. 423, House bill 3208, were all passed, and the Senate is now considering Calendar No. 424, House bill 2888.

Mr. McNARY. That is the bill to which reference is being made by the able Senator from Georgia?

Mr. GEORGE. That is correct.

Mr. McNARY. To that bill I have no objection.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Georgia.

The amendment was agreed to.

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

The bill was read the third time and passed.

DEMONSTRATION PLANTS TO PRODUCE SYNTHETIC LIQUID FUELS

Mr. O'MAHONEY. Mr. President, I ask unanimous consent to proceed to the consideration of Calendar No. 451, Senate bill 1243. I make the request, after having consulted the leaders on both sides of the Chamber, because it will be necessary for me to leave the Chamber within a short time.

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

Mr. McNARY. Mr. President, we always object to a change in the program unless it is based on some very strong reasons. I understand that the Senator desires to leave the city within a few minutes.

Mr. O'MAHONEY. At 2 o'clock; yes.

Mr. McNARY. Under those circumstances I have no objection.

The PRESIDING OFFICER (Mr. McFARLAND in the chair). The clerk will state the bill by its title for the information of the Senate.

The CHIEF CLERK. A bill (S. 1343) authorizing the construction and operation of demonstration plants to produce synthetic liquid fuels from coal and other substances, in order to aid the prosecution of the war, to conserve and increase the oil resources of the Nation, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Public Lands and Surveys with amendments: On page 2, after the word "products", to insert "The plants shall be of the minimum size which will allow the Government to furnish industry the necessary cost and engineering data for the development of a synthetic liquid-fuel industry and of such size that the combined product of all the plants constructed in accordance with this act will not constitute a commercially significant amount of the total national commercial sale and distribution of petroleum and petroleum products"; and on page 3, line 22, after the word "purchaser", to insert "through regular commercial channels", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior, acting through the Bureau of Mines, within the limits of critical materials available, is authorized to construct, maintain, and operate one or more demonstration plants to produce synthetic liquid fuels from coal and other substances with all facilities and accessories for the manufacture, purification, storage, and distribution of the products. The plants shall be of the minimum size which will allow the Government to furnish industry the necessary cost and engineering data for the development of a synthetic liquid-fuel industry and of such size that the combined product of all the plants constructed in accordance with this act will not constitute a commercially significant amount of the total national commercial sale and distribution of petroleum and petroleum products.

SEC. 2. In order to carry out the purpose of this act, the Secretary of the Interior is authorized—

(a) to conduct laboratory research and development work necessary to determine the best demonstration plant designs and conditions of operation;

(b) to acquire, by purchase, lease for a term of years or less, donation, or otherwise, land and any interest in land, including easements and leasehold interests; options on real or personal property; plants and their facilities; secret processes, technical data, inventions, patent applications, patents, irrevocable nonexclusive licenses, and other rights and licenses under patents granted by this or any other nation; to assume the obligation to pay rentals in advance on property so acquired, and to pay damages arising out of the use of any such property;

(c) to engage, by contract or otherwise, engineers, architects, and any private industrial organization he deems suitable, to do all or any part of the work of designing, constructing, or operating the plants, the operation to be under his supervision, and through leases or otherwise as he believes advisable;

(d) to cooperate with any other Federal or State department, agency, or instrumentality, and with any private person, firm, or corporation, in effectuating the purposes of this act.

Sections 321 and 322 of the act of June 30, 1932 (47 Stat. 412), as amended, shall not apply to any leases under this section; and such leases may be made for a term of years notwithstanding Revised Statutes, section 3679, as amended, or any other provision of law.

SEC. 3. The Secretary of the Interior is authorized to sell the products of the plants at not more than actual cost, including amortization of capital expenses, as determined by him, to any department, agency, or instrumentality of the Federal or any State government, but priority shall be given to orders placed by the War or Navy Departments. Any remaining products may be sold at going prices to any purchaser through regular commercial channels. The Secretary of the Interior, in his discretion, shall also have authority to dispose of any lands or other real or personal property acquired, but in his opinion no longer useful, for the purposes of this act, and to grant, on such terms as he may consider appropriate, licenses under patent rights acquired under this act.

SEC. 4. All moneys received under this act for products of the plants and royalties shall be paid into the Treasury as miscellaneous receipts. The Secretary of the Interior shall render to Congress on or before the first day of January of each year a report of all operations under this act.

SEC. 5. The Secretary of the Interior may issue rules and regulations to effectuate the purposes of this act. The authority and duties of the Secretary of the Interior under this act shall be exercised through the Bureau of Mines of the Department of the Interior.

Mr. McNARY. Mr. President, may we have a statement concerning the objectives of the bill?

Mr. O'MAHONEY. Mr. President, the bill was introduced for the purpose of utilizing or creating the opportunity to utilize the natural resources of the United States in coal, oil shale, and other substances, for the purpose of demonstrating that synthetic liquid fuel can be manufactured. The oil resources of the United States are being rapidly depleted. The depletion is likely to continue without regard to the exigencies of the war because the consumption of liquid fuel in this country has been increasing by leaps and bounds. During the course of the hearings upon this bill, the distinguished Senator from South Dakota [Mr. GURNEY] asked the Bureau of Mines to submit statistics upon the domestic consumption of oil in the United States. The figures which were furnished show that in 1931 the total consumption of oil in the United States amounted to 903,200,000 barrels, and that this amount had increased by 1939—in 8 years—to 1,231,000,000 barrels. So that even before the beginning of the war, before we were making the tremendous supplies out of our resources which we are now making, the use of oil for domestic industry had tremendously increased.

The rate of discovery of oil in the United States has been rapidly decreasing. How significant this is may be judged when I say that the evidence gathered by a joint subcommittee of the Public Lands Committee of the Senate and of the Committee on Mines and Mining of the House of Representatives,

headed by Representative RANDOLPH, of West Virginia, developed that one well has been drilled for every 3 square miles of territory in the United States; but in the world abroad, one well to only 500 square miles of territory. The largest area of unexplored lands on which oil may be found is in Russia; so that the future, in a very real sense, belongs to Russia so far as proved petroleum is concerned.

On the other hand, the coal deposits of the United States are so tremendous as to be practically inexhaustible. The testimony before the joint hearing was to the effect that, although we are consuming a billion and a half barrels of crude oil a year, we could make that amount of oil by the hydrogenation process from coal and still have enough to last a thousand years at that rate.

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

Mr. O'MAHONEY. I yield to the Senator from Pennsylvania.

Mr. GUFFEY. How large an investment will it require to produce that amount of oil?

Mr. O'MAHONEY. The investment will have to be made by private industry, and it would be a very large investment, no doubt.

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

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

Mr. HATCH. The Senator said the investment would be made by private industry. There was some question raised, as I recall, that the Government was going into competition with oil and synthetic fuels.

Mr. O'MAHONEY. That was not the intention of the sponsor of the bill, and it was not the intention of the Bureau of Mines. The committee, as its distinguished chairman well knows, has adopted a specific amendment to make clear that there will be no Government competition.

Mr. HATCH. The reason I asked the question, Mr. President, was in order that the Senator might make that explanation. The amendment does make that entirely clear, and I thought it should be made clear.

Mr. O'MAHONEY. The evidence before us is that industry is not making the investment that is necessary to do the pioneering work. The purpose of this bill is to authorize the Bureau of Mines to undertake the pioneering work, so that the tremendous resources of the Government and the scientific methods of hydrogenation may be made available to private industry.

Mr. GURNEY. Mr. President—

Mr. O'MAHONEY. I yield to the Senator from South Dakota.

Mr. GURNEY. I cannot let this bill pass without making a statement that I am in full accord with the Senator from Wyoming that the passage of this bill is very necessary. It would be necessary even though we were not at war. Our motor-fuel materials are so short now that we must do everything possible to enable industry, in the future, to furnish us with motor fuel from other materials

than those we are now using. The members of the subcommittee during the summer held hearings for some 3 weeks. At those hearings large and small petroleum companies testified, and all of them were in agreement that this is a Government function, and they gave hearty approval to the passage of this bill. I hope it will be passed by unanimous consent not only by the Senate but by the other House. I believe we can fully recommend to the House that they concur in our action.

Mr. McNARY. Mr. President—

Mr. O'MAHONEY. I yield to the Senator from Oregon.

Mr. McNARY. Mr. President, from a very hasty reading of the bill I do not observe any appropriation or authorization for an appropriation. Let me ask the Senator in charge of the bill where will the money come from?

Mr. O'MAHONEY. There will be no money without an appropriation, of course, as the Senator well knows. It is the thought of the Public Lands Committee that the determination as to the amount of money which should be expended should be made by the respective Appropriations Committees of the two Houses. It was estimated by the Bureau of Mines that if demonstration plants were built to handle oil, shale and coal, several plants, an expenditure of twenty or thirty million dollars might be involved; but the committee did not recommend such an expenditure without having a full report from the Bureau of the Budget and a full examination by the Committee on Appropriations.

Mr. McNARY. It is very unusual to propose a bill of this kind without authorizing an appropriation or actually making an appropriation out of the Treasury.

Mr. O'MAHONEY. I would not want the bill to carry an appropriation, but, if the Senator desires, I should be very happy to offer an amendment providing that not to exceed \$30,000,000 shall be authorized.

Mr. McNARY. The Senator from Oregon is not referring to what should be done with the bill, but from a good many years of experience and some observation, I do not recall a bill similar to this having been introduced or reported without an authorization or an appropriation. It evidently contemplates an appropriation.

Mr. O'MAHONEY. It does not carry an appropriation, it merely authorizes the expenditure.

Mr. McNARY. It does not authorize anything as I understand, it does not even authorize an appropriation.

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired. Does the Senator from Oregon desire to be recognized in his own time?

Mr. McNARY. I do not want to take any other Senator's time, and probably I shall not object to the bill. I shall take my own time.

Mr. President, it is the nature of the legislation that attracts me more than the purpose that may be in the mind of the Senator who is in charge of the bill. I have no objection to the proposition,

but ordinarily, when such a bill comes here authorizing certain things to be done by agencies of the Government, it also contains an estimate or authorization for the amount that must be appropriated, after meeting with the approval of the Committee on Appropriations.

From a hasty reading of the bill, it seems to set forth some very desirable purposes to be undertaken on the part of the Secretary of the Interior through the Bureau of Mines, but, as I read it, there is nothing in the bill that states that it is based upon an ultimate appropriation by the Congress.

Mr. O'MAHONEY. I shall be very happy to repair that defect, although I am frank to say to the Senator that I do not think it actually exists. On page 1 of the bill, the language is as follows:

That the Secretary of the Interior, acting through the Bureau of Mines, within the limits of critical materials available, is authorized to construct, maintain, and operate one or more demonstration plants to produce synthetic liquid fuels from coal and other substances with all facilities and accessories for the manufacture, purification, storage, and distribution of the products.

Mr. McNARY. I read that a moment ago. I am speaking on the bill in my own time. It is a nice statement of what the ambition of the Secretary of the Interior through the agency of the Bureau of Mines may be, but it does not specify, as it should, that there is hereby authorized to be appropriated the sum of money which the members of the committee must have had in mind when they reported the bill. It is merely a recital of ideas in the mind of someone without any thought of what the cost will be. Now the Senator tells me very frankly that the bill probably will cost \$30,000,000. From a reading of the bill I do not know whether it is going to cost 30 cents or \$30,000,000. A measure of this kind ought to give some idea what the cost will be before it is brought to the attention of the Senate for consideration.

Mr. O'MAHONEY. In order to meet the suggestion of the Senator from Oregon, I move that, on page 2, line 1, after the period there be inserted the following sentence:

There is hereby authorized to be appropriated not to exceed \$30,000,000 for the purposes of this act.

Mr. McNARY. That puts it in better form. I am not advocating \$30,000,000 or saying that is the proper sum or whether it is sufficient, but the amendment would put the bill in a position upon which we may intelligently operate.

Mr. JOHNSON of Colorado. Mr. President, I did not wish to take the Senator from Wyoming off the floor. I understood his time had expired. However, I have one question I wish to ask him. First, I want to say that I am in complete accord with the purposes of the bill as I understand them and with the statement made by the Senator from Wyoming and the Senator from South Dakota [Mr. GURNEY].

On page 3 of the bill, at the bottom of the page, I find this language:

The Secretary of the Interior, in his discretion, shall also have authority to dispose of any lands or other real or personal property acquired—

And so forth. The question I wish to submit to the Senator from Wyoming is whether or not that gives the Secretary of the Interior any authority over public lands containing deposits of oil, shale, and coal.

Mr. O'MAHONEY. I think not, because that refers to properties which may be acquired. Of course, public lands are not lands which would fall within that definition.

Mr. JOHNSON of Colorado. I do not like the language of the Senator's reply when he says, "I think not." I want him to say something more positive than "I think not."

Mr. O'MAHONEY. I shall be very glad to accommodate the Senator and say that the language to which he refers does not cover the public lands.

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

Mr. O'MAHONEY. If I have the floor. The PRESIDING OFFICER. The time of the Senator from Wyoming has expired. Does the Senator from Connecticut desire recognition in his own time?

Mr. DANAHER. Yes.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DANAHER. On page 2, line 14, I notice that the Secretary of the Interior would be authorized "to acquire, by purchase, lease for a term of years or less, donation, or otherwise, land and any interest in land, including easements and leasehold interests; options on real or personal property; plants and their facilities; secret processes, technical data, inventions, patent applications, patents, irrevocable nonexclusive licenses," and the like. What does the Senator understand the words "or otherwise" to mean? Would they authorize the Secretary to acquire these various items of property other than through the means specified?

Mr. O'MAHONEY. I assume that phrase would include condemnation.

Mr. DANAHER. That was exactly what I had in mind. If the Senator from Wyoming construes the term "or otherwise" to mean by condemnation, it follows that very considerable objection would lie to the bill. We have already had one instance, within the year, of the seizure and alleged condemnation of more than 50,000 patents by the Alien Property Custodian, who, in turn, has made them available to American industry, without redress or compensation, and quite contrary to the theory of trusteeship which obtained during the last war. If it should be in the mind of anyone that the Secretary of the Interior was to be given the power to condemn patents, I submit that a very fundamental objection would lie to the bill. There are at least 10 or 12 private plants, I am informed, rendering experimental service to the country at the moment.

Mr. O'MAHONEY. Will the Senator yield?

Mr. DANAHER. I yield.

Mr. O'MAHONEY. I should be very glad to strike out the words "or otherwise." There was no intention on the part of the committee to enter into the domain of wholesale condemnation, and I think that the remarks of the Senator are very appropriate. I shall be very glad to move to amend the bill in that respect.

Mr. DANAHER. Mr. President, to the end that the RECORD may speak, I move, on line 15, page 2, to strike out the words "or otherwise."

The PRESIDING OFFICER. There is already pending an amendment offered by the Senator from Wyoming.

Mr. JOHNSON of Colorado. Will the Senator from Connecticut yield?

Mr. DANAHER. I yield.

Mr. JOHNSON of Colorado. I shall be very glad to have the words "or otherwise" stricken from the bill, because I read them in connection with my inquiry of a moment ago, brought out by the language I find at the bottom of page 3. I do not want to see the Secretary of the Interior acquire, under the term "or otherwise" in the proposed legislation, public lands and then have the right to dispose of them. So I am very glad that the words "or otherwise" are to be stricken from the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming, which will be stated.

The CHIEF CLERK. On page 2, line 1, after the word "products" and the period it is proposed to insert the following: "There is hereby authorized to be appropriated not to exceed \$30,000,000 for the purposes of this act."

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

The amendment was agreed to.

Mr. DANAHER. Mr. President, I now move on page 2, line 15, to strike out the words "or otherwise."

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 2, line 15, after the word "donation" and the comma, it is proposed to strike out "or otherwise" and the comma.

Mr. O'MAHONEY. Mr. President, I ask the Senator whether he will not modify his amendment so as to insert the word "or" before the word "donation."

Mr. DANAHER. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Connecticut as modified.

The amendment as modified was agreed to.

Mr. DANAHER. Mr. President, on page 3 we find another interesting feature of the bill, in lines 10 to 14, inclusive, where it is provided:

Sections 321 and 322 of the act of June 30, 1932 (47 Stat. 412), as amended, shall not apply to any leases under this section; and such leases may be made for a term of years notwithstanding Revised Statutes, section

8679, as amended, or any other provision of law.

After the words "term of" in line 12 I move to insert "not to exceed five".

Mr. O'MAHONEY. I accept the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 3, line 12, after the words "term of", it is proposed to insert "not to exceed five".

The amendment was agreed to.

Mr. DANAHER. Mr. President, I want the RECORD to show that on its face the proposed legislation purports to be permanent legislation, and to grant authorization to make a lease irrespective of the limitations of law. Obviously, any lease could run 99 years, or 199 years, for that matter. I wanted the RECORD to show my reason for the interpolation to which the Senate has just agreed.

Mr. President, further, there seems to be very substantial lack of understanding among the various Senators present as to the ultimate impact of the bill. A reading of the report of the committee fails to illuminate adequately the doubts I personally have. I notice among other things that in the letter of the Secretary of the Interior he states:

The Department has not as yet been informed by the Bureau of the Budget concerning the relationship of this proposed legislation to the program of the President.

In other words, we do not have adequate data, it seems to me, upon which to base our consideration of this measure. In view of the fact that this letter is dated August 2, 1943, and has not been supplemented as of today, late in October, I think no pressing need exists which would justify our immediate consideration of the bill, and that we can just as properly dispose of it 72 hours from now as at this particular time. I therefore respectfully ask that the bill go over.

Mr. THOMAS of Utah. Mr. President, I trust that the Senator from Connecticut will withhold his objection to the present consideration of the bill. The bill comes before the Senate in a straightforward way, and after a committee hearing and long consideration. Ten years ago I was given my first task in the Senate, to act as chairman of a subcommittee of the Committee on Mines and Mining to hold hearings on a measure which would bring about the elimination of waste of our natural resources, particularly with respect to oil, and when we realized that in the last 10 years we have not moved forward toward any act of conservation to take care of the oil itself, and that we have neglected exactly what the pending bill proposes to accomplish, we must conclude that it would be wrong for the Senate to put off, even for 72 hours, the beginning of this great work. Time is of the essence.

The Bureau of Mines have done enough to convince them that all they have planned is perfectly feasible, but they have not done it on a large scale. Over 20 years ago, there was inaugurated an investigation by the Bureau of Mines at my university, looking to the extrac-

tion of fuel oil from shale, of which there are literally mountains. We turn to the Bureau of Mines for the ultimate conservation of other resources which we are using.

I trust the Senator will withdraw his objection, and that the Senator from Wyoming may proceed with his bill.

Mr. HATCH. Mr. President, I desire to join the Senator from Utah in the request which he has made. I do not need to call the attention of the Senator from Connecticut to the fact that today oil is perhaps the most precious commodity there is in the world. The supplies we have in the United States are being rapidly diminished by the war effort. How long that will continue none of us knows. We do know that the load is increasing constantly. I for one am desperately anxious that this country do everything within its power at least to ascertain and know about the available supplies of petroleum from whatever source they may come, coal, shale or from wells sunk in the ground.

As the Senator from Utah has said, the bill does not represent anything new. I may call the attention of the Senator from Connecticut to a condition which existed in the last war when this country was absolutely dependent upon foreign imports for potash. The Senator knows the history of potash in this country during the last war. As the result of legislation almost identical with the proposed legislation, introduced by the late Senator from Texas [Mr. Sheppard]—

The PRESIDING OFFICER. The time of the Senator from Connecticut has expired.

Mr. HATCH. Mr. President, may I speak in my own time?

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. HATCH. I shall take but a moment or so. Explorations were carried on by representatives of the United States in connection with private industry in my State. Potash was developed in this country until today we are producing not only sufficient for our use in the United States, but we are even exporting some to our allies who need it desperately.

Mr. President, I do not believe passage of the bill should be delayed. I hope the Senator from Connecticut will withdraw his objection.

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

Mr. HATCH. I yield.

Mr. JOHNSON of Colorado. I desire to join the Senator from Utah [Mr. THOMAS] and the Senator from New Mexico [Mr. HATCH] in urging the Senator from Connecticut not to object to the passage of the bill at this time. As the other Senators have so well stated, the bill deals with a matter of grave and immediate importance. I sincerely hope the Senator from Connecticut will not object to the passage of the bill.

Mr. LANGER. Mr. President, will the Senator from New Mexico yield to me?

Mr. HATCH. I yield.

Mr. LANGER. I desire to join the Senator from Utah [Mr. THOMAS], the Senator from New Mexico [Mr. HATCH],

and the Senator from Colorado [Mr. JOHNSON] in the request they have made of the Senator from Connecticut. For over 30 years the University of North Dakota, with the help of the Bureau of Mines and large appropriations from the State of North Dakota, has conducted experimentation with the coal of North Dakota. There are in North Dakota 600,000,000 tons of lignite coal, and something should have been done about it many years ago.

The report of the committee on the bill now pending is unanimous. A thorough investigation of the subject has been made. Hearings have been held all over the United States. I hope the Senator from Connecticut will withdraw his objection.

Mr. CONNALLY. Mr. President, in my own time I wish to ask the Senator from Wyoming [Mr. O'MAHONEY] a question. It may not be exactly in point, but in the hearings, in the consideration of his bill, was any testimony adduced with respect to the shortage or prospective shortage of gasoline for war and civilian purposes? Let me predicate my question on this statement: Some days ago I was in a meeting with the War Advisory Board for Oil, which advised with the Secretary of the Interior. The Secretary of the Interior was present, and his oil administrator was present, and a great number of the representatives of the oil industry were present. They there asserted—and I think this to be of general interest because of gasoline rationing, that at the present moment, when from the available supplies of gasoline the demands and the needs of the Army and the Navy are subtracted, there is left remaining for civilian use only 60 percent of what had been used normally by the civilian population in time of peace, and that with the increased demands on the part of the Army and Navy, which they anticipated at an early date, the 60 percent would be reduced.

I think the country should know that, because there is widespread clamor against any restriction in the use of gasoline. That was the view taken not only by the responsible agencies of the Government but by representatives of the independents and representatives of the major companies, and as I recall—and the Senator from New Mexico [Mr. HATCH] was present—there was no dissent from that view.

Mr. O'MAHONEY. Mr. President, the Senator from Texas is quite correct. The facts are clear. We are using oil much more rapidly than we are discovering oil, and our reserves are being steadily depleted. There can be no question that if we were to continue to take a billion and a half barrels of petroleum out of the reserves each year, as we are now doing, the reserves would not last for 20 years. Of course it would not be possible to take a billion and a half barrels out of the reserves annually, and unless we supplement that supply of liquid fuel by some such process as is authorized by the bill, it will be impossible for the United States to use gasoline motors as we have been using them, and we will not be able to maintain our leadership in aviation.

Mr. CONNALLY. Mr. President, I thank the Senator for his statement about permanent reserves, but I am talking about the immediate current available supplies of gasoline. These authorities said that there was now available not more than 60 percent of what had been used in peacetime by the civilian population, and that by reason of the demands of the Army and Navy, the 60 percent would have to be reduced. It seems to me that is an answer to many persons who are demanding an unlimited use of gasoline and oil.

Mr. HATCH. Mr. President, the Senator from Texas is exactly correct in what he has said. I was present at the meeting, and there was not any dissent from what has just been reported by the Senator from Texas.

Regarding the critical situation with which we are now confronted, I happen to have before me the current issue, date October 15, of the United States News, giving a news account of the situation as to oil. I wish to read one paragraph from the account which stresses the point we are making as to the vital necessity for us to ascertain in this country just what our oil resources are. The article had been discussing the question of importing oil from other countries, and it says:

The United States load will increase in the months ahead no matter how successful attempts are to take more oil from other areas. Domestic crude output is slated to rise to 4,321,000 barrels a day by April 1944, to 4,400,000 by January 1945. No end to the increase is in sight, and they all go to the military. This continuous drain leads to the question of reserves and the possibility that after the war the United States must depend on other nations for fuel oil.

That, Mr. President, is a contingency I wish to avoid. I want experiments to be conducted now.

The PRESIDING OFFICER. Does the Senator from Connecticut withdraw his objection to the present consideration of the bill?

Mr. DANAHER. No, Mr. President.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over. The clerk will state the next bill on the Calendar.

ARKANSAS-MISSISSIPPI BRIDGE COMMISSION

The bill (S. 1255) to revive and reenact the act entitled "An act creating the Arkansas-Mississippi Bridge Commission" was announced as next in order.

Mr. DANAHER. Mr. President, my time had expired on the so-called O'Mahoney bill, and I therefore wish to take a few minutes on the pending bill to make reply to statements made by several Senators. In the first place let it be noted that the Secretary of the Interior in his letter to the committee said:

It is high time that the country—

Meaning, of course, the Government—embarked in earnest upon the program of research and development work.

We find the same theme in the committee's report submitted by the Senator from Utah [Mr. THOMAS] with reference

to the bill which next will be the order of business. I quote from the report:

The committee takes the position that it is the function of the Congress to make available money to the States for financial assistance in supporting their public schools.

At what point, Mr. President, does the function of government stop? Is it the function of government to provide explorations and investigation of coal, oil, shale, and possible well diggings for oil? Is it the belief of any Senator who has argued here in the last 10 minutes that if this bill goes over until Friday so we may have a chance to look into it that every bus in Washington is going to stop?

Anyone listening to the discussion here as to what will happen because of the shortage of oil would think that to hold up the bill, which was introduced on June 18, and comes to the Senate only today, when its sponsors could have moved at any time in the interim to have it taken up, would be highly dangerous. However, that is mere nonsense. We are not obstructing the war effort. We are not obstructing any development of oil. What we are asked to do is to say that it will be the function of the Government of the United States continually to drain the Treasury of the taxpayers' money, in order to perform functions which always hitherto have been performed by private industry. If there is an oil well anywhere in the United States that is any good, private capital will exploit it, as we all know. If there is a coal-oil development anywhere, capable of profitably yielding coal oil and petroleum products, and ultimately gasoline, private capital will develop it.

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

Mr. DANAHER. I yield.

Mr. CONNALLY. At the meeting dealing with coal oil mentioned a short time ago representatives of the Bureau of Mines and others were present. They stated that oil could be produced from coal at about a 30-percent increase in the prices we now are paying for gasoline, and that in the United States we have enough coal in reserve to last us for 3,000 years. I hope that is true. I simply suggest that to the Senator. I suppose the cheaper coals—lignite and others—could be used, but no doubt their use would increase the cost, and probably they would produce an inferior grade of oil.

It was also shown that some of our belligerents in the war are now obtaining gasoline from the hydrogenation of coal and other products.

Mr. DANAHER. Mr. President, inasmuch as the Senator has referred to belligerents getting some of their oil by the hydrogenation process, let me say that some of the Senators who came back from the trip to the war fronts also told us about the rate at which American reserves are being depleted while the reserves of some of the same belligerents are untouched. I hope our concern for the available reserves of oil will be expressed by Senators as cogently as expression has been made elsewhere in the last 10 minutes.

Mr. President, I did not have information about the bill, so as to be able to judge accurately about it at the present time. Until 10 minutes ago, I never saw it before. I am not on the committee. No hearings were held, so far as I know. There is a report, but it is inadequate. I do know that in connection with the bill under consideration I submitted two amendments on two fundamental particulars, and both were accepted by the proponents of the bill. There may be other amendments to be proposed, Mr. President, and the passage of 72 hours before we recur to consideration of the bill will not stop the war, and will not cause the busses of Washington to cease operating.

The PRESIDING OFFICER. Is there objection to the present consideration of Senate bill 1255?

There being no objection, the bill (S. 1255) to revive and reenact the act entitled "An act creating the Arkansas-Mississippi Bridge Commission" was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act approved May 17, 1939, heretofore extended by acts of Congress approved May 27, 1940, and July 14, 1941, creating the Arkansas-Mississippi Bridge Commission and authorizing such commission to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River, at or near Friar Point, Miss., and Helena, Ark., be, and is hereby, revived and reenacted: *Provided,* That this act shall be null and void unless the actual construction of the bridge herein referred to be commenced within 1 year and completed within 3 years from the date of approval hereof.

Sec. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The title was amended so as to read: "A bill to revive and reenact the act entitled 'An act creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes', approved May 17, 1939."

MISSISSIPPI RIVER BRIDGE AT BROOKLYN CENTER, MINN.

The bill (H. R. 2649) to revive and reenact the act entitled "An act granting the consent of Congress to the State of Minnesota to construct, maintain, and operate a free highway bridge across the Mississippi River at or near the village of Brooklyn Center, Minn.," approved April 20, 1942, was considered, ordered to a third reading, read the third time, and passed.

PAYMENT TO MEMBERS OF SANTA CLARA PUEBLO OF NEW MEXICO

The bill (H. R. 128) to authorize a per capita payment of \$10 to the members of the Santa Clara Pueblo of New Mexico from funds on deposit to their credit in the Treasury of the United States, was considered, ordered to a third reading, read the third time, and passed.

TRANSFER OF LANDS OF CROATAN NATIONAL FOREST, N. C.

The bill (S. 1315) providing for the transfer to the custody and control of the Secretary of the Navy of certain lands comprising a portion of Croatan National Forest in the State of North Carolina was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to transfer to the custody and control of the Secretary of the Navy all lands owned by the United States and comprising a part of Croatan National Forest in the State of North Carolina which are situated within the present boundaries of the Marine Corps Aviation Base, Cherry Point, N. C.: *Provided*, That in the event the area transferred pursuant to the provisions of this act shall cease to be used for military purposes, it shall revert to its former national-forest status.

TRANSPORTATION OF DEPENDENTS AND HOUSEHOLD EFFECTS OF PERSONNEL OF NAVY, MARINE CORPS, AND COAST GUARD

The bill (S. 1336) to authorize the transportation of dependents and household effects of personnel of the Navy, Marine Corps, and Coast Guard under certain conditions, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That officers and enlisted men of the Navy, Marine Corps, and Coast Guard, and the reserve components thereof when on active duty, of grades entitling them to transportation of dependents and household effects on change of station (a) when on duty at places designated by the Secretary of the Navy as within zones from which their dependents should be evacuated for military reasons or for the purpose of relieving congestion in the vicinity of naval activities or where Government quarters for their dependents are not available; (b) or upon transfer or assignment of such officers and enlisted men to sea duty, as such duty may be defined by the Secretary of the Navy; (c) or upon transfer or assignment of such officers and enlisted men to duty at places where their dependents for military reasons are not permitted to join them or where Government quarters for their dependents are not available, may, upon application of such personnel or their dependents, be allowed, subject to such regulations as the Secretary of the Navy may prescribe, transportation for their dependents and household effects, including packing, crating, and unpacking thereof, from their stations or places of storage in the United States to any other points in the United States, and from such points to new stations in the United States to which such personnel may be subsequently ordered for duty, and at which their dependents are not restricted from joining them or Government quarters for their dependents are available.

SEC. 2. Whenever the Chief of Naval Personnel, Commandant of the Marine Corps, Commandant of the Coast Guard, or such subordinates as they may designate, certify that the personnel included in (b) and (c) of section 1 hereof have been transferred to sea duty or to duty at places beyond the continental limits of the United States where their dependents for military reasons are not permitted to join them, the wives of such personnel, or such other responsible persons as may be designated by the officials named above in this section, may execute such certificates as may be required and which are

filed with, and relate to, vouchers in connection with the transportation of dependents or household effects: *Provided*, That in lieu of copies of orders of such personnel, the certificate above provided for shall constitute authority for such transportation of dependents, and household effects as may be authorized hereunder and any certificate or certification authorized by this act shall be final and conclusive upon the accounting officers of the Government: *And provided further*, That under such regulations as the Secretary of the Navy may prescribe, claims for reimbursement may be submitted by and payments made to personnel concerned or their dependents for any authorized travel performed by dependents at their own expense.

SEC. 3. The Comptroller General of the United States is hereby authorized and directed to allow credit in the accounts of disbursing officers in cases where such dependents would have been entitled to transportation if the provisions of section 1 hereof had been in effect on the date of payment for otherwise proper payments heretofore made to transportation of dependents, or reimbursement therefor, under orders issued prior to the effective date of this act, to the extent of the commercial cost of transportation of the dependents from the old-duty station to the new-duty station. Such cost of transportation shall be computed from the last available published rates on the date the orders involved were issued.

SEC. 4. Transportation of household effects of naval and civilian personnel of the Naval Establishment, as now or hereafter authorized by law, may, under such regulations as the Secretary of the Navy shall prescribe, be by means of rail, water, or van, without regard to comparative costs.

SEC. 5. This act shall be effective as of December 7, 1941, and shall remain in effect for the duration of the present wars and for 6 months after the termination of such wars, or until such earlier time as the Congress by concurrent resolution or the President by proclamation may designate.

CONVEYANCE TO CITY OF NEW YORK OF CERTAIN LANDS WITHIN THE BROOKLYN NAVY YARD

The bill (S. 1349) to authorize the Secretary of the Navy to convey to the city of New York certain lands within the Brooklyn Navy Yard in the city of New York was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized to transfer, under such conditions as may be approved by the said Secretary, to the city of New York, all right, title, and interest of the United States in and to a parcel of land containing three-tenths of an acre, more or less, located on the westerly side of a new street between Kent Avenue and Flushing Avenue, and in and to a strip of land 27 feet wide, located on the southerly side of Kent Avenue between Washington Avenue and Hewes Street, in the Borough of Brooklyn, city and State of New York, both of said parcels being within the boundaries of lands acquired for the expansion of the Brooklyn Navy Yard, and metes and bounds of descriptions of which are on file in the Navy Department.

SETTLEMENT OF ACCOUNTS OF DECEASED OFFICERS AND ENLISTED MEN OF THE NAVY AND MARINE CORPS

The bill (S. 1351) to amend the Act of May 27, 1908, as amended, authorizing settlement of accounts of deceased officers and enlisted men of the Navy and

Marine Corps, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act approved May 27, 1908 (35 Stat. 317), as amended (52 Stat. 352; 34 U. S. C. 941), is hereby further amended by striking out the words "five hundred" appearing in line 35, page 373, Thirty-fifth Statutes at Large, and inserting in lieu thereof the words "one thousand."

CLEO PICKRELL

The Senate proceeded to consider the bill (S. 1293) for the relief of Cleo Pickrell, which had been reported from the Committee on Claims, with amendments, on page 1, line 5, after the words "sum of", to strike out "\$7,995.75" and insert "\$7,670.75"; and in line 8, after the words "loss of", to strike out "one hundred and four bales of", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$7,670.75, to Cleo Pickrell, of Tipton, Okla., in full satisfaction of his claim against the Commodity Credit Corporation for indemnity for the loss of cotton by fire on December 24, 1942, the insurance on which was canceled by Cleo Pickrell shortly before the fire upon the erroneous advice given him by an inspector for the Corporation that the cotton was protected against fire loss by the Government: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

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

GRAFTON BOAT WORKS

The bill (S. 862) for the relief of the Grafton Boat Works was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Grafton Boat Works, of Grafton, Ill., the sum of \$240, in full satisfaction of its claim against the United States for compensation for storing a boat belonging to the National Youth Administration during the period from December 1, 1940, to April 1, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

MILFORD TRUST CO. AND BLANCHE R. BENNETT

The bill (S. 950) for the relief of the Milford Trust Co. and Blanche R. Bennett, as administrators of the estate of

Charles E. Reed, deceased, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to the Milford Trust Co and Blanche R. Bennett, of Milford, Del., as administrators of the estate of Charles E. Reed, deceased, the sum of \$4,155, in full satisfaction of their claims against the United States for compensation for damage to a farm building and certain machinery and equipment therein, owned by such estate, which resulted when a United States Army airplane crashed into such building on July 18, 1942: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

GERALD G. WOODS

The bill (S. 1008) for the relief of Gerald G. Woods was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Gerald G. Woods, of Portsmouth, N. H., the sum of \$71.90, in full satisfaction of his claim against the United States for reimbursement for expenditures made by him as commander of flotilla No. 301, United States Coast Guard Auxiliary, for rations for members of such auxiliary engaged in operating a Coast Guard patrol boat: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

ERVIN S. FINLEY

The bill (S. 1246) for the relief of Ervin S. Finley was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ervin S. Finley, of Sumter, S. C., the sum of \$500, in full satisfaction of his claims against the United States for compensation for personal injuries sustained by him when he was struck by a Government-owned truck operated by a civilian employee of the Army Air Corps, at Shaw Field, S. C., on September 15, 1942, and for reimbursement of medical and hospital expenses incurred by him as a result of such injuries: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of service rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

PAN AMERICAN AIRWAYS, INC.

The bill (S. 1309) for the relief of Pan American Airways, Inc., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he hereby is, authorized and directed to settle and adjust the claim of Pan American Airways, Inc., a corporation organized and existing under the laws of the State of New York, for \$2,681.82 as the value of two dry ice boxes belonging to it which were stored in Honolulu, T. H., and which were received from storage by a representative of the United States Army and placed on board the United States Army transport *Royal*. Frank in the mistaken belief that they were boxes belonging to the United States Navy which the Navy had agreed to lend to the Army, and which two boxes belonging to Pan American Airways, Inc., were lost when that vessel was destroyed by enemy submarine action, and to allow in full and final settlement of the claim not to exceed \$2,681.82. There is hereby appropriated out of any moneys in the Treasury not otherwise appropriated, the sum of \$2,681.82, or so much thereof as may be necessary for the payment of the claim: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

J. E. MARTIN

The bill (H. R. 304) for the relief of J. E. Martin was considered, ordered to be engrossed for a third reading, read the third time, and passed.

HOWARD MORGAN

The bill (H. R. 305) for the relief of Howard Morgan was considered, ordered to be engrossed for a third reading, read the third time, and passed.

RELIEF OF COMMISSIONED OFFICERS OF THE U. S. S. "ST. LOUIS"

The bill (S. 714) for the relief of the commissioned officers of the U. S. S. *St. Louis* during the Spanish-American War, May 18, 1898, to September 2, 1898, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the pension laws or any laws conferring rights, privileges, or benefits upon persons honorably discharged from the United States naval or military forces, the commissioned officers of the U. S. S. *St. Louis* shall be held and considered to have served in the naval forces of the United States between May 18, 1898, and September 2, 1898.

Sec. 2. The Secretary of the Navy is authorized and directed to correct the records of the Navy Department to coincide with the dates of their appointments as shown on their respective commissions and discharges.

Sec. 3. This correction is authorized so that the commissioned officers of the U. S. S. *St. Louis* will be on a lawful parity with their brother officers of the U. S. S. *Harvard* and U. S. S. *Yale* who served during the same period.

Mr. DAVIS. Mr. President, I ask that the report of the committee on the

bill just passed be made a part of the Record.

There being no objection, the report (No. 427) was ordered to be printed in the Record, as follows:

The Committee on Naval Affairs, to whom was referred the bill (S. 714) for the relief of the commissioned officers of the U. S. S. *St. Louis* during the Spanish-American War, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

This bill provides that in the administration of the pension laws or any laws conferring rights, privileges or benefits upon persons honorably discharged from the United States naval or military forces, the commissioned officers of the *St. Louis* shall be held and considered to have served in the naval forces of the United States between May 18, and September 2, 1898.

The bill also authorizes and directs the Secretary of the Navy to correct the records of the Navy Department to coincide with the dates of the appointments of such officers as shown on their respective commissions and discharges, in order that the commissioned officers of the *St. Louis* will be on a lawful parity with their brother officers of the U. S. S. *Harvard* and U. S. S. *Yale*, who served during the same period.

At the outbreak of the Spanish-American War three merchant vessels of the United States, the *Harvard*, the *Yale*, and the *St. Louis* were incorporated directly into the naval service, placed under the command of naval officers, and assigned to duty in the scouting forces of the Atlantic Fleet. They operated continuously therein until the close of hostilities when they were immediately returned to owners in order to resume their regular mercantile voyages. The dates these several vessels were placed in commission as vessels of the Navy were, respectively, *Harvard*, April 26, 1898; *Yale*, May 2, 1898; and *St. Louis*, April 24, 1898. All three vessels were placed out of commission on September 2, 1898, and thus were operating with the Navy for a period of 4 months or more.

The personnel of the *Harvard*, *Yale*, and *St. Louis* were not, however, enrolled in the Navy at the time of the commissioning of the vessels. The officers and crew of the *Harvard* were enrolled on June 22, 1898, and were discharged on September 2 of that year; those of the *Yale* were enrolled during the period June 10-15, 1898, and were discharged on September 2, 1898. Members of the crew of the *St. Louis* were never actually enrolled in the Navy but were paid and subsisted by the American Steamship Co. under a special form of contract; the officers of that vessel were enrolled in the service on July 23, 1898, and were discharged on September 2, following.

By virtue of section 3 of the act of June 2, 1930 (46 Stat. 492), the officers and crew of the *Harvard* and *Yale* are now entitled to pensions. The officers of the *St. Louis*, not having actually served under an enrollment in the Navy for a period of 70 days or more, are not now entitled to pensions. Further, the members of the crew of that vessel are not entitled to pensions since, as stated above, they were never enrolled in the naval service.

All three vessels did, however, serve during practically their entire time of commission and the *St. Louis* was in the engagement off Santiago wherein the cable landing at that point was cut. Summarizing, the following dates are shown in tabular form:

Vessel	Commissioned	Crew enlisted	Number of crew	Decommissioned
Harvard..	Apr. 26	June 22.....	254	Sept. 2
Yale.....	May 2	June 10-15....	220	Do.
St. Louis.	Apr. 25	Not enlisted..	310	Do.

The Navy Department in its report on the bill states, in part, as follows:

"If it could be affirmatively shown that the personnel referred to in the bill S. 714 were not, at the time in question, free to leave their employment in the *St. Louis*, the Navy Department would have no objection to the enactment of the bill; but since the fact of such affirmation is not available to the Navy Department, the Navy Department recommends against enactment of the bill S. 714."

Mr. Michael J. McGinn, formerly an assistant engineer on the steamship *St. Louis*, was inducted into the naval service of the United States as an assistant engineer officer with the rank of ensign. He appeared before the committee and presented evidence showing that he was actually on board the vessel during the period in question and that he and the other officers were not free to leave their employment on the *St. Louis*. Excerpts from his evidence are as follows:

"The record of the U. S. S. *St. Louis* during that period will indicate that it was impossible to leave my employment, even if I had so desired. On April 30, 1898, the *St. Louis* sailed from New York for the West Indies to join Admiral Sampson's fleet, then in those waters. On May 20, 1898, while cutting the telegraph cables at Guantanamo, Cuba, it was necessary to withdraw because of the heavier armament of a Spanish gunboat. On May 22, 1898, the admiral ordered the *St. Louis* to New York to mount heavier guns and to recoil. It arrived in New York May 25, 1898. Engineers were not allowed shore leave, remaining on board supervising the re-coaling of the ship and assisting in installing heavier guns. On June 1, 1898, the U. S. S. *St. Louis* sailed from New York for Guantanamo, Cuba. On July 5, 1898, the *St. Louis* left Cuban waters with the Spanish admiral Cervera, his officers, and some 500 Spanish sailors as prisoners of war, arriving at Portsmouth, N. H., on July 10, 1898. On July 17, 1898, the *St. Louis* arrived in New York.

"It is apparent, therefore, that it was impossible to leave my employment between April 30 and July 17, 1898, inasmuch as the ship was at sea during that entire period, with the exception of the period of May 25 to May 30, 1898, when the ship was docked at New York for the reasons stated above, and shore leave could not be granted."

From the evidence available it appears that the personnel on the *St. Louis* actually served for a longer period of time than the personnel of the *Harvard* and *Yale*, and that they were also in actual combat with the enemy, although the crew of the vessel was never actually enrolled in the naval service and the officers were not commissioned until several months after they began actual naval service.

The committee are of the opinion that the personnel of this vessel should be in the same status as the personnel of the *Harvard* and *Yale* as regards pensions and recommend therefore that the bill be enacted.

AMENDMENT OF NAVAL RESERVE ACT OF 1938

The bill (H. R. 2859) to amend the Naval Reserve Act of 1938, as amended, was announced as next in order.

Mr. McNARY. Mr. President, a number of bills have been passed. I have great confidence in the distinguished senior Senator from Massachusetts, the chairman of the Committee on Naval Affairs. I have not had an opportunity to read the bill. I should like to have him say in a word what the bill means.

Mr. WALSH. Mr. President, the bill, which was passed by the House of Representatives, would amend in several particulars the Women's Reserve section

of the Naval Reserve Act of 1938, as amended. The Senate Committee on Naval Affairs recommends several amendments to the bill as it passed the House. The report of the committee sets forth the changes made in the original law, the proposed amendments, and the reasons for them.

Let me inquire whether any further explanation is desired.

Mr. McNARY. That is ample, Mr. President.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Naval Affairs, with amendments.

The first amendment was, on page 2, after line 6, to strike out:

Strike out section 504 and substitute therefor the following:

"SEC. 504. Members of the Women's Reserve shall not be assigned to duty on board vessels of the Navy or in combat aircraft at any time. No such member who is qualified to fill an available billet in the Navy Department proper at Washington, except members of the medical department of the Naval Reserve, shall be assigned to duty outside the continental United States."

The amendment was agreed to.

The next amendment was, on page 2, line 23, after the word "dependents", to insert "and the children of such members shall not be considered dependent unless their father is dead or they are in fact dependent on their mother for their chief support."

The amendment was agreed to.

The next amendment was, on page 3, line 3, to strike out:

SEC. 2. Each member of the Women's Reserve who was enlisted or commissioned therein on or prior to the date this act is approved shall be restricted to the performance of shore duty within the continental United States, unless and until she shall voluntarily sign a general waiver of said restriction.

And insert:

SEC. 2. The act entitled "An act to provide for the appointment of female physicians and surgeons in the Medical Corps of the Army and Navy", approved April 16, 1943 (Public Law 38, Seventy-eighth Congress), is hereby amended by inserting before the period at the end thereof the following: "Provided, That female physicians and surgeons appointed in the Medical Corps of the Naval Reserve shall be restricted to the performance of shore duty within the continental United States only and shall not be assigned to duty on board vessels of the Navy or in combat aircraft."

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. WALSH. Mr. President, I ask that the committee report be printed at this point in the RECORD.

There being no objection, the report (No. 426) was ordered to be printed in the RECORD, as follows:

The Committee on Naval Affairs, to whom was referred the bill (H. R. 2859) to amend

the Naval Reserve Act of 1938, as amended, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

Amend the bill as follows:

On page 2, strike out lines 7 to 15, inclusive.

On page 2, line 23, after the word "dependents", strike out the period and insert the following: "And the children of such members shall not be considered dependents unless their father is dead or they are in fact dependent on their mother for their chief support."

On pages 2 and 3, strike out all of section 2 and insert in lieu thereof the following:

"SEC. 2. The act entitled 'An act to provide for the appointment of female physicians and surgeons in the Medical Corps of the Army and Navy', approved April 16, 1943 (Public Law 38, 78th Cong.), is hereby amended by inserting before the period at the end thereof the following: 'Provided, That female physicians and surgeons appointed in the Medical Corps of the Naval Reserve shall be restricted to the performance of shore duty within the continental United States only and shall not be assigned to duty on board vessels of the Navy or in combat aircraft.'"

The Naval Reserve Act of 1938 was amended by the act approved July 30, 1942 (Public Law 689, 77th Cong.), which established the Women's Reserve as a part of the Naval Reserve. The purpose of this law was to expedite the war effort by releasing officers and men for duty at sea and their replacement by women in the shore establishment of the Navy. Several restrictions relating to rank, military authority, minimum age limit, locality and nature of duty assignments, employment within the Naval Establishment, disability and death benefits, and time of effectiveness of the act, were incorporated therein at various phases of its progress through the committees and Houses of Congress.

The present bill as it passed the House of Representatives amended the act of July 30, 1942, which established the Women's Reserve of the Naval Reserve as follows:

1. It struck out section 502 of the original act which provided that there should not be more than 1 officer in the grade of lieutenant commander; nor more than 35 officers in the grade of lieutenant; and that the number of officers in the grade of lieutenant (junior grade) shall not exceed 35 percent of the total number of commissioned officers. In lieu thereof it authorized 1 officer in the grade of captain, exclusive of officers in the Medical Department of the Naval Reserve, and established no restrictions as to the numbers which could be appointed to the lower grades.

2. It provided that members of the Women's Reserve or their dependents should be entitled to all allowances or benefits provided by law for male officers and enlisted men with dependents.

3. It repealed section 504 of the original act which restricted members of the Women's Reserve to the performance of shore duty within the continental limits of the United States.

4. It provided that women commissioned or enrolled in the Naval Reserve prior to the date of the approval of the act should be restricted to the performance of shore duty within the United States unless they signed voluntarily a general waiver of said restriction.

The bill as amended by the Senate committee—

A. Retains the House amendment which raised the limitation on rank within the Women's Reserve from that of lieutenant commander to that of captain.

B. Strikes out the House amendments which authorized members of the Women's Reserve to serve beyond the continental limits of the United States; and which provided that women who were enrolled in the Re-

serve prior to the enactment of the bill should be restricted to performance of duty in the continental United States unless they voluntarily signed a general waiver.

C. Amends the House amendment regarding dependents of women reservists by providing that the children of women members of the Naval Reserve shall not be considered dependents unless their father is dead or they are in fact dependent on their mother for their chief support.

D. Adds a new section which provides that female physicians and surgeons appointed in the Medical Corps of the Naval Reserve shall be restricted to the performance of shore duty within the continental United States only and shall not be assigned to duty on board vessels of the Navy or in combat aircraft.

The bill as amended by the Senate committee meets with the approval of the Navy Department. Naval officials informed the committee that if it becomes necessary or desirable at a later date to broaden this bill so as to permit some of the women of the Naval Reserve to be assigned to foreign duty, they will make such a recommendation to the Congress. At the present time they think this is not necessary.

A copy of a letter dated September 28, 1943, from Admiral F. J. Horne, Vice Chief of Naval Operations, addressed to the chairman of the committee, is hereby made a part of this report:

NAVY DEPARTMENT,
OFFICE OF THE CHIEF OF
NAVAL OPERATIONS,
Washington, September 28, 1943.

HON. DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR WALSH: It has been brought to my attention that the main difficulty with reference to the passage of the WAVE bill is due to the provision for employment overseas.

The Navy Department is very anxious to have the number of WAVES increased and the ranks increased, but at this time is not at all anxious to have included in the bill any provision for employment overseas.

It would be greatly appreciated if you found it possible to use your great influence to have a bill passed as soon as practicable increasing the authorized strength of the WAVES and increasing the authorized ranks as requested by the Navy Department.

The bill as passed by the House with the elimination of the overseas employment provision would be entirely satisfactory to the Navy Department and in fact is just what we would like to have.

With sincere best wishes,
Very truly yours,

F. J. HORNE.

BOARD OF VISITORS FOR UNITED STATES
MERCHANT MARINE ACADEMY

The resolution (S. J. Res. 77) to establish a Board of Visitors for the United States Merchant Marine Academy, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That there shall be a Board of Visitors to visit the United States Merchant Marine Academy each year at such time as the Administrator, War Shipping Administration, may fix. The Board of Visitors shall consist of the chairman of the Committee on Commerce of the Senate, the chairman of the Committee on the Merchant

Marine and Fisheries of the House of Representatives, four Senators designated in January of each year by the chairman of the Senate Committee on Commerce, and four Members of the House of Representatives designated in January of each year by the chairman of the Committee on the Merchant

Marine and Fisheries of the House of Representatives. Whenever a Member is unable to make the annual visit an alternate may be designated in his stead in the manner hereinabove provided. Each member of the Board and a secretary to the Board shall be reimbursed, out of funds appropriated to the War Shipping Administration, under Standardized Government Travel Regulations and the act of June 3, 1926, as amended, for the expenses incurred by him while engaged in duties as a member of the Board, or as secretary.

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 54) authorizing the President of the United States of America to proclaim October 11, 1943, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski was announced as next in order.

Mr. BARKLEY. Mr. President, the day on which the joint resolution would have taken effect has passed. Therefore, I ask that the joint resolution be passed over.

The PRESIDING OFFICER. The joint resolution will be passed over.

BILL PASSED OVER

The bill (S. 932) to provide for the appointment of an additional district judge for the Eastern District of Pennsylvania was announced as next in order.

Mr. LANGER. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

W. I. DOOLY

The Senate proceeded to consider the bill (S. 759) for the relief of W. I. Dooly, which had been reported from the Committee on Claims with amendments, on page 1, line 3, after the word "That", to strike out "the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$325.58 to" and insert "jurisdiction is hereby conferred upon the United States District Court for the Eastern District of Tennessee to hear, determine, and render judgment upon the claim of"; in line 9, after the word "Tennessee", to strike out "in full and complete satisfaction of his claim against the United States for the" and insert "for compensation for the"; and on page 2, line 7, after the numerals "1936", to strike out the colon and the following proviso: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000" so as to make the bill read:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the Eastern District of Tennessee to hear, determine, and render judgment upon the claim of W. I. Dooly, of Conasauga, Polk County, Tenn., for compensation for the value of his undivided one-half interest in tract No. 766d, containing

124.03 acres, in Fannin County, Ga., which was included with other lands acquired by the United States pursuant to condemnation proceedings instituted March 21, 1936 (case No. 1928 at law), in the United States District Court for the Northern District of Georgia, Atlanta Division, and in which final judgment was rendered on October 5, 1936.

The amendments were agreed to.

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

The title was amended so as to read: "A bill conferring jurisdiction upon the United States District Court for the Eastern District of Tennessee to hear, determine, and render judgment upon the claim of W. I. Dooly."

SAMUEL MARGOLIN

The Senate proceeded to consider the bill (S. 1169) for the relief of Samuel Margolin, which had been reported from the Committee on Claims, with amendments, on page 1, line 6, after the words "sum of", to strike out "\$2,500" and insert "\$1,427.50", and in line 7, after the words "commutation for", to strike out "property damage and", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Samuel Margolin, of Auburn, Maine, the sum of \$1,427.50, in full satisfaction of all claims against the United States for compensation for property damage and personal injuries sustained and medical expenses incurred by him as a result of a collision of the truck which he was driving with a War Department sedan on Main Street, Lewiston, Maine, on January 10, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

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

KATHLEEN B. MAIER

The bill (H. R. 2734) for the relief of Kathleen B. Maier was considered, ordered to a third reading, read the third time, and passed.

MRS. ROBERT C. ANDERSON

The bill (H. R. 938) for the relief of Mrs. Robert C. Anderson was considered, ordered to a third reading, read the third time, and passed.

REMOVAL OF OYSTERS FROM YORK RIVER AND QUEEN CREEK, VA.

The bill (H. R. 2886) to provide for the removal of oysters from the waters of York River and Queen Creek, Va., affected by sewage disposal emanating from the construction battalion training camp, at Camp Peary, Va., and for other purposes, was announced as next in order.

Mr. DANAHER. Mr. President, I wish to have the Senator in charge of the bill advise whether the Navy concurs in the

proposal that it remove 150,000 bushels of oysters, and plant them at some point other than where they now are located.

Mr. McCARRAN. Mr. President, let me say that it was disclosed to the Committee on Commerce that the Navy does agree to the proposal, and that the Navy already has done considerable work looking toward the accomplishment of the desired purpose.

Mr. DANAHER. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, with an amendment, on page 2, line 2, after the word "season", to insert a colon and the following proviso: "Provided, That there shall be no appropriation hereunder for liquidation of damages to owners or others."

The amendment was agreed to.

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

The bill was read the third time and passed.

PENSIONS AND COMPENSATION TO RETIRED ARMY AND NAVY PERSONNEL

The bill (S. 771) to provide for payment of pensions and compensation to certain persons who are receiving retired pay was announced as next in order.

Mr. McNARY. Mr. President, I should like to have an explanation of the bill.

Mr. JOHNSON of Colorado. Mr. President, the bill as amended provides that veterans may elect whether to take their retired pay or whether to take disability compensation. The War Department and the Veterans' Administration both objected to the language of the bill as it was originally introduced by the Senator from Louisiana [Mr. OVERTON]. Both agencies suggested amendments. The Committee on Military Affairs accepted the amendments submitted by the Veterans' Administration and the War Department; and the bill now before the Senate, as amended by the Senate Military Affairs Committee, is in line with those suggestions.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Military Affairs with an amendment, to strike out all after the enacting clause and insert:

That where any person authorized to receive military or naval retired pay in accordance with any provision of law would be eligible to receive pension or compensation under the laws administered by the Veterans' Administration, if he were not on the retired list in the case of Regular Army or Regular Navy personnel, or if he were not in receipt of retired pay in the case of other Army or Navy personnel, he may waive receipt of retired pay and allowances for the purpose of receiving such pension or compensation; and thereafter such person may waive receipt of such pension or compensation for the purpose of receiving retired pay and allowances. To prevent concurrent payments, when waiver of receipt of retired

pay and allowances for the purpose of receiving pension or compensation is filed in the War Department or the Navy Department, the Department concerned shall notify the Veterans' Administration of the receipt of such waiver and the effective date of the stoppage of retired pay and allowances. Similar report to the War or Navy Department shall be rendered by the Veterans' Administration, when waiver of receipt of pension or compensation is filed in the Veterans' Administration for the purpose of receiving retired pay and allowances.

The amendment was agreed to.

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

AMENDMENT OF PAY READJUSTMENT ACT OF 1942

The bill (H. R. 693) to amend the Pay Readjustment Act of 1942, approved June 16, 1942, was considered, ordered to a third reading, read the third time, and passed.

COMPENSATION FOR LOSS OF PERSONAL PROPERTY BY CERTAIN FOREIGN SERVICE EMPLOYEES

The bill (S. 1382) for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of war conditions, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is authorized to be appropriated, and there is hereby appropriated, out of money in the Treasury not otherwise appropriated, the following sums of money, which sums represent the value of reasonable and necessary personal property lost by the claimants as a result of war conditions:

Theodore C. Achilles, \$5,837.50; Henry E. Stebbins, \$411; Henry M. Wolcott, \$104; William Nicholas Carroll, \$1,707; George K. Donald, \$3,593.50; James G. Carter, \$12,000; Myles Standish, \$900; Sam E. Woods, \$650; Edmund A. Gullion, \$860; Harold D. Clum, \$7,090.15; John H. Lord, \$9,200; Landreth Harrison, \$1,170.25; Isabel Pinard, \$623; Julie B. Smith, \$1,086.42; C. C. M. Pedersen, \$325; Thornd O. Klath, \$275; John K. Davis, \$699.33; Stanley G. Slavens, \$355; Donald W. Lamm, \$270; Frank S. Williams, \$125; Arthur B. Emmons III, \$139; John K. Caldwell, \$792; Gordon L. Burke, \$460; Samuel J. Fletcher, \$933.25; William E. Yuni, \$100; M. R. Rutherford, \$230; David C. Berger, \$220; John B. Sawyer, \$343; Owen L. Dawson, \$343; U. Alexis Johnson, \$898.50; J. Dixon Edwards, \$50; J. Hall Paxton, \$100; Quincy F. Roberts, \$952; Kenneth J. Yearn, \$280; Nathalie D. Boyd, \$1,000; Walter W. Hoffman, \$1,726.56; Frederic C. Fornes, Jr., \$3,801.50; John H. Bruins, \$1,938.45; Addison E. Southard, \$8,015; Clarence E. Gauss, \$447; Kingsley W. Hamilton, \$325; Sidney H. Browne, \$470; Charles S. Reed II, \$400; Edward M. Ingle, \$730; Thomas S. Estes, \$1,309.50; Harlan B. Clark, \$1,550; Martin J. Hillenbrand, \$862.50; Kenneth S. Patton, \$5,660; Perry Ellis, \$796; Robert L. Buell, \$620; V. Lansing Collins, \$955; Paul Paddock, \$1,063; Courtland E. Christiani, \$1,203; George A. Armstrong, \$534.60; Duwayne G. Clark, \$7,311.53; E. Talbot Smith, \$2,780; Temple Wanamaker, Jr., \$130.33; James E. Brown, Jr., \$5,214.49; Cavendish W. Cannon, \$3,204; Homer S. Fox, \$4,560.08; Thomas McNelly, \$331; Mrs. Anne Gault Antoniadis, \$100; Gladys Wells, \$1,112.63; M. Williams Blake, \$207.37; Nathaniel Lancaster, \$1,555.16; Norris B. Chipman, \$7,740; Harold

Pease, \$583.99; John M. McSweeney, \$268; W. Garland Richardson, \$4,229.02; James W. Riddleberger, \$1,060.02; Carl E. Christopherson, \$1,189.31; Albert W. Chapman, \$1,419.98; Ann Hillery, \$759.87; Joseph W. Ballantine, \$425; Augustus Chase, \$580.77; Alfred G. Richter, Jr., \$544.68; Wallace W. Stuart, \$1,163.34; Jefferson Patterson, \$5,377.50; Frederick A. Kuhn, \$1,397.46; Ida Mae Orr, \$690.57; Lucille C. Strong, \$571.50.

Mr. TUNNELL subsequently said: Mr. President, today Senate bill 1382, Calendar No. 454, was passed. The bill represents 81 separate claims. It was referred to me as a subcommittee and I checked over the amounts and they are correct. However, the report which accompanied the bill refers in one place to the total of the claims as being \$102,844.73. The correct amount, found on the same page, is \$141,037.61.

I thought it should be called to the attention of the Senate that there was an error in the report. The correct amount is the amount which I have just stated.

ERIC W. RODGERS

The bill (S. 1282) for the relief of Eric W. Rodgers was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Eric W. Rodgers, of Scotland Neck, N. C., the sum of \$52.38, in full settlement of his claim against the United States for expenses incurred October 24, 1935, in transporting his dependent wife and children, and household goods, from his official station at Salisbury, N. C., to his official station at Raleigh, N. C., while employed as district manager of the Home Owners' Loan Corporation: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

JACOB WOLOZIN

The bill (H. R. 1222) for the relief of Jacob Wolozin was considered, ordered to a third reading, read the third time, and passed.

R. B. WALKER FUNERAL HOME

The bill (S. 1346) for the relief of the R. B. Walker Funeral Home was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the R. B. Walker Funeral Home, Greenfield, Ohio, the sum of \$200 in full settlement of all claims against the United States for funeral services rendered in connection with the burial of the remains of Artie William Benson, apprentice seamen, United States Naval Reserve: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any

contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

AMENDMENT OF NAVAL AVIATION CADET ACT OF 1942

The bill (S. 1347) to amend section 12 of the Naval Aviation Cadet Act of 1942 was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 12 of the Aviation Cadet Act of 1942 (56 Stat. 738; 34 U. S. C. 850k) is hereby amended by inserting after the comma following the word "Navy", in line 6, the following: "or, if no beneficiary has been specially designated, the representative of the officer's estate."

Sec. 2. This act shall be effective from August 4, 1942.

AMENDMENT OF SECTION 10 OF PAY READJUSTMENT ACT OF 1942

The bill (S. 1348) to amend the second paragraph of section 10 of the Pay Readjustment Act of 1942 was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the second paragraph of section 10 of the Pay Readjustment Act of 1942 (56 Stat. 364; 37 U. S. C. 110) is hereby amended by striking out all of said paragraph after the comma following the word "Provided", and inserting in lieu thereof the following: "That such enlisted men shall be entitled to this allowance at the general rate provided for the continental United States although receiving the allowance provided in the first paragraph of this section if by reason of orders of competent authority his dependent is prevented from dwelling with him."

ESTABLISHMENT OF GRADES OF COMMISSIONED WARRANT OFFICER AND WARRANT OFFICER IN THE MARINE CORPS

The bill (S. 1350) to establish the grades of commissioned warrant officer and warrant officer in the United States Marine Corps, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the grades of chief marine gunner, chief quartermaster clerk, chief pay clerk, marine gunner, quartermaster clerk, and pay clerk in the United States Marine Corps are abolished, and in lieu thereof there are hereby established the commissioned warrant and warrant grades of commissioned warrant officer and warrant officer.

Sec. 2. From and after the approval of this act, and without the issuance of new commissions or warrants, all Marine Corps personnel in the commissioned warrant grades of chief marine gunner, chief quartermaster clerk, and chief pay clerk shall be known and entered upon the Naval Register as "commissioned warrant officers," and all Marine Corps personnel in the warrant grades of marine gunner, quartermaster clerk, and pay clerk shall be known and entered upon the Naval Register as "warrant officers."

Sec. 3. Nothing contained in this act shall change or modify in any respect the permanent or temporary status of any officer, nor the rank, precedence, rights, benefits, privileges, pay, allowances, or emoluments to which he is, or may hereafter be, entitled.

REIMBURSEMENT FOR PROPERTY LOST IN NAVAL SERVICE

The bill (S. 1352) to provide for reimbursement of officers, enlisted men, and others in the naval service of the United States for property lost, damaged, or destroyed in such service was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Navy and, subject to appeal to the Secretary of the Navy, such other officers or officers as he may designate for such purposes and under such regulations as he may prescribe, are hereby authorized to consider, and to ascertain, adjust, determine, and pay, in an amount not exceeding \$1,000 any claim filed under oath of the commissioned, appointed, enrolled, and enlisted personnel of the Navy and Marine Corps, and of the Coast Guard when operating as a part of the Navy, and of civilian employees of the Naval Establishment, for loss, damage, or destruction of their private personal property occurring on or after December 7, 1941, when such loss, damage, or destruction is not due to fault or negligence on the part of the claimant and has occurred or shall hereafter occur under the following circumstances:

First. When the loss, damage, or destruction is due to operations of war, shipwreck, or other marine disaster, or the wreck of an aircraft or other disaster thereto: *Provided*, That the term "marine disaster" as used herein shall include an accident occurring on board a vessel.

Second. When the loss, damage, or destruction is in consequence of the serviceman or employee having given his attention to the saving of the life of another, or of property belonging to the United States.

Third. When such property is lost, damaged, or destroyed by reason of being shipped on board an unseaworthy vessel by order of an officer authorized to give such order or direct such shipment; or is lost, damaged, or destroyed, whether or not due to negligence on the part of Government personnel, while in shipment pursuant to orders issued by competent authority; but, where the property was transported by a common carrier, the reimbursement shall be limited to the extent of such loss, damage, or destruction over and above the amount recoverable from such carrier.

Fourth. When such property is lost, damaged, or destroyed by reason of being furnished at the direction of competent authority to another person under conditions of immediate and urgent distress.

Reimbursement may be made in all such cases for loss, damage, or destruction of such articles as are required to be possessed and used by officers, enlisted men, and others, in connection with their service or employment, and such additional items of personal property as the Secretary of the Navy shall determine to have been reasonably and properly in the place when they were lost, damaged, or destroyed, in consequence of the service or employment in which the serviceman or employee was engaged.

Sec. 2. The Secretary of the Navy is authorized to reimburse the claimant in kind out of available Government property, or to pay the amount, not exceeding \$1,000 in any one case, determined to be due on claims under this act, out of any appropriation available for the purpose. Claims exceeding \$1,000 which the Secretary of the Navy considers meritorious may be reported to Congress for its consideration.

Sec. 3. Separation from the naval service or establishment shall not bar the authority to consider, ascertain, adjust, determine, and pay any claim otherwise falling within the

provisions of this act which accrued prior to such separation. In the event of the death of any person designated in section 1 hereof, whether occurring prior or subsequent to the time any loss, destruction, or damage occurs, reimbursement may be made to any dependent relative, as determined by the Secretary of the Navy.

Sec. 4. Existing claims shall be presented within 2 years from the date of this act, and all such claims hereafter arising shall be presented within 2 years from the occurrence of the loss, destruction, or damage, except that any person missing who is not willfully absent, or any person who is a prisoner in the hands of the enemy, or who is interned in a neutral country, shall in addition be allowed 1 year from the time of return to the jurisdiction of the United States in which to file such claim.

Sec. 5. The provisions of this act shall apply to the personnel of the Coast Guard, military and civil, when the Coast Guard is not operating as a part of the Navy. In such case the Secretary of the Treasury shall have and exercise as to claims of the personnel of the Coast Guard the authority conferred by this act upon the Secretary of the Navy, and payment or reimbursement in kind of such claims shall be made from appropriations available to the Treasury Department, which appropriations are hereby authorized.

Sec. 6. The provisions of this act shall apply to the personnel of the Coast and Geodetic Survey and Public Health Service when serving with the Navy.

Sec. 7. The determination of claims under the provisions of this act shall be final as to all matters necessary to the establishment and payment or settlement of any claim filed hereunder, and acceptance of payment thereof or reimbursement in kind therefor shall conclusively operate as acceptance of the determination thereof. No right to prosecute a claim or action before any court or agency of the United States, except as herein provided, shall accrue to any person hereunder: *Provided*, That claims arising in the manner indicated in this act and which have been settled under the terms of a previously existing law shall be regarded as finally determined, and no other or further right of recovery under the provisions hereof shall accrue to persons whose claims have been so settled.

Sec. 8. The appropriations available to the Navy Department and the Coast Guard for the payment of claims under the provisions of the act of October 6, 1917 (40 Stat. 389), as amended, are hereby made available for the payment or reimbursement of claims determined under the provisions of this act.

Sec. 9. The said act approved October 6, 1917 (40 Stat. 389), entitled "An act to provide for the reimbursement of officers, enlisted men, and others in the naval service of the United States for property lost or destroyed in such service," as amended, is hereby repealed.

RETIREMENT ANNUITIES FOR NAVAL ACADEMY TEACHING STAFF

The bill (S. 1354) to amend the act approved January 16, 1936, entitled "An act to provide for the retirement and retirement annuities of civilian members of the teaching staff at the United States Naval Academy and the Postgraduate School, United States Naval Academy" was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act to provide for the retirement and retirement annuities of civilian members of the teaching staff at the United States Naval Academy and the Postgraduate School, United

States Naval Academy," approved January 16, 1936 (49 Stat. 1092; 34 U. S. C. 1073-1073e), is amended by inserting therein a new section numbered 4A, reading as follows:

"Sec. 4A. Each civilian member of the teaching staffs who is hereafter retired on or after reaching the age of retirement set forth in section 3 of this act shall be paid a life annuity, terminable on his death, at the rate of the following total annual amount: The average annual basic salary, pay, or compensation received by such civilian teacher during any 5 consecutive years of allowable service at the option of such teacher, multiplied by the number of years of service, not exceeding 35 years, and divided by 70. The retirement annuity payable to each such retired teacher, under any annuity policy provided for by this act, or under the provisions of section 4 of this act, shall be counted as payable on account of the retirement annuity provided in this section 4A, and the Secretary of the Navy shall pay to each such retired teacher, from such appropriations as may be made for the purpose, such additional sums, if any, as will bring the total annual sum paid to such retired teacher to the total annual amount prescribed in this section 4A: *Provided*, That nothing herein contained shall operate to reduce the retirement annuity which would have been payable to any such retired teacher if this section had not been enacted: *And provided further*, That no payments under this section shall be made to any member of said staffs who shall be entitled to retirement and retirement benefits under the provisions of the Civil Service Retirement Act of 1920, as amended, and shall elect, or shall have elected, to continue thereunder."

Sec. 2. Section 5 of the said act of January 16, 1936, is hereby amended by striking out the word "and" before the word "professors", and by striking out the period after said word "professors", and by adding after said word a comma, followed by the words "and senior professors."

PUNISHMENT FOR STOWING AWAY ON AIRCRAFT

The bill (S. 1386) making it a misdemeanor to stow away on aircraft and providing punishment therefor was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That any person who, without the consent of the owner, charterer, or person in command of any aircraft and with intent to obtain a ride or transportation in such aircraft in flight, shall board or be within such aircraft scheduled to fly or flying between any State, Territory, or possession, or the District of Columbia, the Canal Zone, or any place occupied by, or under the jurisdiction of, the armed forces of the United States and any place outside thereof; or between points within the same State, Territory, or possession, the District of Columbia, the Canal Zone, or any place occupied by, or under the jurisdiction of, any of the armed forces of the United States, but through the air space over any place outside thereof; or wholly within the air space over any Territory, possession, the District of Columbia, the Canal Zone, or any place occupied by, or under the jurisdiction of, the armed forces of the United States shall be fined not more than \$1,000 or imprisoned not more than 1 year or both.

Sec. 2. Any person who, without the consent of the United States, its duly authorized officer or agent or the person in command of any aircraft owned or operated by the United States and with intent to obtain a ride or transportation in such aircraft in flight, shall board or be within such aircraft scheduled to fly or in flight shall be fined

not more than \$1,000 or imprisoned not more than 1 year or both.

Sec. 3. The word "aircraft" means any contrivance now known or hereafter invented, used, or designed for navigation of or flight in the air.

Sec. 4. Nothing contained in this act shall modify, restrict, alter, or change any law of the United States enacted for the purpose of preventing any person from entering the United States in violation of the laws of the United States or for the purpose of securing the deportation from the United States of any person who, under the laws of the United States, shall be subject to deportation.

DISTINGUISHED SERVICE CROSS TO GEORGE F. THOMPSON

The bill (H. R. 1369) authorizing the President to present, in the name of Congress, a Distinguished Service Cross to George F. Thompson was considered, ordered to a third reading, read the third time, and passed.

W. M. HURLEY AND JOE WHITSON

The Senate proceeded to consider the bill (H. R. 2299) conferring jurisdiction upon the United States District Court for the Eastern District of Arkansas to hear, determine, and render judgment upon the claims of W. M. Hurley and Joe Whitson, which had been reported from the Committee on Claims with an amendment, on page 2, line 6, after the word "Act", to strike out "shall be determined upon the same principles and measures of liability for negligence as in like cases between private individuals" and insert "in order to recover must be established by evidence of legal liability for negligence according to established principles of law governing the rights of riparian owners along navigable waters where there have been damages claimed because of alleged failure of the Government to maintain public improvements in good order."

The amendment was agreed to.

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

The bill was read the third time and passed.

The PRESIDING OFFICER. That completes the calendar.

FEDERAL AID IN FINANCING PUBLIC EDUCATION

Mr. THOMAS of Utah. Mr. President, I move that the Senate proceed to the consideration of Senate bill 637, Calendar 331.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 637) to authorize the appropriation of funds to assist the States and Territories in more adequately financing their systems of public education during emergency, and in reducing the inequalities of educational opportunities through public elementary and secondary schools.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Utah [Mr. THOMAS].

Mr. McNARY. Mr. President, does the Senator desire to dispose of his motion at this time, or to have it pending?

The PRESIDING OFFICER. The hour of 2 o'clock not having arrived, the motion is not debatable at this time.

Mr. McNARY. I appreciate that; but I wished to ask the Senator a question regarding his attitude. Does the Senator desire to have his motion disposed of at this time, or later?

Mr. THOMAS of Utah. Mr. President, I should like to have the motion disposed of at this time, in order that the bill may become the unfinished business, in accordance with the understanding which was reached earlier between the Senator from New York [Mr. MEAD], the Senator from Louisiana [Mr. ELLENDER], and myself, that after the bill shall become the pending business, the Senator from New York and the Senator from Louisiana may be permitted to proceed.

Mr. McNARY. Mr. President, I have no objection to the present consideration of the bill. A number of Senators have spoken to me about taking the bill up today. It has been suggested that, after the bill has been presented by the distinguished Senator from Utah in all the details which will be necessary to give it full explanation, further consideration of the bill be postponed until later in the week, so that opportunity may be given for Senators to study the bill. The point was made that it should become the unfinished business today, and that the able Senator should discuss the amendments. If we take a recess from today until Thursday or Friday of this week, and then proceed to the further consideration of the bill, in the meantime Senators may have an opportunity to familiarize themselves with the record of the hearings, which has just been placed on our desks today.

The Senator is moving to make the bill the unfinished business of the Senate. I invite my very distinguished friend from Kentucky, the majority leader [Mr. BARKLEY], to consider that fact at this time. I assume that we will not complete consideration of the bill today.

Mr. BARKLEY. We will not be able to complete consideration of the bill today.

Mr. McNARY. The suggestion has been made that we allow the bill to go over until later in the week, so as to afford ample time for Senators to study it.

Mr. BARKLEY. Mr. President, let me say to the Senator from Oregon that I have consulted with the Senator from Utah and other Senators. There is no desire to shove this bill through without adequate consideration. I am assuming that the Senator from Utah would like to complete his explanation of the bill today. Perhaps some other Senator who favors the bill would like to do likewise. If other Senators who may be for or against the bill are not ready to proceed today, or could not be ready tomorrow, I have no objection to the bill going over until Thursday.

Mr. McNARY. Mr. President, that largely conforms to my request and my views, based upon statements made to me by other Senators in whom I have great confidence and who are always fair. It occurred to me that, today being Tuesday, the Senate might well take a

recess from today until Friday, so that ample time may be given to Senators to study the bill.

Mr. BARKLEY. Without attempting to rush matters, or to fail to give every Senator an opportunity, it occurred to me and to other Senators who are also anxious to speak on the bill that we could serve practically the same purpose by taking a recess from today until Thursday, with the hope that we might complete consideration of the bill on Friday.

Mr. McNARY. May we have an understanding that if we take a recess from today until Thursday, if any Senator desires to have the bill go over until Friday for final consideration, that will be done?

Mr. BARKLEY. I have no objection to that.

Mr. THOMAS of Utah. That means that we will consider it on Thursday, and that the final vote will not be taken until Friday.

Mr. McNARY. If some Senator desires further time to study the bill, it will go over further until Friday.

Mr. THOMAS of Utah. That is perfectly agreeable to me.

Let me say, in addition to what has been said, that when the bill was reported there was an understanding between myself and the Senator from Ohio [Mr. TAFT] that he should have ample time to discuss the bill. When it was first suggested to me that the request would be made to have the bill go over until Thursday I consented. I understand that when the motion shall have been agreed to, Senate bill 637 will become the unfinished business, and that after the Senator from New York [Mr. MEAD] and the Senator from Louisiana [Mr. ELLENDER] shall have concluded, I will make a statement with respect to the bill, and then a recess will be taken until Thursday.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Utah [Mr. THOMAS].

Mr. TAFT. Mr. President, I think it is most unfortunate for the Senate to take up this bill at this time. The bill has been pending for 5 years on the calendar of the Senate. At no time has there been less reason for taking it up than today. This is a revolutionary proposal, probably the most revolutionary ever made to the Congress of the United States. It does not relate to the war effort. Nothing which we can do in regard to education will in any way affect the conduct of the war. We have laid down a general principle that we shall not spend money for nonwar purposes. We have eliminated many agencies. We have abolished the W. P. A., the N. Y. A., and a great many other agencies. That has been the policy of this Congress. We are now suddenly asked to reverse that whole policy which we have established, and of which I believe the country approves, and increase the expenditures of the Government for nonwar purposes by \$300,000,000 a year. In the midst of this war we are now asked to consider the adoption of a new policy, a Federal subsidy to common-school education, something which we have avoided in the United States for 160 years.

The bill proposes two things; one, a permanent policy, a so-called equalization of education, although I think I can show that it involves no equalization. It involves purely an emergency section by which it is proposed to increase the salaries of all the teachers in the United States by from \$200,000,000 to \$300,000,000.

Mr. THOMAS of Utah. Mr. President, may I ask who has the floor?

Mr. TAFT. I was recognized, I believe, Mr. President.

The PRESIDING OFFICER. The motion is not debatable.

Mr. TAFT. Mr. President, I ask unanimous consent to proceed for 5 minutes.

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

Mr. THOMAS of Utah. Mr. President, has the floor been granted to the Senator from Ohio? I think I should object to the request of the Senator from Ohio, not because I wish to be discourteous, but because I think the bill ought not to be debated until it becomes the pending business and some statement is made in regard to it.

Mr. TAFT. Mr. President, I object to the bill being made the pending business. I think that we are departing from consideration of proper war efforts and matters to which we should devote our attention, and entering into a debate on a controversial nonwar subject.

Mr. THOMAS of Utah. I ask that the question be put on my motion, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Utah. [Putting the question.]

Mr. TAFT. Mr. President, I ask for a division.

Mr. BARKLEY. 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:

Andrews	Guffey	Pepper
Bailey	Gurney	Radcliffe
Ball	Hatch	Reed
Bankhead	Hawkes	Revercomb
Barbour	Hayden	Reynolds
Barkley	Hill	Robertson
Bilbo	Holman	Shipstead
Bridges	Johnson, Calif.	Smith
Brooks	Johnson, Colo.	Stewart
Buck	Kilgore	Taft
Burton	Langer	Thomas, Idaho
Bushfield	Lucas	Thomas, Okla.
Butler	McCarran	Thomas, Utah
Byrd	McClellan	Tunnell
Capper	McFarland	Tydings
Caraway	McKellar	Vandenberg
Chavez	McNary	Van Nuys
Clark, Idaho	Maybank	Wagner
Connally	Mead	Walsh
Danaher	Millikin	Wheeler
Davis	Moore	Wherry
Ellender	Murdock	White
George	Nye	Wiley
Gerry	O'Daniel	Willis
Gillette	O'Mahoney	Wilson
Green	Overton	

The PRESIDING OFFICER. Seventy-seven Senators having answered to their names, a quorum is present. The question is on the motion of the Senator from Utah [Mr. THOMAS] to proceed to the consideration of Senate bill 637.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BARKLEY. I understand that under the ruling of the Chair, although the hour of 2 o'clock has arrived, the motion is still not debatable.

The PRESIDING OFFICER. That is the ruling of the Chair. The last time this question was before the Senate on April 23, 1940, it was submitted to the Senate, and the Senate voted that the motion was not debatable.

Mr. BARKLEY. It has been debated; but I do not want to violate the rule, and therefore I ask unanimous consent that I may proceed for not to exceed 5 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and the Senator may proceed.

Mr. BARKLEY. Mr. President, I simply wish to say that, regardless of the attitude of Senators on the bill when it comes to the question of its final passage, I think it ought to be taken up for consideration. One of the reasons given by the Senator from Ohio why it ought not to be considered, it seems to me is a good reason why it ought to be; that is that it has been here for 5 or 6 years. This bill has been reported time and time again by the Committee on Education and Labor, and has been placed on the calendar. A year ago it was desired by those who advocate it that it be taken up and considered by the Senate, but, due to the legislative situation at that time, and the unlikelihood of securing any House action on it before the final adjournment of that Congress, the advocates of the bill agreed not to press it, and it was not pressed?

There was, however, a general understanding that it would be given "a day in court" in this session. Now, we have been here nearly a year; the bill has been on the calendar for some months; and it seems to me it is entitled to be considered, and, regardless of how Senators may vote on it when it comes up for final passage, I hope the Senate will take up this bill and give it the consideration to which it is entitled.

Mr. TAFT. Mr. President, in view of the agreement reached by the majority leader and the minority leader, I withdraw my objection to the Senate proceeding to the consideration of the bill.

The PRESIDING OFFICER. The question is on the motion of the Senator from Utah. [Putting the question.]

The motion was agreed to; and the Senate proceeded to consider the bill (S. 637) to authorize the appropriation of funds to assist the States and Territories in more adequately financing their systems of public education during emergency, and in reducing the inequalities of educational opportunities through public elementary and secondary schools, which had been reported from the Committee on Education and Labor, with amendments.

Mr. THOMAS of Utah obtained the floor.

Mr. MEAD. Mr. President—

Mr. THOMAS of Utah. I yield to the Senator from New York.

ADDITIONAL OBSERVATIONS AND SOME RECOMMENDATIONS CONCERNING OUR WORLD TOUR

Mr. MEAD. Mr. President, I rise at this time to offer a suggestion with reference to the disposition of the recommendations which have been offered by the overseas committee which visited the battle fronts of the world, and, incidentally, to make clear my position with reference to those recommendations.

Since my return there have been inserted in the press and otherwise brought to public notice statements that I came back an isolationist, an American First, and in opposition to the President. I realize the meaning of the term "American First," and, while I am, of course, for my country first and last, I am not a member of the America First Committee, nor am I an isolationist. I am more convinced than ever, as a result of my observations, that it is necessary for us to participate in an international effort to preserve the peace of the world and to prevent the recurrence of the bloody and devastating catastrophe which has been forced upon us.

During our trip, Mr. President, we spent 53 days on the ground. That was sufficient time to afford us an opportunity to learn something about what is happening in other parts of the world, how well our war effort is progressing, and what contributions our agencies, civil and military, are making in order that we may successfully prosecute the war.

We saw a great deal that was good, far more than was not in that category. Of course, it was not emphasized in our published report, but, nevertheless, if we stressed only the good we saw, we would be reporting to the Senate for days. We saw some room for improvement here and there, a very natural and a very human finding.

For constructive reasons, in order to be helpful to the war effort, to bring to the attention of the agencies of the Government such opportunities as we did discover for improvement in their administration, we stressed, as I said, for constructive reasons, the weaknesses we discovered. But we did not intend to hurt the war effort, nor was it the intention of any member of our committee in any way to bring about even the slightest degree of unfriendliness between our allies and ourselves; at least, that is my firm conviction.

I am sure, Mr. President, that we want to be helpful to our allies and to our own war effort, and we want this remarkable trip to go down in history as one which will yield fruitful and helpful and beneficial results. We lived too close to the war, we saw too much of the suffering and the dying, to do anything other than to add our contribution to the tremendous tasks our boys are shouldering on the battlefields of the world today. So, Mr. President, while I desire to make the record clear insofar as I am concerned, I wish to make the observation that in my judgment what

I say applies to those who made the trip with me.

Standing out among the recommendations as they were listed in the press, the recommendations that were reportedly contained in our report to the Senate, was the matter of Siberian bases, and the question of placing the Pacific theater on a high standing comparable with that of the European theater. It was the directive of the chairman of our Truman committee that we abstain from participating in matters pertaining to military strategy, and as a member of the Truman committee I followed that direction, as did my colleague, the distinguished junior Senator from Maine [Mr. BREWSTER]. But the fact that press reports linked my name with these military recommendations, and by reason of the fact that the adoption of a program which would include the establishment of bases in Siberia, and the emphasizing of the Pacific theater, placing it on a par with the European theater involve matters of supply, in that manner, of course, it becomes important for me to discuss those subjects.

There were a number of other recommendations presented by our committee, and for the most part they were recommendations which affected our civil agencies. Again, according to the press, they included, as I read them, the question of air bases and our post-war policy with reference to the use of those air bases; a better and a more equitable distribution of the petroleum production of the world; a study, and perhaps a revision here and there, of our lend-lease policy; an inquiry into the informational programs of O. W. I., there being substantial support, as I recall, for the psychological warfare activities of O. W. I.; and, lastly, better coordination in the field of our various civil agencies. These recommendations seem to me the most important of those gleaned from the press as being our reports made to the Senate.

Mr. President, the first two items are military, and in view of the fact that they have been made public, and also because they involve a great problem of logistics, I think we should dwell on them, momentarily at least.

I talked with men high in the military branches of our Government, and of other governments, and with reference to the Russian bases I was told that it might be a simple problem for Russia to give us such bases, but that it would involve immediately a declaration of war between Japan and Russia, and that it would involve immediately the protection and defense and supply of those bases. Either the Russian Government or the American Government would have to tackle that gigantic problem.

I was told, and I fully realized, that the Russian Army has a gigantic task on its hands, and that it was amazing the military world by the tenacity and the determination and the courage with which it was driving the invader out of its country. It was brought home to me that for Russia to tackle another strong power, making it necessary for supplies

to be transferred thousands of miles over the Siberian wastes, would imperil the war front in Europe, and, therefore, I was told, it was out of the question.

Mr. President, I was also told that if we could go right around the front door of Japan, through the Sea of Japan, and establish bases right across from Japan, and then protect those bases and supply them, we could more easily land on the shores of China and establish a bridgehead and bases there. The fact that we have not done so indicates the difficulty of the task. The willingness to give us the bases exists, but the military possibility of putting the plan into effect is indeed another problem.

Because it involved matters of supply, and for the further reason that my name was included among those who apparently favored such a move, I went into the question of the establishment of bases in Russian territory.

I believe that the strategy in the Pacific is being carried out as correctly and as properly and as appropriately as it can be, and I doubt very much the possibility of supplying Russian bases at this particular time.

With reference to the general over-all strategy—

Mr. LUCAS. Mr. President, will the Senator yield before he leaves the point he was just discussing?

Mr. MEAD. I am glad to yield.

Mr. LUCAS. Did the Senator talk with General MacArthur about Russian bases while he was in Australia?

Mr. MEAD. No; I did not discuss the possibility of the Russian bases with General MacArthur, and, as I stated before, I refrained in most part from discussions of that kind. But I did hear one of the supreme commanders in the Pacific area, who called an executive session, and dismissed everyone from the room but our committee, make this statement: "I agree that the over-all strategy, approved by the leaders of the United Nations, which emphasizes the European theater over the Pacific theater, is a correct one, and one that I am willing to defend."

Mr. President, that came from one of the supreme commanders in the Pacific area, who, by reason of the fact that he was in the Pacific, that his responsibilities were in the Pacific, and that he agreed that favoring the European theater was the most important, appeared to me to be a very expert and a very unselfish witness.

Mr. LUCAS. Will the Senator yield further?

Mr. MEAD. I yield.

Mr. LUCAS. The junior Senator from Massachusetts [Mr. LODGE] in his speech a few days ago, which was in secret session of the United States Senate, but which found its way immediately onto the front page of every paper in the United States, told about his conversations with Admiral Nimitz, General MacArthur, and Admiral Halsey, in which they all said that the thing to do, if it could possibly be done, would be to go to Russia and establish bases, in order to save a million American lives. I was

wondering whether or not the Senator from New York, who was on this trip, was in the conversations or in the discussions with any of these leaders in the Pacific and heard that kind of a statement.

Mr. MEAD. Mr. President, I will say to my distinguished colleague that I heard some discussion of the bases, and when the matter of supplies was brought up, there was always added to the statement, "If those bases could be protected and defended and supplied." That was the question that was never answered. But, by reason of the information we received and the information which I presume my distinguished colleague heard from the junior Senator from Maine [Mr. BREWSTER] it would be most difficult to supply those bases.

Mr. LUCAS. That is correct. Of course, this question of Russian bases is nothing new so far as this country or any other country is concerned. As I understand, the committee did not go to Russia, they did not talk with anyone in Russia with respect to bases, but they did discuss the question with some individuals in the Pacific. It just occurred to me that perhaps the Senator from New York could add something to what the Senator from Massachusetts [Mr. LODGE] said, because the statement was made here in what was understood to be an executive session. Everyone knows now that it was no executive session at all. In my opinion, the voiding of secrecy was a blot upon the integrity of the United States Senate. Nevertheless, the news of that meeting is out. We can now talk about almost anything that happened here in executive session. The statement which was made by the Senator from Massachusetts which has found its way into every newspaper in the United States of America, it seems to me, is a most damaging one so far as the morale of the American people is concerned. How anyone can estimate or judge how the lives of a million American soldiers will be saved by this tactical move or that tactical move is a little difficult for me to understand.

The thing which is surprising to me is that if MacArthur, or any other individual in the Pacific, was going to make the statement to one single individual on the committee, that he did not make it to all the members of the committee which was on this tour throughout the Pacific, and let the committee as a whole, or let the chairman of the committee, if you please, bring back that sort of a statement and make a report here to the United States Senate, or preferably make it to the War Department which sent the committee around the globe. The Senate of the United States did not send the committee on this trip around the globe. The War Department sent the committee. It seems to me the committee should have gone to the War Department before they came to the floor of the Senate, and have given to the War Department all the facts they found, and have sat down with members of the War Department and have come to some comprehensive, some logical, some conclu-

sive report which was in the interest of the war effort, rather than some members attempting to play politics with this trip around the world.

Mr. MEAD. Mr. President, as I said, I have no desire to criticize any of my colleagues. I have attempted only to convey the thought that it was my opinion that their activity since they arrived home had been in the interest of the war effort. I will say for myself, in an attempt to make the record clear, that I did not make the statement that the establishment of Russian bases would save a million lives, and I want to be saved the responsibility by having this statement of mine printed in the RECORD.

I wish to say in answer to my distinguished colleague that in the Pacific I did hear some conversations with reference to the bases, but they were usually to the effect that we could not under existing circumstances expect Russia to supply and protect and defend them, nor could we expect to do so ourselves. That is the only opinion that I gleaned, and that is all that I care to say on that subject at this time.

Mr. PEPPER. Madam President—
The PRESIDING OFFICER (Mrs. CARAWAY in the chair). Does the Senator from New York yield to the Senator from Florida?

Mr. MEAD. I yield.

Mr. PEPPER. I should like to ask the able Senator from New York if he at any time during the trip which the visiting delegation made, in coming from the Pacific theater back to Washington, had the impression from anything that was said by any member of the delegation that Admiral Halsey or Admiral Nimitz or General MacArthur collectively or individually had stated that the possession or the ability to use the Russian bases by the Allied Nations would save a million lives?

Mr. MEAD. No; I never heard that statement made by any of the men whom the Senator has mentioned. But I did hear some general conversation about the possibility of Russian bases, about their protection and defense and their supply, and the statements were all negative.

Mr. PEPPER. All negative?

Mr. MEAD. Yes.

Mr. VANDENBERG. Madam President, will the Senator permit me to interrupt him a moment?

Mr. MEAD. Yes.

Mr. VANDENBERG. The Senator from Massachusetts [Mr. LODGE] is absent. There may be some question about the wisdom of the statement which he made in executive session, but I take it that no one is prepared to challenge his veracity, and I hope that is not the purpose of any comments which have been made.

Mr. MEAD. Madam President, when I took the floor my distinguished colleague heard me say that I was not attempting to impute the motives of any of my colleagues, but on the other hand I believe that they were sincere and that they were attempting to aid constructively the advancement of the war effort.

I wanted to clear the record and to say to the Senate and the country that I did not make those statements, that I was not an isolationist or an America Firster, as that term is commonly used, and so I am now proceeding, without any attempt to inject any personalities into this discussion, to relate to the Senate just what I think should be related under present circumstances.

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

Mr. MEAD. Yes; I will be glad to.

Mr. LUCAS. I do not want to inject any personalities into this debate either, but a committee was appointed to go around the world, and there was a chairman appointed to that committee, and that chairman was the Senator from Georgia [Mr. RUSSELL]. I have not heard yet, either in executive session or in the corridors or in the lobbies of the Capitol, a statement made by the Senator from Georgia, who is the chairman of the committee, that these distinguished leaders of the American forces in the Pacific gave him the information that was disclosed here by the Senator from Massachusetts. I am not questioning the veracity of the Senator from Massachusetts, but I do say that it is strange indeed that these great military leaders in the Pacific at this time would give to one individual this information about the Russian situation, and we cannot find it from the others.

Take that for whatever it is worth, Madam President, but if anyone should have had the knowledge and the information about this situation, in my humble opinion it is the Senator from Georgia, who was the chairman of the committee. That is the thing I am complaining about.

I am not complaining about the Senators. I am taking the facts as they gave them to us for what they are worth. I am complaining about the individuals in the Pacific who gave out this information and who made these statements with respect to what would happen to a million American boys. If that is not military information, if that is not affecting the home front, if that does not demoralize the people here at home when we are doing everything we can to back up the finest Army that we have ever had at any time in our history, an army which has gained more victories than any other army has gained in any war in all our history, then I confess I am unable to render a verdict upon anything.

Madam President, the things that were given to us in executive session. Oh, executive sessions. I have seen them in committees, and I have seen them in the Senate since I have been a Member for a short 5 years. There is no such thing as an executive session either in a committee or in the Senate. It simply does not exist. We should forget about executive sessions either in committees or in the Senate. The hypocrisy of the thing is what disturbs me; it is what causes the American people to lose faith in what we are constantly saying is the greatest legislative assembly in all the world and

the last citadel of parliamentary liberty—which of course it is.

Mr. MEAD. Madam President, very little of what I said in executive session appeared in the press, and so I am sure—

Mr. LUCAS. Madam President, if the Senator will further yield, let me say that I want to congratulate the Senator, too, on that. I know whereof I speak. I do not say that any member of the committee violated the rule. I do not know who it was; and I care less who it was; but certainly someone violated the rule of secrecy in giving out what I conclude to be military information.

Mr. MEAD. Madam President, as I was about to say, very little of what I reported in executive session appeared in the press.

Madam President, if you could see the mail which comes to me from those who are endeavoring to determine how I made the somersault and became an isolationist [laughter], you probably would find excellent reason for my taking the floor at this time to make the record straight. I have a suggestion, which I desire to offer at this time, which I believe will pay dividends to the Senate, and which probably will eliminate any controversy which might develop in the immediate future.

Mr. CHAVEZ. Madam President, will the Senator yield to me?

Mr. MEAD. I yield.

Mr. CHAVEZ. Let me ask what is wrong with any citizen of the United States—be he in public office or otherwise—who prefers America to anything else?

Mr. MEAD. I said a moment ago, in explaining the matter, that I was for America first, last, and all the time, but I was not a member of the America First Committee which I was reputed to have joined as a result of my world trip. Those who wrote to me wanted to know whether I went around the world and came back upside down. [Laughter.] I simply want to clear the record.

Madam President, the subcommittee of the Truman committee, before it makes its final report to the Senate, makes its report to the full Truman committee. Before the full committee acts the representatives of the civil agencies and the departments and the military are given full, free, and ample opportunity to study the evidence, read the testimony, and come before us and refute any contention we make, or approve any recommendation we see fit to offer. I, as the chairman of the subcommittee, have already authorized hearings, and I have invited the representatives of the civil agencies to come before us and to have, as I said a moment ago, an opportunity to refute anything contained in our recommendations. After that we shall make our report to the Senate, and that will be our report. It will be a final report. It will be a report on which we will stand and which we will defend.

With reference to the two military matters, would it not be possible for the chairman to summon our committee in executive session, if we still have faith

in executive sessions, and to outline a program whereby we would present to the Committee on Military Affairs matters pertaining to the military? The military leaders could in that way be given an opportunity to be heard and to voice their sentiments, and the members of our committee might appear also and present their statements, and their recommendations to the Committee on Military Affairs.

The same thing could be done with reference to the Appropriations Committee, relative to matters pertaining to lend-lease and lend-lease in reverse. Then, as a result of a program of that kind, the study and investigations would continue, for the benefit of the war effort, for the enlightenment of the Senate, and to bring about a higher degree of efficiency and administration in our civil and military agencies.

Madam President, I believe that the committees of the Senate which are in any way concerned with the recommendations made by the reporting Senators should follow the procedure outlined by the Truman committee and should give everyone an opportunity either to present his argument or to defend his actions.

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

Mr. MEAD. I am glad to yield.

Mr. CONNALLY. Is it the Senator's idea that the Truman committee itself should conduct the inquiries, or that it simply should refer them to the respective committees?

Mr. MEAD. No, Madam President; perhaps the Senator misunderstood me. I said that we, the subcommittee, will report our findings to our parent committee, the full Truman committee; and then the full committee, after its report is available, will submit it to the Senate, for reference to such committees as should consider it.

Mr. CONNALLY. Let me ask, Why not have the five Senators who went abroad continue as the committee to do all the investigating? They know more about the matters than do the rest of the Members of the Senate. The danger is that if the work is divided among a dozen different committees, none of them will do anything about it.

Mr. MEAD. Madam President, I believe that the chairman of our overseas committee of five should call a meeting and should outline a program of the procedure; and, in addition, the chairman of the Truman subcommittee should present to the full Truman committee the recommendations made by the Truman committee. However, I do believe the suggestion the Senator has made is a constructive one, and I do not believe it would be helpful to the country to drop everything right now. I believe the chairman of our committee, the distinguished junior Senator from Georgia [Mr. RUSSELL], should hold such meetings until we have made our full contribution.

With reference to the matter of supplies and the more modern subject of logistics, I learned in almost every thea-

ter of war—perhaps in every one—that more materials, more equipment, and more personnel are wanted. At the beginning of our trip we were told we would find that to be the case wherever we went.

I also said with reference to the situation in the Pacific that there was almost unanimous agreement, at least—I probably could say it was the consensus of opinion—that placing the emphasis on the war in Europe was the correct strategy to follow. The reasons for that were outlined to us here and there, so that I can in a very sketchy way present them to the Senate as they appear to me.

If I refer the Senate to the early days of 1942, the Senate will probably agree that we were worrying about the success of the three-point program which Hitler stated as his victory program. That program called for the success of his U-boat sinkings in the Atlantic. At that time he was sinking more ships than we were building, and he was sinking them right off our shores, and we were worried. The second point in his program was his desire to remove the continent of Africa from the Allied cause. To bring that about he sent Rommel into Africa, with a tremendous fighting force behind him. Not long ago, Madam President, Rommel was pounding at the gates of Alexandria, and it looked as if Africa would be listed as an Axis continent.

Oil was involved in his third point. Whoever had control of the oil of the Old World enjoyed a tremendous advantage; and to bring that about he had the greatest force at his command fighting for the oil in the Caucasus. Only a short time ago there was great apprehension that Stalingrad would fall. The Russian Armies had a superhuman task to perform to stop the Nazi drive into the oil fields of the Caucasus. Of course, Allied strategy had to meet that challenge. It was a case of either stopping Hitler and destroying his three-point program for victory, or deciding who would fight the war in the Pacific if he should win. Where would we get our supplies, and how could we defend bases anywhere if the Hitler program were successful?

Madam President, the day of apprehension is over. The anxieties which filled our hearts are no longer there. The U-boat menace has been minimized. We are building more ships by far than are being sunk today. The great stand made by Montgomery at El Alamein, supported later as he was by the American Army, has driven Rommel and his entire fighting force across the Mediterranean, or into the Mediterranean, and Africa is now on our team. The Mediterranean is our lake. The great voyage around South Africa, requiring many weeks of precious time, is no longer necessary.

The French Navy, once a potential enemy, is no longer fighting against us. Many of its units and thousands of its personnel are on our side. The Italian Navy has steamed into Allied ports, and we now have a decided advantage.

Beyond that, Madam President, the smaller nations, which refused to be

knocked out of the war, remained in, perhaps, because of the United Nations' proclamation giving all of them a voice in the council of the united nations of the world, and giving them the benefit of fighting materials by means of lend-lease. They are now in a position, with their maritime strength, to help eliminate the bottleneck in shipping, and to assist us to carry our materials, our men, and our equipment to every battlefield in the world.

In my judgment, Madam President, credit can be given to those who are in charge of the Allied strategy, those men who outlined the policy which the military followed. In outlining that policy, the leader of this country merits our praise and approval.

The war in the Pacific is now simple compared to the situation which faced us in 1942. The war in Europe is closing in upon the enemy, until today the initiative is in our hands, and the enemy is on the defensive and will remain there until ultimate victory comes to us.

The over-all strategy of our leaders—one of the most important items which our committee or any other committee should report—is in good hands. I am not sure that any of us was interpreted as being bent in any way upon criticizing the war effort of any one of our allies. On the other hand, Madam President, I believe that all of us have praise and admiration for the work being done by every member of the United Nations family.

Patient China, fighting with her back to the wall, and very little to fight with, has carried the brunt of battle for years, and is today stronger than she has been at any time in her recent history. United China, supporting loyally and with confidence the great generalissimo of the armies of China, certainly merits our praise, and all the sympathy, help, and cooperation we can give.

Indomitable Russia, that great fighting force which amazed the military experts of the world, which fought on a 3,000-mile front under the most adverse climatic conditions known to man, is writing a glorious chapter which will always stand out in the history of this war. Russia, too, deserves our praise.

In my judgment no one leveled one iota of criticism at the British war effort. We saw the devastation of Plymouth, London, and other fair cities in the United Kingdom.

We have a high appreciation of the courage and heroism of the people of England. We know the sacrifices they are making, because for days we lived with them and shared those sacrifices with them. We remember the stubborn stand of Montgomery at El Alamein, and how he fought the strongest and most cagey opposition that Hitler could send over to that desert land. We know how that little British island fought tenaciously to keep the invader out and to win the Battle of the Atlantic. Surely we have nothing but praise for the English war effort.

With reference to our own war effort, let me say, in the words of the chairman

of our committee, that today we have the toughest, the best trained Army in all the world in the boys who left your community and mine just a short time ago—boys who are over there in the jungles or in the desert, up in the mountain fastnesses, or in the fox holes, or fighting their way up through Italy. Wherever they are, they are giving a great account of themselves, and we can be proud of the rich tradition they are living up to in such an exemplary manner. In my judgment it is our greatest Army. It is our best conducted war. Those boys are well cared for. They have the best medical attention that we can furnish. Their equipment is the most modern. Their clothes are the best. The Senate can well be proud of the great part it played in caring for this matchless Army.

Madam President, not only do we have a good Army in the field and a good Navy on the sea, with all the other complements, including the Air Corps and the marines, but they are well officered and well directed. We can rely upon America's command, wherever it may be.

As I said not long ago, the nation which enjoys a high degree of confidence and faith in its chosen leadership is a favored nation in any war. We must report to the American people that they have every reason in the world to have confidence and faith in the man and in the men who lead us in this great conflict for human decency.

Mr. PEPPER. Will the Senator yield?

Mr. MEAD. I yield.

Mr. PEPPER. I am sure that in mentioning the larger of the members of the United Nations the Senator did not intend to overlook or express any lack of appreciation for the efforts made by the smaller members in the magnificent guerilla warfare which they have carried on, and for many other things they have done in aid of the united cause.

Mr. MEAD. I am glad the Senator from Florida has called that to my attention, because I have before me a notation to mention the splendid work of the various nations that remained in the conflict. They are doing a great work. They are serving the cause well, and their contribution, in my judgment, earns for them the lasting gratitude of our people, and a deserved place high in the councils around the peace table when the war shall be ended.

Madam President, beyond the job done in the recruitment of our Army, the supplying of our Army, the direction of our Army, and the strategy under which it fights, there is another matter which should be given consideration. In this, the biggest military task in all the history of the world—the biggest single job we have before us, and which the world has before it today—we have not only a complete and efficient integration of our several military services here in this country which work together like clockwork, but we have the most efficient and most cohesive interallied army or combat force that was ever put together.

Madam President, the war is the biggest problem on earth, the foremost in the minds and in the hearts of our people. When we look about for reasons for the

success of the inter-Allied effort we must of necessity give some thought to the men who are leading the several nations engaged with us in this great fight for decency. In my opinion, no one of our committee would level one word of criticism—on the other hand, all praise is due the name of Churchill, whose energy, drive, and leadership brought England out of the lethargy in which it found itself, and made of it a great fighting force, serving our common cause in this war.

Madam President, there must be loyalty and confidence in the leaders of the Russian Government as exemplified by her armies and by the faith the Russian people have in Premier Stalin in this fight.

In China, Generalissimo Chiang Kai-shek is, of course, the outstanding figure. He is the symbol for which China fights. Behind him there is a united effort, difficult and full of obstacles, but nevertheless, because of his personality, China is in the fight to stay, and she deserves the help and assistance of the United Nations in attaining that degree of freedom, dignity, and democracy to which she is justly entitled.

Now, Madam President, I hope that what I say in conclusion will not be considered political in nature. I wish to say it, not only because I believe it, not only because I gleaned the information throughout the world, but because I am sure that the judgment of history will support every word I say. We have in America, guiding our destinies as the President of the United States, as the Commander in Chief of our armed forces, the most popular and most influential personality in charge of any government on earth. Madam President, the oppressed peoples of every nation in the world look to the leadership of America, respect the leadership of America, and believe with all the faith in their hearts and souls in the leadership of America. Divine Providence favored us when President Roosevelt became the leader of our Nation. I say that because I believe, as I have already said, that essentially necessary for success in any conflict or crisis is faith and confidence in leadership. The most important observation which I have to report is this: We have every reason on earth to have the fullest confidence and faith in the President of the United States.

OPERATIONS OF LEND-LEASE ACT

Mr. ELLENDER. Mr. President, for the past 6 months, in cooperation with a staff from the Library of Congress, I have compiled facts and figures showing the debts of our Nation and those of other countries of the world. I believe that it will be of interest to the Senate and to the American people to make the tabulation a part of the Record.

Before proceeding with the discussion of the compilation, I would like to invite the attention of the Senate to some of the debates which took place when lend-lease legislation was under consideration in the Senate and to other matters pertaining to the administration of the law since its passage. I desire to follow that course because much has been said about

lease-lend in the past few weeks. Mr. President, I did not oppose the Lease-Lend Act. I thought it was necessary. Not only did I favor its adoption, but I have supported every appropriation made to carry out its purposes and I am in favor of its continuation. However, what has puzzled me regarding its operation is my inability to obtain information which I deem pertinent, giving a clear picture of how it is administered. We are given to understand that some of the countries which receive aid under its provisions furnish us goods and services in return, but when an effort is made to determine what it is that we receive in return, the information is not available. I believe that I express the views of the Senate, as well as those of the American people, when I say that it would be far better for us to have an understanding now of what our allies will be permitted to charge us on lease-lend in reverse, than to have a misunderstanding of the matter when peace comes.

On March 5, 1941, when the lease-lend bill was being considered by the Senate, I made this suggestion to the President, and I think it will bear repetition:

It is hoped that the President, in the exercise of those powers—

That is, lease-lend powers given to him—

will take into consideration the vast resources of the British Empire and other countries now engaged in war on its side before extending them too much credit to carry on their war.

I have made a study of the debts of England and the various British possessions now engaged in war with her. I have before me a statement which is very interesting, and I believe the information it contains should be taken into consideration when the pocket-book of Uncle Sam is being opened, as it were, in order to help the British.

Our country, including its possessions, has an area of 3,738,395 square miles. Its total population is 150,450,560. The public debt of the United States up to September 30, 1940, was \$44,214,604.746.

I will omit further reading in regard to a comparison of debts because I propose to discuss the subject in detail when I present to the Senate the statement to which I have referred.

Further, Mr. President—

Again quoting from my speech of March 5, 1941:

I hope all that is now being done by the British possessions will be continued after the passage of this bill, to the same extent, if not greater, than now prevails. In other words, after we pass this bill I do not want the British possessions to assume that Uncle Sam is going to do all the work and furnish all of the materials needed.

Under the pending bill the President has the power to trade, exchange, or barter all kinds and quantities of property. It is to be hoped that he will exercise—and I am confident he will—that power so that we will receive some form of compensation for our property, rather than make outright gifts to those who will benefit.

That statement was made, as I have said, on March 5, 1941.

Again quoting:

I submitted figures showing the areas of the various countries. The British Empire is

almost four times larger than the United States in area. Likewise, we know that our country is entirely dependent on British and Dutch possessions for rubber, tin, and a few other natural resources that are essential to us; and in making these trades I hope the President will bear these facts in mind and obtain for us vast quantities of these natural resources. I may further add in that connection that the President may look into the feasibility of obtaining permanent bases in the Atlantic from the British rather than 99-year leases. I am not advocating the acquisition of any of the islands involved, but complete sovereignty and ownership in perpetuity of those portions of the islands or mainland as may be necessary to properly establish our bases.

Again quoting:

The fact remains that the British, financially, are not so bad off.

When I made that statement I was comparing the vast trade of the British Empire with her colonies and with other countries and the foreign trade of the United States. Our imports and exports at that time were approximately \$3,000,000,000, while those of Great Britain were in excess of \$6,000,000,000.

The point I desire to make is that these various angles should be taken into consideration when the President turns American materials and supplies over to the British, as he is empowered to do under the pending bill. It is not the war itself that I dread; it is the aftermath of war. So long as the war goes on we can keep our people busy in the factories, making munitions and other implements of war; but when the factories stop smoking, and industry becomes paralyzed, and we have an enormous public debt of probably \$100,000,000,000 to \$125,000,000,000—

Keep those figures in mind, Senators, for I propose to point out later how badly mistaken I was when I stated those amounts as estimates of what our debts would be—

as has been variously estimated, I say to you, fellow Senators, that such a condition will probably destroy the very thing we are now attempting to save. Our liberty, our cherished freedom to pursue our own business, our own lives, our own happiness, in our own way, may be forever lost to us.

Today, sad to say, our great country may be penalized because it has industrial advantages unequalled by those of any other nation in the world. Because of the ingenuity of our people, we have become the arsenal of democracy. In the meantime let us not forget that our natural resources are being depleted, and we should demand for our finished products some of the rich natural resources of Great Britain and her allies.

Mr. President, I have merely cited a portion of that speech as a further reminder to the President and his advisers that it is while the war is in progress that he should make every effort to replenish from abroad our God-given natural resources which are now being utilized in such large quantity in this great war.

Mr. President, since the operation of lend-lease, I have made every effort possible to obtain from the Administrator information as to how lease-lend operates, whether or not it is a one-way street, as has been suggested, or whether

we are receiving any value in return for what we send to our allies.

I wish to say at this point that I do not expect all our allies to be able at this time to return, either in kind or otherwise, what we are now giving them. Take, for instance, China. I know that China cannot do it; we have heard and read of her poverty. I feel confident also that Russia at this time cannot possibly make any return in kind or otherwise. She has her hands full fighting Germany, and I know that America is proud of her matchless victories on the battlefields of Europe. I predict that when the history of this war is written, Russia's legions will be given credit for saving world democracy and freedom.

Mr. President, I believe that facts and figures have been submitted to this Senate not only in recent weeks, but months ago, which show that Great Britain could to some extent relieve or lighten our burden by returning to us in kind or in some substantial way such materials as we are furnishing her under lease-lend. Furthermore, I believe sincerely that now, while the war is on, as I have just indicated, we ought to have such an understanding. There is no earthly reason why we should not have an agreement that we are to obtain from Great Britain concessions for bauxite from her rich mines in British Guiana. There is no reason why we should not be granted concessions for tin, for rubber, and last, but not least, for oil.

It has been brought to the attention of the Senate that this country has been furnishing about 70 percent of the oil which is now being used by our allies, and we hear, to our amazement, that the British have vast oil reserves in Iran and that big British-owned refineries are running but 60 percent of their capacity. Why should the United States send oil and octane gas across the seas when both could be obtained not far from the actual theaters of war?

Mr. President, in my feeble effort to obtain facts pertaining to lease-lend, when an appropriation was being considered on March 11, 1943, I propounded certain questions to the Senator from Texas [Mr. CONNALLY], who was handling the bill at the time, and I read from the RECORD of that date:

I should like to propound a question to the distinguished Senator from Texas. In his opening statement he spoke of lend-lease in reverse. I wonder if he can be more specific. On page 4 of the committee report it is stated that from the passage of the Lend-Lease Act to the end of January 1943 goods and services have been transferred by the United States in an amount aggregating \$8,935,000,000. Does the Senator have any figures to show how much our allies have given to us, in cash, goods, and otherwise, to offset any of that huge amount?

He could not give specific information.

I attempted not only in March, but long before that time, to obtain facts as to how lease-lend operated, and up to this moment I have never been able to obtain an intelligent answer. The answers were always shrouded with uncertainties. It seems to me that the Administrator should have tried to estab-

lish fixed policies so that we will not be confronted with myriads of "ifs" and "ands" during and after the war.

Mr. BRIDGES. Mr. President—The PRESIDING OFFICER (Mr. CHAVEZ in the chair). Does the Senator from Louisiana yield to the Senator from New Hampshire?

Mr. ELLENDER. I yield.

Mr. BRIDGES. I know the Senator was a supporter of lend-lease, as I was.

Mr. ELLENDER. The Senator is correct.

Mr. BRIDGES. I think the general theory of lend-lease is excellent. It has accomplished a great deal of good and I am still for it, though I would like to see it more equitably administered in the interest of our own country than it has been. When the Senator makes the statement about getting facts, it is interesting to recall that before the Committee on Appropriations, of which I am a member, we were each given a booklet containing the salient, outstanding facts of lend-lease, when the lend-lease appropriation was before the committee. I thought, as many others did, that it would be very interesting to have such a compilation of the facts at hand. But when the hearing had been concluded, the booklets containing the facts which had been furnished us were collected, just as books would be collected in a class at school and returned to the teacher. That was the end of having the facts available on lend-lease. That brief glimpse was the only real statement of facts we had in making the lend-lease appropriation.

Mr. ELLENDER. I have written Mr. Stettinius on many occasions, seeking these facts, and in the course of my remarks I shall read some excerpts from his letters.

Mr. WHERRY. Mr. President, has the Senator concluded the part of his speech relative to petroleum, or does he intend to take that up further?

Mr. ELLENDER. I did not hear the Senator's question.

Mr. WHERRY. Does the Senator intend to go into the question of petroleum further, that is, how much is being furnished now by Great Britain, and other countries?

Mr. ELLENDER. No; I have no specific information as to that. I have had to take my cues as regards oil to a large extent from the newspapers, following the executive session we had here some time ago when our round-the-world Senators addressed us.

I now read further from the CONGRESSIONAL RECORD of March 11, 1943, and this gives one of the reasons which prompts me to make inquiry:

I believe that exact and definite information should be placed in the RECORD for the benefit of the American public. I do not believe that many persons in the country are aware that we receive in return some goods and supplies which offset, to some extent, what we send to other countries under lease-lend.

We are told that there are some, but when we ask for a statement showing how the amounts are arrived at and what the supplies consist of, we cannot obtain the information.

Yesterday morning I telephoned the Lease-Lend Administrator. I was referred to one of the experts, and I again asked how the lend-lease operated in Australia. Much has been said here about Australia. The answer was that neither the British nor the Australians had a sufficient number of men at hand to make the compilations; in other words, that they were short of labor to render such services. Lease-lend has been on the statute books now for over 2½ years, and it strikes me that the American people are entitled to know how lease-lend is being operated. It will be recalled that some members of the Australian Government contend that their country has furnished us with as much as she has received from us. In other words, the accounts are about in balance.

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

Mr. ELLENDER. In just a moment. Let us take the case of the 30,000 civilian trucks which were made available to Australia, about which we read in the newspapers some time ago. The American civilians got an allotment of 15,000 trucks. It impresses me that the American people should know something about that. It may be that the statement is erroneous. It may be that the number of trucks involved is exaggerated. It may be that the trucks were used for carrying troops and supplies. However, if the statement is true, how is it possible that lease-lend will allot to Australia 30,000 civilian trucks, with a population of 7,000,000 people, and only 15,000 trucks for our country, whose population is in excess of 150,000,000 people. I would like to know more about this contrast in figures and a statement of the true facts would be in order at this time. On the other hand, we are further told, by the same newspaper reports, that when those trucks are delivered to Australia, the Australians give us IO U's, and the Government then sells them to her people and puts the cash in her treasury. The statement quoted from the newspaper came from the lips of one of our most respected Senators, who recently toured the world. It may be, as I have just indicated, that the number mentioned is exaggerated, but whatever the number, we are certainly entitled to know how and under what conditions they were distributed among the civilian population of Australia.

I believe that the American people are entitled to know whether or not these transactions are being carried on in that way. It may be that the transaction has merit; I do not know. My object in discussing lease-lend is to find some way by which the facts can be ascertained. In time, I will ask the Committee on Appropriations, which handles the appropriations for lease-lend, to investigate lease-lend and its operations, or, if they will not do this, I should like to have the Truman committee investigate it, and if the Truman committee is not able to do it, then I propose to offer a resolution so as to have lease-lend investigated. Better learn of its operation now than later. Congress has a huge responsibility, when we consider that lend-lease is

now handling goods in enormous amounts. My recollection is that goods valued at one and one-quarter billion dollars were distributed to our allies last month.

I now yield to the Senator from Ohio.

Mr. TAFT. Has the Senator ever by countries seen a list at any time of the lease-lend reports, of the projects, or a detailed statement of materials allocated?

Mr. ELLENDER. Never.

Mr. TAFT. I have looked for such a list in vain.

Mr. ELLENDER. I never have seen one, and I was never able to obtain such a list from the Lease-Lend Administrator.

Mr. TAFT. For instance, I once made inquiry in regard to an airport in Italian Eritrea, built by the United States Government apparently on lease-lend to England. I do not know why we should build an English airport in Italian Eritrea. It seems to me there should be filed here a list of all these various projects upon which lease-lend money has been spent, and a statement as to whether those projects have been turned over to the countries to whom the aid was extended, or whether we retain control, or what the status is.

Mr. ELLENDER. In that connection, it may be that the Government itself, in this case the British Government, has knowledge, and there may be some reason why that knowledge should not be divulged.

If that is true there may have been good reasons for handling it that way. I am interested in finding it out, and I do believe that the Congress should know more about the management of lease-lend.

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

Mr. ELLENDER. I yield.

Mr. HATCH. The Senator has been quoting from newspapers rumors and statements about lease-lend in Australia. I happen to have in my hand a statement contained in a news letter closely connected with the British. It mentions something about Britain's contribution in reverse. Would the Senator from Louisiana like to hear something contained in that letter for his information?

Mr. ELLENDER. Yes; I am interested in such information, I will say to the Senator. If the Senator has data, give it to the Senate and to the people of the country. I have never been able to obtain much from the lease-lend administrator.

Mr. HATCH. Mr. President, I read from the news letter, as follows:

Britain has provided supplies, not only for herself and the Empire, but for most of her allies as well, notably Russia and the United States. For instance, by November 1942 she had sent Russia enough equipment for 20 armored divisions on the German scale, and by December, nearly 3,000 tanks and over 3,000 aircraft. Within 1 week of the German invasion of Russia, half a million pairs of boots were shipped to the Union of Soviet Socialist Republics. By the end of 1941, substantial quantities of rubber, tin, wool, lead, jute, shellac, and thousands of tons of sugar were dispatched.

Mr. ELLENDER. What is the last item? Sugar?

Mr. HATCH. Yes, thousands of tons.

Apart from much technical aid supplied to the United States Army in the shape of her new inventions, Britain provided facilities and equipment for America on an appreciable scale. All the accommodation and facilities for United States troops in the United Kingdom were provided as reciprocal aid. From June 1942 to April 1943 this item amounted to nearly two and a quarter million tons of construction material and a total of 1,360,000 ship-tons of supplies and equipment. The two biggest aircraft maintenance depots in the world have been handed over to the Americans, one of which was specially built for them. Machine tools, engines, and much of the paraphernalia for antiaircraft defense has been sent to America, including equipment and tools for a complete gun-barrel factory.

On the financial side, Britain has put some \$1,500,000,000 into the American aircraft industry, and spent about \$173,000,000 indirect capital assistance to American corporations making aircraft, tanks, and guns. Seven thousand millions of dollars was the total cash purchase made by the British Empire in the United States between September 1939 and September 1942. A great deal more than the total American lend-lease deliveries in Britain in that period.

Mr. President, I will say that that information comes from a news letter, it is from a British source, but I call it to the Senator's attention to show that perhaps there are two sides to the question.

Mr. ELLENDER. I do not deny that there are. I am not questioning that at all. I feel confident that if the British Government has spent as much as \$7,000,000,000 in this country for war material she has received full value for the money spent.

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

Mr. ELLENDER. I yield.

Mr. BRIDGES. I think the contribution made by the Senator from New Mexico [Mr. HATCH] is a most worthy one. I do not wish to take words out of the mouth of the Senator from New Mexico, but I for one think that the theory of lease-lend is excellent; and, as I have said, it has accomplished a great deal of good. But I do believe, as the Senator from Louisiana is attempting to tell the Senate, that the country is entitled to know what is going on today in lend-lease. I believe the strongest point the Senator has made today is this: When we give to any country equipment or supplies under lend-lease, which they in turn sell to their civilian population, for which they receive cash from their own people, can anyone in the Senate offer one legitimate reason why that money should be placed in their own treasury and spent for their own purposes and not be returned to the United States? That is one of the loopholes in lend-lease that should be corrected in the interest of justice to the United States and our citizens.

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

Mr. ELLENDER. I yield for a question.

Mr. HATCH. Does either the Senator from Louisiana or the Senator from New Hampshire have any proof of the last statement?

Mr. ELLENDER. I received it from the Lend-Lease Administrator, of course.

Mr. HATCH. That other countries receiving lend-lease from us were selling lease-lend articles to their own civilians?

Mr. ELLENDER. Yes. I will read from the record a statement made by me early in 1943 with respect to the matter. I cannot find the statement at the moment, but, as I recall, I said that ship-loads of milk, of cheese, of powdered eggs, and the like are sent to Great Britain, for which the United States receives an I. O. U. The British Government sells the merchandise to the wholesalers in Great Britain, the wholesalers sell it to the retailers and the retailers to the consuming public. What really happens is that the British Government receives the cost of the goods from the wholesalers and puts it into the treasury. No doubt, profits are made on which income taxes are collected by the British Government, and I am almost certain that ad valorem taxes are also collected in like manner.

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

Mr. ELLENDER. I yield.

Mr. WHEELER. I think the Senator from Louisiana was present in the Committee on Agriculture and Forestry when I or some other Senator asked the question of Mr. Stettinius, I think it was, or some representative of the Lend-Lease Administration, and the answer was very frankly made that the British Government was selling the goods, and the money received for the sale of the goods was going into the British Exchequer. There was no question about it at all.

Mr. ELLENDER. I made statements regarding this on the Senate floor on two occasions at least. I was present at the meeting to which the Senator from Montana referred and recall the incident.

Mr. WHEELER. When Mr. Stettinius appeared before the Committee on Agriculture and Forestry he very frankly admitted that that was true. There was no question about it.

Mr. ELLENDER. Yes. Now, Mr. President, I desire to read a little more from the RECORD and then I will conclude with lease-lend:

Mr. ELLENDER. Mr. President, when the distinguished Senator from Texas [Mr. CONNALLY] was discussing the pending bill for a continuation of the Lend-Lease Act, in behalf of the Committee on Foreign Relations, I asked him some questions with a view of attempting to clarify a few of the issues involved. As I stated then, I repeat, I voted for lease-lend and I expect to vote for a continuation of lease-lend. I believe that it should be made plain to the American people how lease-lend operates—just how it is proposed to pay us back for the advances made. I have been trying to obtain an answer to the questions for the past 6 or 8 months, and I am still in the dark.

I am informed that the way some of lease-lend works—

I desire to call to the attention of the Senator from New Mexico [Mr. HATCH] that this is the quotation I was looking for awhile ago—

is in the following manner: A cargo of pork, canned fruits, dried eggs, and other products is shipped to the British Government for the purpose of feeding its civilian

population. Those products are turned over to an agency of the British Government. The British agency pays nothing for them to our Government but sells them to the merchants in the British Isles, and in turn the merchants sell the goods to the people of the British Isles, thereby enabling the merchants to maintain themselves in business. No doubt, some appreciable income accrues to the merchants upon which the British Government receives taxes and other income. If that be true, I would be interested to find out to what extent is lease-lend operated in such a manner.

Since that time I have tried to obtain that information but I understand that the statistics are not available, and that England cannot furnish the information because of shortage of labor to compile such figures.

I believe that if this matter is sifted to the bottom, it will be seen, as has been said in the House of Representatives, that it is a one-way proposition or words to that effect. I am not seriously objecting to that at the moment, but what I believe ought to be done is to tell the whole truth about it.

Let it not be shrouded in darkness. The people are entitled to know if this is an outright donation or if they are being kidded into believing that they can expect to be repaid in kind or otherwise.

If we are to receive value, let our allies make it real. Let us be shown that they mean business. I am in accord with what the distinguished Senator from Maryland [Mr. TYRINGS] stated awhile ago, that while this war is continuing we should obtain absolute sovereignty over the bases that we acquired from England some time ago in return for 50 destroyers. Let us make lease-lend work to that end. I advocated such a proposition almost 1 year ago and I doubt if anything has been done to this moment. Other bases could be acquired in like manner. In that connection why not obtain sovereign rights over some of the air bases we are building in the Pacific and other parts of the world? On the other hand what about the millions of tons of our natural resources that are being sent abroad? Why could not some agreement be entered into now whereby our Government could in some way have returned to it some of the millions of tons of steel it is sending abroad? How about oil, why not make provisions for its return after the war? How about rubber and tin? Are we going to be forced to pay to Britishers, after the war, tremendous sums for rubber and tin as we did after the First World War? It strikes me that while this war is on, while we are giving our all, while we are dissipating our God-given natural resources, we should make every effort to obtain, in kind, those irreplaceable resources. Let some agreement be made now, to make available to us after the war, iron ore, tin, manganese, bauxite, oil, and other resources that are now being used in large quantities. We must and should replenish those resources.

Mr. President, I advocated a similar proposal 2 years ago, when the original bill was before us. I had hoped that something would be done in that direction ere now. The British Commonwealth has many times the natural resources the United States possesses, and I contend that now is the time for us to have a clear-cut understanding of how we are to obtain in kind some of our God-given resources which are now being extravagantly dissipated. Let us obtain if possible, in sovereignty, some of the rich bauxite mines owned by the British, some of the rich tin deposits owned by the British and the Dutch; in fact, sovereignty over some of the rich natural deposits owned by our allies and which are now idle. Let us bargain now while the war is on and not

wait until the war is over. I would like to discuss this subject more in detail—

And so forth. Mr. President, I cite that reference to the Senate merely to show that some of us were not asleep, and that I believe we have made valid suggestions to those administering lend-lease, but somehow they have not been followed. It is my contention that a discussion of this kind probably will lead England to do in regard to other matters what she did in respect to the 50-destroyer deal. It will be recalled that when the British were given 50 destroyers in trade for 7 bases, some of us on the Committee on Naval Affairs, of which the Senator from Delaware [Mr. TUNNELL] was a member, investigated to find out some of the details in regard to that deal. When an investigation was made, what did we find? We found that our Government had simply acquired water and air, and that we had to go down in our jeans and pay out as much as \$6,200,000 in order to acquire land upon which to build the bases. I have no doubt that the discussions we had in the past brought the English to their senses; and 2 months ago we were paid for the amount the United States put up to buy the land for those bases.

By the same token, I want to bring to their attention many other things. I am pleading for an understanding now, so that we shall not have a misunderstanding around the peace table.

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

Mr. ELLENDER. I yield.

Mr. TUNNELL. I should like to ask the Senator if he is satisfied with the progress of the war?

Mr. ELLENDER. Mr. President, the Senator asks a silly question.

Mr. TUNNELL. I take it from the Senator's language that he is dissatisfied.

Mr. ELLENDER. Mr. President, evidently the Senator does not understand the English language.

Mr. TUNNELL. I certainly am not confined to the language of the Senator from Louisiana, if he has not given that impression.

Mr. ELLENDER. Mr. President, I do not care what the Senator thinks or what impression he receives. I think I have made my viewpoint plain on many occasions. I have repeated many times that it is my humble opinion that what we should do in regard to lend-lease, since there has been so much talk about it, is to let the American people know how it operates.

Let me ask the Senator from Delaware if he thinks the British Government acted properly when, on March 16, 1942, it sold to our Government a shipyard located at Richmond, Calif., for \$5,506,500, and when, on September 30, 1942, it sold us a shipyard at Bath, Maine, for which the Government of the United States paid Great Britain \$3,500,000 in cash. In the light of the fact that we have been sending billions of dollars of goods to Great Britain, was it right for Great Britain to force the American Government to pay in cash for those two shipyards? I wish the Senator would answer that question for me.

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

Mr. ELLENDER. Certainly, Mr. President; I yield.

Mr. TUNNELL. The Senator from Louisiana stated he has been getting his information from newspapers, and on Friday the Senator from Maine showed us one of the newspapers from which some of this rather scandalous and disloyal statement was coming. The Senator has referred to the fact that he predicted there would be a tremendous indebtedness of the United States. I wonder whether he wants the United States to stop spending. What is the alternative?

Mr. ELLENDER. I shall let the distinguished Senator use his own judgment in that respect. What I desire to do is simply and solely to lay the pertinent facts before the American people, to keep them posted—that is all; that should be enough to enable them to draw their own conclusions.

Mr. TUNNELL. Mr. President, the Senator says he is taking the information from the same source that they are.

Mr. ELLENDER. Whom does the Senator mean by "they"?

Mr. TUNNELL. The American people. The American people are reading the newspapers, unfortunately.

Mr. ELLENDER. I do not believe the RECORD will show that I stated on the floor of the Senate that I got my information solely from the newspapers.

Mr. TUNNELL. If the Senator did not say so a few minutes ago—

Mr. ELLENDER. Mr. President, I did mention the newspapers twice, rather facetiously, because the newspapers gave out reports about what took place before the Senate in executive session; and there are two items to which I referred specifically, as the Senator may recall. One was in respect to 30,000 trucks, and the other was relative to oil, as I recall. I desire to say to the Senator that my information in respect to lend-lease and in respect to debts, which I shall talk about in a few minutes, did not come from the newspapers.

Mr. TUNNELL. The Senator stated he could not get the information from the Government. If he did not get it from the newspapers, where did he get it, let me ask.

Mr. ELLENDER. I have been unable to obtain the information I requested. That I have repeatedly stated.

Mr. TUNNELL. Then, Mr. President, what is the Senator's complaint? If he has no information, what are his charges?

Mr. ELLENDER. Mr. President, I thought I made myself plain.

Mr. TUNNELL. Mr. President, I think the Senator has made himself plain.

Mr. ELLENDER. I have tried to secure information, and I am trying to show that, although my efforts have been many, to this moment I have failed to get the desired information. That is why I proposed a while ago that the operation of lease-lend should be investigated by the Appropriations Committee; if it cannot do so, then the Truman committee should act; if it will not do so,

then I propose to submit a resolution for the consideration of the Senate, to have the operations of lease-lend investigated.

My only object in pursuing this course, as I have indicated on two or three occasions, is to force an understanding now, while the war is on, rather than a misunderstanding when the war is over.

Mr. TUNNELL. The Senator proposes that the Government do what the British newspapers call a little horse trading in time of war; is that it?

Mr. ELLENDER. No; of course not. I will get to that discussion in a moment, if the Senator will bear with me.

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

Mr. ELLENDER. I yield.

Mr. MURDOCK. I was very much interested in the fact just stated by the distinguished Senator from Louisiana, that the British Government had sold to our Government two naval bases in the United States. Is that a correct statement?

Mr. ELLENDER. Two shipyards.

Mr. MURDOCK. Whether they were shipyards, bases, or what not, were they owned by the British Government?

Mr. ELLENDER. Yes.

Mr. MURDOCK. Or were they owned by a British corporation or British individual?

Mr. ELLENDER. By the British Government.

Mr. MURDOCK. They were shipyards owned by the British Government, within the territory of the United States?

Mr. ELLENDER. That is correct.

Mr. MURDOCK. I wished to be sure that I had understood the Senator.

Mr. ELLENDER. That is correct.

As I indicated awhile ago, I wrote many times to the Lease-Lend Administrator for specific information, and at times I received some, but not all that I thought I was entitled to.

I quote from the last letter received by me from Mr. Stettinius, under date of August 21, 1943. I had asked him many questions. I shall not attempt to read all of the letter at this time, but following my remarks I shall ask unanimous consent that the letter be printed in full.

One of the questions which I asked the distinguished Senator from Tennessee [Mr. McKellar] when he was handling lease-lend the last time was why Canada and South Africa did not have lease-lend agreements. He did not know, so I wrote to Mr. Stettinius, and received this reply from him:

You ask why Canada and South Africa have not entered into lease-lend agreements with the United States. Canada has not received any lease-lend aid. Our economic relations with Canada have been defined by the so-called Hyde Park agreement of April 21, 1942, by which purchases of the United States in Canada and of Canada in the United States are made for cash. As part of lease-lend aid to the United Kingdom, however, raw materials and component parts which are incorporated in Canada in articles manufactured for the United Kingdom may be provided by the United States under lend-lease.

One of the puzzling answers was in regard to the valuation of reciprocal aid. How to evaluate services, and so forth,

seems to have been the troublemaker for the Lease-Lend Administrator. This was his reply:

While we have kept records of reciprocal lend-lease aid received from all countries, it has not been practicable thus far to make evaluation in dollars and cents of the amount of this aid. However, we are endeavoring to obtain from the foreign governments a statement of the costs to them, in terms of their own currency, of the aid which they have given us. The Australian Government has already indicated that it spent approximately \$61,000,000—

Which would be about \$196,000,000 of our money—
for reverse lease-lend up to June 30, 1943.

I had asked for a statement, but all I received was the amount. Upon further investigation from some of the experts in lease-lend I am told that a large amount of this \$196,000,000 which the Australian Government has charged against us is for the money spent by the Australian Government to build roads and airports throughout Australia for the defense of Australia, and for the rent of large airports scattered throughout Australia, and also for the use of docks in Australia. Just think, Senators. Here we are, sending our blood, our money, and everything else to defend Australia, and we are charged rent for the use of bases and the cost of building ports and roads in order to defend Australia.

Before the war the debt of Australia was \$5,000,000,000 and some odd millions. Now it is about \$200,000,000 less than it was. According to the figures I have, she owes less now than she did before the war. Probably our great country could pay all of its debts if we could get from all our allies material which we could sell for value and put the purchase price in our pockets.

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

Mr. ELLENDER. I yield.

Mr. MAYBANK. The Senator stated that in defending Australia we were sending our blood and our men, which is quite correct, but the Senator will admit that in defending Australia we are also defending ourselves.

Mr. ELLENDER. I do not doubt that. That goes without saying. I am certain also, if we had not helped Australia, she might now be in the hands of the Japs.

Let me read further:

The problem of evaluation is, however, a very difficult one. The reciprocal aid received by us consists of thousands of individual transactions occurring in all parts of the world under the most diverse circumstances. To place values on individual items, or even to arrive at values in terms of general categories, is a vast undertaking. Moreover, there are many types of reciprocal aid that are of such an intangible character that it is impossible to "value" them.

Listen to this, Senators:

It is impossible to measure in dollars either the cost to the British or the value to us, for example, of British engineering and designs of weapons based upon 2 years of combat experience gained before we entered the war. All this has been freely made available to us in the production of planes, tanks, and other weapons in our own factories and for our own forces. No estimate can be made of the number of American lives that have been saved

by equipping our forces with those improved weapons.

Just stop and think of that. The great British Government proposes to offset lease-lend aid by engineering experience.

I say to the Senate and to the British people that if they seek to offset lease-lend aid in such a manner, they ought to hang their heads in shame.

Another difficulty is involved in expressing a "value" in terms of dollars.

Hundreds of those airplanes upon which these gadgets are used are in lease-lend. There is no doubt that they utilized many gadgets for which we were responsible.

I am wondering to what extent they charge us or give us credit for that by way of compensation. I am confident that our people are not thinking of charging the British for such services.

I continue reading from the letter:

Another difficulty is involved in expressing a "value" (in terms of dollars) even for items the cost of which is known. Thus, a Spitfire plane costs, in terms of the official exchange rate, only about one-half as much as does a comparable American plane. Is the "value" of the Spitfire, therefore, only one-half that of the American plane? One dollar will buy about three times the quantity of butter in New Zealand than it will buy in the United States. On what basis are we to value the butter received from New Zealand? On the other hand, there are some items which cost more in terms of dollars in England than in the United States.

In many instances our allies have undertaken as reciprocal aid vast construction programs to meet the requirements of American forces; in other cases, foreign governments have turned over to us for our use cantonments, airfields, or the like which were previously occupied, either in whole or in part, by their own forces, and it has been necessary to enlarge other facilities to permit the transfer of their forces to those facilities. How are we to value these facilities? Are we to appraise them as capital cost or upon a rental basis?

A specific example may illustrate the difficulties which are encountered in attempting to place values upon capital projects. When American forces first arrived in Australia the Air Corps requested the Australian Government to construct a huge airfield not far from Melbourne. The plans called for complete installation with landing fields, barracks, roads, and improvements of all kinds. The Australian Government promptly proceeded to construct the field in accordance with our requirements and delivered it to us under reverse lease-lend. Shortly afterward as a result of the successful outcome of the Battle of the Coral Sea and of later developments of the war, the base of operations of our Air Corps was moved 1,500 miles to the north and new fields had to be constructed there. The greater part of the construction was carried on by the Australian Government. Some assistance was given by United States Army engineers, and equipment belonging to both governments was used to the extent that it was available. Even after the base of operations was moved north, the field near Melbourne was not turned back to the Australian Government unconditionally, because of the possibility that, as a result of shifting fortunes of war, it might again have to be used. How are we to "value" the aid given us as a result of these transactions?

Listen to this, Senators:

A list, prepared by the Office of Economic Warfare, indicating the volume of public

purchases and private commercial imports from lease-lend countries during the year 1942, is enclosed. With respect to the British Empire, the over-all financial condition of the Empire has thus far required that these purchases be for cash. Our purchases of bauxite from British Guiana, for example, have been cash transactions for this reason.

Think of it, Senators. What about our financial condition? If such a policy is to continue, the American people should know it.

Mr. President, I invite the attention of the Senate to the remainder of this letter. I shall not detain the Senate in order to read all of it, but I wish Senators would read it. I am sure they would agree with me that the information given is not at all specific, but that the matter is still rather beclouded. That is my reason for feeling that the American people should know how lease-lend operates, and to what extent Great Britain and others of our allies should be made to replenish the God-given natural resources to which I have referred.

Mr. President, before I proceed to the next subject, I should like to place in the Record a compilation made by the Reconstruction Finance Corporation in regard to purchases made by it from foreign governments. It will be recalled that when the Senator from Tennessee [Mr. McKellar] handled the last lend-lease appropriation, I asked him for information as to whether our Government received strategic materials for lease-lend aid. It seems that whenever there are any materials to be exchanged, such as certain minerals, we do not get them without paying for them in cash. For example, in Australia, from January 1, 1942, to June 30, 1943, our Government paid \$92,239,028 in cash for minerals or materials. We made purchases from British East Africa in the amount of \$9,000,000. We made purchases from Canada in the amount of \$102,000,000, from British Malaya in the amount of \$28,000,000, and from Ceylon in the amount of \$26,000,000. That was all in hard cash, and at the same time we were furnishing implements of war in order to help those countries defend themselves. When it comes to offsetting lease-lend with such materials it does not seem that we get anywhere. That is why I feel that the Senate should investigate the situation, and should find out why it exists and how to avoid it.

I really rose to speak for a few minutes, for the information of the Senate, in regard to the debts of the world. I spent six months with the staff of the Library of Congress who gathered the information on this subject, and I believe that with the data available it is as accurate as it could be made.

In the tabulation I have sought to set forth as accurately as possible the amount of the debts owed by all countries, including our own, before the war and at this time. The information is as follows:

The total debt of the United States and its possessions on September 30, 1940, was \$44,214,000,000, or a per capita debt of \$293.

As of August 16, 1943, our debt had increased from \$44,214,000,000 to \$143,431,000,000, or a per capita debt of \$935.

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

Mr. ELLENDER. I yield.

Mr. MURDOCK. To whom is the debt owed by our Government?

Mr. ELLENDER. To the people and to the banks and large corporations.

Mr. MURDOCK. To the people of the United States, is it not?

Mr. ELLENDER. That is correct.

Mr. MURDOCK. We are taught, are we not, that in a democracy, government and the people at least should be synonymous.

Mr. ELLENDER. That is correct.

Mr. MURDOCK. So we have the situation of the people owing to the people the total amount of the debt.

Mr. ELLENDER. I said it was owed to the people, banks, and other corporations. Most of it is owed to large corporations and banks.

Mr. MURDOCK. That is true, but all the large corporations and the insurance companies in the United States are owned by the people of the United States; are they not?

Mr. ELLENDER. That is correct to some extent. Some corporations may have foreigners owning their stock.

Mr. MURDOCK. So we have the situation of the people owing to the people the total amount of the debt.

Mr. ELLENDER. That is correct.

Mr. MURDOCK. That was true prior to our entry into the war; was it not?

Mr. ELLENDER. That is correct.

Mr. MURDOCK. And it is true today. The Senator has divided the liability value of the debt on a per capita basis. Why is not the asset value of the debt also divisible on a per capita basis?

Mr. ELLENDER. What has the Senator in mind? I cannot quite follow his thought. I cannot understand why a debt should be an asset.

Mr. MURDOCK. I have in mind that all debts have an asset value and a liability value. Is that not true?

Mr. ELLENDER. I cannot agree with the Senator. I do not know what he wishes to establish.

Mr. MURDOCK. If the Senator owes me \$50, that is his liability, is it not?

Mr. ELLENDER. Yes.

Mr. MURDOCK. And it is my asset. Is not that correct?

Mr. ELLENDER. That is correct.

Mr. MURDOCK. If the people owe to the people a total amount of our governmental debt, as stated by the Senator, then, that debt has a liability value, and it has an asset value. The Senator, for some reason or other, divides the liability on a per capita basis. I call his attention to the fact that the people of the United States are buying bonds. The bonds are evidences of the indebtedness of the Government. We find them distributed widely throughout the United States, do we not?

Mr. ELLENDER. I fail to agree with the Senator on that point. The record shows that the number of people actually owning bonds in any appreciable amount is very small, and that the greater portion of them are purchased by banks and other large concerns.

Mr. MURDOCK. I think the Senator is correct in that respect, but the people

of the United States, according to their ability, are buying the debt of the United States. Now, I think that especially in time of war, when we should all be interested, as I am sure we are all interested, in uniting the war effort, we should not on the floor of the Senate, in my opinion, give out any information which will disunite the war effort. Therefore, when the Senator divides the liability of the national debt on a per capita basis, I think it is only fair to say that the asset value of the debt should also be considered on a per capita basis.

I do not disagree with the Senator that the distribution of the liability value is a great deal wider than the distribution of the asset value, but, nevertheless, in order to give the people of the United States the correct view, the proper picture of our financial condition today, we should look not only to the liability but also to the asset, and constantly remember that in a democracy government and the people are synonymous, and that the people owe the people this great national debt.

Mr. ELLENDER. I do not believe that the Senator meant what he intimated just now, that in the speech I am making in an effort to give the facts to the American people I am trying to disunite them.

Mr. MURDOCK. Absolutely no.

Mr. ELLENDER. If the Senator will pardon me for saying so, I thought I was doing a service.

Mr. MURDOCK. I think the Senator from Louisiana is doing a service. I think to call the attention of the American people to the amount of the debt certainly is no mistake, and it is probably timely and opportune to do it. But in giving them the information, let us not say we owe this vast amount in billions of dollars and divide it up on a per capita basis, without following that and saying that we owe it to ourselves and that the asset value is also divisible on a per capita basis.

Mr. ELLENDER. I suppose the people can draw their own conclusions after reading these figures. I am not trying to show that each person owes the amount stated and is going to pay it.

Mr. MAYBANK. Mr. President—

Mr. ELLENDER. I yield to the Senator from South Carolina.

Mr. MAYBANK. I did not quite understand the Senator's statement with reference to the debt. Did he say it was \$142,000,000,000 as of August of this year compared with approximately \$40,000,000,000 in—

Mr. ELLENDER. Forty-four billion dollars.

Mr. MAYBANK. Forty-four billion dollars in 1940. Was that the total debt of the Government and political subdivisions, or of the Federal Government alone?

Mr. ELLENDER. No, indeed, that was the debt of the Federal Government as of August 16, 1943.

Mr. MAYBANK. The debt of the Federal Government alone, not including political subdivisions?

Mr. ELLENDER. That is correct.

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

Mr. ELLENDER. I should like to make a comparison.

Mr. WHEELER. I merely wish to ask a question. My friend, the distinguished Senator from Utah [Mr. MURDOCK], spoke of the "asset value" of a debt. That is something new to me.

Mr. ELLENDER. That is why I could not follow the Senator from Utah.

Mr. WHEELER. I was unable to follow the Senator when he spoke of the "asset value" of a debt. Perhaps the Senator could enlighten me upon that subject. As a matter of fact, unless there is involved some new principle of which I am not aware, a debt has been a liability, except in countries where there is extreme inflation. In such a period the man who is in debt profits by the inflation, but the debt to the man who holds it is certainly a liability. I have always felt that it is a liability to anyone to be in debt.

Mr. MURDOCK. Mr. President, will the Senator from Louisiana yield to me to comment on the statement of the Senator from Montana? I think he should do so.

The PRESIDING OFFICER (Mr. McCLELLAN in the chair). Does the Senator from Louisiana yield further to the Senator from Utah?

Mr. ELLENDER. I yield for a question.

Mr. MURDOCK. I am rather surprised at the distinguished Senator from Montana making the statement he has made. It is very true that a debt is a liability, of course, to the person owing the debt, but to the creditor it is certainly an asset. If the Senator will go into the reading room and select any newspaper he will find in the bank statements that every debt referred to there as a liability is also an asset. To the person who owes it, the debt, of course, is a liability, but to the bank to whom he owes it it is an asset.

Mr. WHEELER. That is quite a different thing. The Senator is now talking about bank indebtedness and money.

Mr. MURDOCK. If there is a difference, I should like to have the Senator explain it to me.

Mr. ELLENDER. Mr. President, I desire to proceed. I dislike citing figures to the Senate, but I will ask the attention of my colleagues for a few moments while I contrast the increase in our debt with that of, let us say, Great Britain. As I have just indicated, on September 30, 1940, our national debt was \$44,072,000,000. On August 16, 1943, it had increased to \$143,297,000,000, an increase in that space of time of almost \$100,000,000,000.

Now, let us turn to Great Britain and all her possessions. These figures cover the time during which Great Britain has been in the war, or from 1939, and some of them go as far back as 1938, as is indicated from compilations I am reading from. The entire British debt back in 1939, before Great Britain got into the war, was \$52,647,000,000. That, by the way, included the \$5,000,000,000 which Great Britain now owes this country. From 1939 to March 31 of this year, a period of 4 years, while she has been at war, the debt of Great Britain increased to \$88,240,000,000. In other words, the debt of Great Britain and all

her possessions in the space of almost 4 years has increased \$36,000,000,000, in contrast to an increase in our debt of \$100,000,000,000, in a little over 2 years.

Here let me give the Senate some figures as to how rapidly our debt is increasing.

On October 31, 1942, our national debt was \$92,000,000,000, in round figures. In November it had risen to \$96,000,000,000. In December it was \$108,000,000,000. In January of 1943 it was \$111,000,000,000. In February it was \$114,000,000,000. In March it was \$115,000,000,000. In April it was \$129,000,000,000. In May it was \$135,000,000,000. In June it was \$136,000,000,000. In July it was \$141,000,000,000. In August it was \$144,000,000,000. In September it was \$158,000,000,000. Since October, 1942, our national debt has increased, in 11 months, by \$65,445,000,000, or almost \$6,000,000,000 a month.

I have here a compilation, from all the figures available, of the debts of all our enemies, and they aggregate \$91,815,000,000, and the debts of all our allies aggregate \$125,984,000,000.

Considering the rate at which we are now spending money, and the rate at which our debt is increasing, my guess is that by the end of next year, that is, taking into consideration the fiscal year ending June 30, 1944, plus 6 months of the following fiscal year, our country will owe more money than all our allies and all our enemies put together.

Mr. TUNNELL. Will the Senator yield?

Mr. ELLENDER. I yield.

Mr. TUNNELL. I should like to know whether the Senator's proposal is that we stop spending.

Mr. ELLENDER. No; not entirely.

Mr. TUNNELL. What is the Senator's suggestion?

Mr. ELLENDER. We cannot stop spending; we have our foot in the door. But I do believe that hereafter the Senate and its committees should pay a little more attention to appropriations made.

Mr. TUNNELL. I should like to ask what the Senator means by putting our foot in the door.

Mr. ELLENDER. We are in the war, we are fighting for our very life.

Mr. TUNNELL. We did not start the war, did we?

Mr. ELLENDER. Of course not.

Mr. TUNNELL. Then is there any implied blame in the fact that our indebtedness is climbing?

Mr. ELLENDER. I am not trying to blame anyone. I voted for all appropriations asked by our Chief.

Mr. TUNNELL. Perhaps it does not sound to the Senator as it does to others of us, but it sounds to some of us as if he were.

Mr. ELLENDER. Let the Senator draw his own conclusions as to that.

Mr. TUNNELL. If that is the Senator's attitude, then I shall do so. I understand him exactly.

Mr. ELLENDER. I am giving facts. I never knew of the truth hurting anyone.

Mr. TUNNELL. If that is the attitude of the Senator, that we cannot ask him a question without being told we can draw any conclusion we want to from his remarks, then we will draw the conclusion we desire.

Mr. ELLENDER. I hope the Senator will be calm.

Mr. TUNNELL. I think the Senator's remarks are very clear.

Mr. ELLENDER. I am not attempting to prevent the Senator from asking me a question. I try to be courteous. I do not suppose there is a Senator on this floor who can say that I have ever at any time refused to answer questions, but what I am saying to the Senator is that he may draw his own conclusion as to the figures I am citing.

Mr. TUNNELL. I am not questioning the Senator's figures, I am trying to find out what his purpose is. What is the objective?

Mr. ELLENDER. I will leave that to the Senator, let him draw his own conclusion.

Mr. TUNNELL. I think everyone will do so.

Mr. ELLENDER. Certainly. Mr. President, as I have indicated throughout

the debate, I believe that something should be done during the war, while the war is on, so that we can have an understanding now, and not have a misunderstanding when peace comes.

We have heard the Senators who made the trip around the globe some time ago state the attitude of the British press in regard to the help this country is giving to England. We are told that our efforts are belittled by British propaganda. Many quotations were read from the British and Australian press indicating such an attitude.

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

Mr. ELLENDER. I yield.

Mr. O'DANIEL. I should like to ask whether it is the intention of the Senator to place in the RECORD the valuable statistics he said it took him 6 months to collect.

Mr. ELLENDER. At this time I ask permission to have placed in the RECORD the compilation of the debts to which I have just referred.

The PRESIDING OFFICER. Is there objection?

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

National debt of the United States

Month	Amount	Increase
Oct. 31, 1942	\$92,904,000,000	
November 1942	96,115,000,000	\$3,211,000,000
December 1942	108,170,000,000	12,055,000,000
January 1943	111,070,000,000	2,900,000,000
February 1943	114,024,000,000	2,954,000,000
March 1943	115,507,000,000	1,483,000,000
April 1943	129,849,000,000	14,342,000,000
May 1943	135,913,000,000	6,064,000,000
June 1943	136,696,000,000	786,000,000
July 1943	141,524,000,000	4,828,000,000
August 1943	144,059,000,000	2,535,000,000
September 1943	158,349,000,000	14,290,000,000
Sept. 30, 1943	158,349,000,000	
Oct. 31, 1942	92,904,000,000	
Increase	65,445,000,000	

Average monthly increase for 11-month period \$5,949,500,000
Per capita debt increasing at rate of \$38 plus per month.

	Area in square miles	Before war		Year	Per capita	Latest available figures		Year	Per capita
		Population	Public debt (in United States currency)			Population	Public debt (in United States currency)		
United States and possessions:									
Alaska.....	586,400	73,023	None			72,524	None		
Samoa.....	76	12,908	None			12,908	None		
Guam.....	206	22,290	None			22,290	None		
Hawaii.....	6,407	423,330	\$38,288,000			423,330	\$34,201,000	June 30, 1942	
Puerto Rico.....	3,435	1,869,245	28,908,000			1,869,255	25,077,865	do.	
Virgin Islands.....	133	24,889	None			24,889	None		
Philippine Islands.....	114,400	16,356,000	74,468,500			16,971,000	74,753,500	June 30, 1941	
Total, United States possessions.....	711,606	18,781,285	141,664,500			19,396,196	134,032,365		
United States.....	3,026,789	131,669,275	44,072,940,246	Sept. 30, 1940	\$334	133,965,000	143,297,674,000	Aug. 16, 1943	\$1,070
Total United States and possessions.....	3,738,395	150,450,560	44,214,604,746		293	153,361,196	143,431,706,365		935
British Empire:									
Western Hemisphere:									
Canada.....	3,694,863	11,315,000	3,152,559,314	1938	279	11,505,898	7,524,122,000	Nov. 30, 1942	654
Labrador and Newfoundland.....	42,734	294,800	99,868,700	1938		300,000	90,302,000	June 30, 1940	
Bahamas.....	4,404	67,720	1,012,000	1938		68,903	791,000	Dec. 31, 1939	
Barbados.....	166	193,082	1,798,680	1938		198,023	1,812,000	Mar. 31, 1941	
Jamaica.....	4,628	1,173,645	25,212,556	1938		1,223,241	27,168,000	do.	
Leeward Islands.....	422	92,726	1,418,000	1938		93,130	1,333,000	1939	
Trinidad and Tobago.....	1,862	464,889	19,730,304	1938		506,316	19,188,000	Dec. 31, 1941	
Windward Islands.....	821	257,077	2,283,804	1938		274,192	2,269,000	1939-41	
British Honduras.....	8,867	57,767	3,337,210	1938		59,965	2,579,000	Dec. 31, 1940	
British Guiana.....	89,480	337,039	17,427,044	1938		354,219	17,348,000	Dec. 31, 1941	
Falkland Islands.....	5,618	3,128	(?)			2,785	None		
Bermuda.....						32,068	303,000	Dec. 31, 1941	
Total, Western Hemisphere.....	3,853,865	14,256,873	3,324,647,612	1938	\$233	14,618,740	7,687,215,000		527

	Area in square miles	Before war		Year	Per capita	Latest available figures		Year	Per capita
		Population	Public debt (in United States currency)			Population	Public debt (in United States currency)		
British Empire—Continued.									
Africa:									
South Africa	472,550	10,160,000	\$1,083,965,252	1938-39	\$107	10,521,700	1,711,985,000	Mar. 31, 1943	\$163
Southern Rhodesia	150,354	1,385,560	49,202,072	1938-39		1,453,543	77,851,000	Mar. 31, 1942	
Somaland	68,000	344,700		1938-39		344,700			
Tanganyika	360,000	5,260,484	33,031,516	1938-39		5,232,532	30,932,000	1941	
Northern Rhodesia	280,320	1,380,754	9,388,000	1938-39		1,395,393	9,470,000	Dec. 31, 1940	
Nyasaland	37,374	1,672,787	21,495,296	1938-39		1,688,485	14,923,000	Dec. 31, 1941	
Zanzibar	640	250,000	Nil	1938-39		250,000	None		
Southwest Africa	317,725	288,604	11,001,064	1938-39		314,194			
Gold Coast	30,486	852,899	45,740,000	1938-39		3,962,692	41,964,000	Dec. 31, 1941	
Sierra Leone	27,925	1,768,480	6,343,812	1938-39		1,768,480	5,302,000	Dec. 31, 1939	
Gambia	4,068	199,520	155,040	1938-39		199,520	156,000	Dec. 31, 1940	
Nigeria	372,599	20,588,840	59,058,396	1938-39		20,641,814	100,619,000	Mar. 31, 1940	
Basutoland	11,716	562,411	796,284	1938-39		660,650	634,000	Mar. 31, 1941	
Bechuanaland	275,000	265,756	93,016	1938-39		265,756	122,000	do.	
Swaziland	6,705	156,715	1,857,904	1938-39		156,715	400,000	1940	
Anglo-Egyptian Sudan	969,600	6,342,477	63,033,600	1938-39		5,858,317	28,517,000	Dec. 31, 1940	
Cyprus	3,572	376,529	3,289,200	1938-39		383,967	3,318,000	Dec. 31, 1938	
Malta	122	268,668	Nil	1938-39		268,668			
Kenya and Uganda	318,941	711,053	19,816,200	1938-39		7,364,567	82,435,000	Dec. 31, 1940	
Mauritius				1938-39		420,861	8,954,000	June 30, 1940	
Total, Africa	3,717,697	52,836,237	1,436,487,152	1938-39	27	63,150,554	2,116,070,000		34
Asia and Oceania:									
Ceylon	25,832	5,780,000	48,975,100	1938		5,981,000	51,600,000	Sept. 30, 1940	
Malaya	132,723	6,088,327	68,495,738	1938		5,560,444	69,632,000	1940	
New Guinea and other islands	124,046	1,065,462	6,639,460	1938					
New Guinea				1938		675,369	65,000	June 30, 1940	
Borneo				1938		270,223	None		
Nauru				1938		3,352	235,000	Dec. 31, 1940	
Fiji Islands				1938		220,787	5,724,000	do.	
Palestine	10,429	1,466,536		1938		1,568,664	18,057,000	Dec. 31, 1941	
Transjordan	34,740	300,000	882,244	1938		300,000	776,000	Dec. 31, 1939	
Australia	327,270	14,700,325	114,991,541		8	14,579,839	145,619,000		10
New Zealand	2,974,581	6,997,326	5,364,216,976	1938	767	7,137,221	5,258,000,000	June 30, 1942	737
India	103,415	1,624,714	1,215,881,088	1938	749	1,634,338	1,244,000,000	Mar. 31, 1942	761
	1,808,679	352,837,778	767,000,000	1938	2	388,800,000	3,756,635,000	do.	10
Total, Asia and Oceania	5,213,945	376,160,143	7,462,089,605	1938	20	411,151,398	10,404,254,000		25
United Kingdom	95,030	47,485,000	40,424,000,000	Sept. 30, 1940	853	47,485,000	68,032,500,000	Mar. 31, 1943	1,433
Total, British Empire	12,880,537	490,738,253	52,647,224,369		107	537,405,692	88,240,039,000		164
Netherlands and possessions:									
East Indies	735,269	69,435,000	682,418,460			71,534,000	746,680,000	Dec. 31, 1941	
Dutch Guiana	60,288	156,332	546,695			181,044	492,000	Jan. 2, 1941	
Netherlands	795,557	69,591,332	682,965,155			71,715,044	747,172,000		
	33,314	8,728,569	1,664,200,000		190	8,833,977	1,983,207,000	Jan. 1, 1940	224
Total, Netherlands and possessions	828,871	78,319,901	2,347,165,155		29	80,549,021	2,730,379,000		34
Denmark and possessions:									
Greenland	838,000	16,901				16,630			
Faroe Islands	540	25,744				25,744			
Denmark	838,540	42,645				42,374			
	16,575	3,805,000	244,105,000		64	3,805,000	258,688,000	Mar. 31, 1939	68
Total, Denmark and possessions	855,115	3,847,645	244,105,000		63	3,847,374	258,688,000		67
Belgium and possessions:									
Belgian Congo	918,000	10,304,080	985,490			10,381,700	198,628,000	Dec. 31, 1939	
Belgium	11,752	8,386,553	1,950,308,000		233	8,396,000	3,583,260,000	Sept. 30, 1942	427
Total, Belgium and possessions	929,752	18,690,633	1,951,293,490		104	18,777,700	3,781,888,000		201
France		42,074,594	11,144,000,000	Aug. 31, 1939	265	42,074,594	19,900,000,000	Aug. 31, 1942	473
China		422,707,868	1,043,100,000	1939	2	422,707,868	1,043,100,000	1939	2
Russia		170,467,000	6,805,000,000	1939	40	170,467,000	10,030,000,000	1941	59
Germany		79,364,408	19,360,000,000	1939	244	79,364,408	74,240,000,000	1942	635
Italy		45,209,937	10,000,000,000	June 30, 1940	221	45,209,937	10,000,000,000	June 30, 1940	221
Japan		105,226,101	5,691,140,000	Mar. 31, 1939	54	105,226,101	7,575,280,000	July 1941	72
Total							91,815,280,000		

Total, United States and possessions..... \$143,431,706,365
 Total rest, allies and possessions..... 125,984,094,000
 Total, Axis..... 91,815,280,000
 Total, our allies and Axis..... 217,799,374,000

Mr. KILGORE. Will the Senator yield?

Mr. ELLENDER. I yield.

Mr. KILGORE. With reference to placing those statistics in the RECORD, do they contain a statement of the commensurate wage value of the American dollar abroad and at home, in the United States and in the countries to which the figures relate?

Mr. ELLENDER. No.

Mr. KILGORE. Also the commensurate value of the raw materials, which largely governs the amount of money we will have to spend, because the exchange

commodity value of the dollar depends on the cost of the materials at the location where they are produced, as I have always understood economics.

Mr. ELLENDER. The statistics do not show that fact, but the RECORD will show, I believe—I have seen it stated on two or three occasions—that for the fiscal year ending June 30 next our country has appropriated for war purposes \$97,000,000,000, as against Great Britain's \$18,000,000,000.

Mr. President, as I have said, I am about to conclude. This afternoon I have tried to give facts to the American people,

that is all, and let them draw their own conclusions.

As was indicated by the Senators who made the tour of the globe, there seems to be some effort made by the British Government to underestimate the contribution of the United States. That was demonstrated in a poll that was made in England on July 16, 1943, which was publicized throughout this country. It was a poll taken in Britain by the British Institute of Public Opinion. In stating the contributions of the various nations to the winning of the war, Russia was given

50 percent, Britain 42 percent, China 5 percent, and the United States 3 percent.

Mr. President, let me say, in concluding, that our allies, particularly the British people, should be reminded that the emblem of our great Republic is a spreading eagle, and not a goat.

Mr. TUNNELL. Will the Senator yield?

Mr. ELLENDER. I yield.

Mr. TUNNELL. I should like to ask the Senator from Louisiana how he would enforce his demands on Great Britain if an agreement could not be reached. Would it be by threat of stopping the war, or how would he enforce them?

Mr. ELLENDER. I will answer the Senator in this way: About 12 months ago an effort was made by a few distinguished Senators to reduce the size of our Army and our Navy. I was rather leaning that way at one time, but I am now glad that we have a large Army, and that we will make it larger, and that we will have a matchless Navy, so that if and when at the peace table Uncle Sam talks, he will have something to back him.

Mr. TUNNELL. Then, is the Senator glad we have spent the large amount of money about which he speaks?

Mr. ELLENDER. The Senator has not heard me charge waste in discussing the large expenditures. There may be much waste, but all I have tried to do was to show the comparison of expenditures made by this Nation of ours, which today are five and a half times more than those of Great Britain, in money. In the face of that, when I read in a newspaper that the British people are giving credit to this country for participation in winning the war amounting to 3 percent, I resent it.

Mr. TUNNELL. But do we not have to fight this war whether we get any credit or not?

Mr. ELLENDER. Of course we do, I will say to the Senator.

Mr. TUNNELL. What is the object of the criticism?

Mr. ELLENDER. I am sorry I cannot further enlighten the Senator.

I ask unanimous consent that the letter of August 2, 1943, from the Lend-Lease Administrator to me be printed in full at this point in the RECORD as a part of my remarks.

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

OFFICE OF LEND-LEASE ADMINISTRATION,
Washington, D. C., August 2, 1943.

HON. ALLEN J. ELLENDER,
Committee on Agriculture and Forestry,
United States Senate, Houma, La.

MY DEAR SENATOR: I am happy to reply herewith to your letter of July 26, in which you ask a number of questions concerning the operation of lend-lease, reciprocal aid, and related subjects. For the sake of convenience I have grouped my replies under the various subheadings indicated below:

1. RECIPROCAL-AID AGREEMENTS

Reciprocal lend-lease agreements have now been signed with Australia, Belgium, Fighting France, the Netherlands, New Zealand, and the United Kingdom. The agreement with the Netherlands was signed June 14, 1943. In addition, reciprocal-aid agreements

with China and with South Africa are now under negotiation, and it is hoped that they will be signed in the reasonably near future.

You inquire as to why the majority of our allies have not signed reciprocal-aid agreements. It will be seen from the above that agreements have either been signed or are now being negotiated with all of our major allies, with the exception of the U. S. S. R. The Soviet Government has expressed its desire to give us reverse lend-lease to the fullest extent possible, but the volume and nature of such aid is limited by the weight of Russia's own requirements and by the absence of American forces in areas which can be supplied by Russia. Thus far, therefore, such aid has been confined to repair, supply, and servicing of our vessels in Russian ports. While we have obtained certain raw materials from Russia, there is a contractual obligation that the value of these be credited against an advance by the Defense Supplies Corporation, and it will not be possible to credit such shipments as reciprocal aid until this obligation has been discharged.

The fact that no reciprocal-aid agreement has been signed does not mean that we do not receive reverse lend-lease aid from countries with which we have lend-lease arrangements. Article II of the master lend-lease agreement provides that the signatory country "will contribute to the defense of the United States of America and, the strengthening thereof and will provide such articles, services, facilities, or information as it may be in a position to supply," and it is on this basis that we have received reverse lend-lease from China, South Africa, India, Russia, and other countries, even though we have no reverse lend-lease agreement with them, and from the United Kingdom, Australia, and New Zealand prior to the signing of an agreement. In some cases this aid has been very substantial, although no agreement has been signed. India, for example, has spent more than \$55,000,000 for reverse lend-lease.

The principal advantage of signing a reciprocal-aid agreement is that it formalizes the basis for receipt of aid from a foreign country in much the same manner as a lend-lease agreement provides for aid to be extended by the United States. In the case of countries from whom we obtain reciprocal aid in substantial volume, it is desirable that there be some written agreement which may serve as a point of reference in determining the eligibility of specific types of supply as reverse lend-lease.

The situation with respect to the Latin-American Republics is somewhat different from that applicable to other lend-lease countries. Substantially the only lend-lease aid furnished to Latin-American countries consists of munitions and materials for the production of munitions for coastal defense. The lend-lease agreements with the Latin-American countries differ from the master agreements with the United Kingdom and with our other allies in that they provide for the payment of a portion of the cost of the articles in dollars. The agreements do not specifically contemplate the furnishing of reverse lend-lease assistance.

2. RELATIONS WITH THE NETHERLANDS

You are entirely correct in stating that this country makes substantial purchases of bauxite and petroleum from Netherlands possessions in this hemisphere; the Guianas are our only important source of bauxite imports and account for more than one-quarter of our total supply of this material. In 1942, 668,000 long tons of bauxite with a value of \$4,452,000 were purchased from Dutch Guiana, and 22,717,000 barrels of petroleum products with a value of \$22,134,000 were purchased from the Netherlands island possessions. In neither case, however, did the sales of these products result in any substantial dollar exchange to the Netherlands

Government. The Netherlands do not control any oil-producing territory, and the oil refineries on the island of Aruba are owned by the Standard Oil Co. and by the Royal Dutch Shell Co., a British-controlled concern. With regard to the bauxite deposits in Surinam, we are informed by the State Department that:

"Two companies are operating in this field; one American and the other Dutch. The American company is a subsidiary of the Aluminum Corporation of America; it is believed that its proceeds and royalties above what is necessary for local expenses are retained by the company. The operation of the Billiton Co. (Dutch) results in no foreign exchange."

As a result, practically all of the dollar proceeds of sales of bauxite and petroleum are realized by private United States companies and are not available to the Netherlands Government. For this reason we have not requested that these products be supplied to us as reciprocal aid.

Until the present time, lend-lease aid to the Netherlands Government has been confined to small amounts of military equipment and to the training, equipment, and maintenance (excluding pay) of Netherlands air squadrons now actively fighting with us. With the early fall of the Netherlands and the subsequent conquest of the Netherlands East Indies, the whole of the Empire, except the relatively poor Caribbean possessions, was placed in enemy hands. The dollar revenues of Surinam and Curacao have proved inadequate even for the financing of local expenditures, and this has placed a further strain on the already limited resources of the mother country.

3. RELATIONS WITH CANADA AND SOUTH AFRICA

You ask why Canada and South Africa have not entered into lend-lease agreements with the United States. Canada has not received any lend-lease aid. Our economic relations with Canada have been defined by the so-called Hyde Park agreement of April 21, 1942, by which purchases of the United States in Canada and of Canada in the United States are made for cash. As part of lend-lease aid to the United Kingdom, however, raw materials and component parts which are incorporated in Canada in articles manufactured for the United Kingdom may be provided by the United States under lend-lease.

Although a recipient of lend-lease aid, South Africa does not have a lend-lease agreement with the United States. All lend-lease requests for British Empire countries are channeled through the United Kingdom.

The United States purchases substantial quantities of raw materials from Canada, both through commercial channels and Government channels, which enter into production in the United States. The same is true to a much smaller extent with respect to South Africa, from whom Government agencies buy comparatively small quantities of materials such as chrome, manganese, asbestos, and industrial diamonds. Some of these materials in finished form are undoubtedly eventually shipped to England, but it would be extremely difficult, if not impossible, to ascertain even approximately what percentage of the goods so purchased finds its way to England under lend-lease.

4. VALUATION OF RECIPROCAL AID

While we have kept records of reciprocal lend-lease aid received from all countries, it has not been practicable thus far to make a valuation in dollars and cents of the amount of this aid. However, we are endeavoring to obtain from the foreign governments a statement of the cost to them, in terms of their own currency, of the aid which they have given us. The Australian Government has already indicated that it spent approximately \$61,000,000 for reverse lend-lease up to June

30, 1943. The New Zealand Government has estimated its expenditures for reverse lend-lease at £10,000,000 up to February 28, 1943. As further information becomes available, I shall report it promptly to the Congress.

The problem of valuation is, however, a very difficult one. The reciprocal aid received by us consists of thousands of individual transactions occurring in all parts of the world under the most diverse circumstances. To place values on individual items, or even to arrive at values in terms of general categories, is a vast undertaking. Moreover, there are many types of reciprocal aid that are of such an intangible character that it is impossible to "value" them. It is impossible to measure in dollars either the cost to the British or the value to us, for example, of British engineering and designs of weapons based on 2 years of combat experience gained before we entered the war. All this has been freely made available to us in the production of planes, tanks, and other weapons in our own factories, and for our own forces. No estimate can be made of the number of American lives that have been saved by equipping our forces with those improved weapons.

Another difficulty is involved in expressing a "value" (in terms of dollars) even for items the cost of which is known. Thus, a Spitfire plane costs, in terms of the official exchange rate, only about one-half as much as does a comparable American plane. Is the "value" of the Spitfire, therefore, only one-half that of the American plane? One dollar will buy about 3 times the quantity of butter in New Zealand than it will buy in the United States. On what basis are we to value the butter received from New Zealand? On the other hand, there are some items which cost more in terms of dollars in England than in the United States.

In many instances our allies have undertaken as reciprocal aid vast construction programs to meet the requirements of American forces; in other cases, foreign governments have turned over to us for our use cantonments, airfields, or the like which were previously occupied, either in whole or in part, by their own forces, and it has been necessary to enlarge other facilities to permit the transfer of their forces to those facilities. How are we to value these facilities? Are we to appraise them at capital cost or upon a rental basis?

A specific example may illustrate the difficulties which are encountered in attempting to place values upon capital projects. When American forces first arrived in Australia the Air Corps requested the Australian Government to construct a huge airfield not far from Melbourne. The plans called for complete installation with landing fields, barracks, roads, and improvements of all kinds. The Australian Government promptly proceeded to construct the field in accordance with our requirements and delivered it to us under reverse lend-lease. Shortly afterward, as a result of the successful outcome of the Battle of the Coral Sea and of later developments of the war, the base of operations of our Air Corps was moved 1,500 miles to the north and new fields had to be constructed there. The greater part of the construction was carried on by the Australian Government. Some assistance was given by United States Army engineers, and equipment belonging to both Governments was used to the extent that it was available. Even after the base of operations was moved north, the field near Melbourne was not turned back to the Australian Government unconditionally, because of the possibility that, as a result of shifting fortunes of war, it might again have to be used. How are we to "value" the aid given us as a result of these transactions?

It is not necessary further to labor this point in order to indicate that the problems of valuation are very great and to explain why, until the present time, it has not been possible for me to render an accounting of

the value of reverse lend-lease aid received by the United States.

5. LEND-LEASE AND REVERSE LEND-LEASE IN AUSTRALIA

You asked that I give the figures on Australia as an example of the comparison of lend-lease and reciprocal lend-lease. Total lend-lease aid to Australia to June 30, 1943, was approximately \$552,000,000. As has been stated, the total cost to the Australian Government of furnishing reverse lend-lease up to June 30, 1943, was approximately £61,000,000. At the official rate of exchange, this would represent approximately \$196,000,000; but, for the reasons above stated, it would probably be quite unfair to Australia to compare a dollar figure so arrived at with the dollar figure for lend-lease aid.

6. LEND-LEASE AID FROM MEMBERS OF THE BRITISH EMPIRE TO THE UNITED KINGDOM

We have very little information with regard to the aid furnished by the various subdivisions of the British Empire to the United Kingdom. Canada has appropriated \$2,000,000,000 for the financing of supplies to her allies. The first appropriation of \$1,000,000,000 was entirely for the benefit of the United Kingdom. The second appropriation, made in May, 1943, is primarily for the supply of the United Kingdom, but Russia, Australia, China, and other countries will receive a portion of the aid provided. In certain other respects, the various Dominions contribute their resources to the financing of projects which are a common concern of the Empire. An example of this is the Empire air training scheme which is financed by contributions from all of the dominions, as well as the United Kingdom. In addition, Canada, South Africa, Australia, and New Zealand are meeting the expenses of their troops which are engaged in the European, north African, and other theaters of the war, far removed from their national territories.

7. RAW MATERIAL IMPORTS

A list, prepared by the Office of Economic Warfare, indicating the volume of public purchases and private commercial imports from lend-lease countries during the year 1942 is enclosed. With respect to the British Empire, the over-all financial condition of the Empire has thus far required that these purchases be for cash. Our purchases of bauxite from British Guiana, for example, have been cash transactions for this reason. However, in view of changed circumstances, we are now negotiating with the British with a view to obtaining under reverse lend-lease those raw materials which are procured by agencies of the United States Government.

8. FOREIGN INSTALLATIONS

In collaboration with the War and Navy Departments, we are undertaking a study of the amount that we have spent on foreign soil in the development of air bases, supply depots, and other installations. This information is extremely difficult to obtain, however, as the reports received by the War Department from commanding officers abroad are slow in reaching Washington, and, in order to reduce the burden of paper work on such commanding officers, reports have been reduced to the absolute minimum.

9. LATEST FIGURES ON LEND-LEASE AID

We are in process of compiling the latest available figures on lend-lease aid furnished to all our allies. These will be included in the forthcoming report to Congress, which is to be presented on August 25.

I trust that the foregoing will give you the information that you desire. If it does not, or if I may be of assistance in any further respect, please do not hesitate to call upon me again.

With best wishes,

Sincerely yours,

E. R. STETTINIUS, JR.

Public purchases and general imports for 1942 from lend-lease countries

(Millions of dollars)

	Public purchases	General imports
American Republics and Canada:		
Bolivia.....	35.9	126.0
Brazil.....	90.7	165.2
Canada.....	50.8	716.0
Chile.....	134.3	138.6
Colombia.....	36.7	78.8
Costa Rica.....	2.0	6.0
Cuba.....	205.2	163.8
Dominican Republic.....	28.1	8.4
Ecuador.....	3.6	8.8
El Salvador.....	5.7	11.9
Guatemala.....	3.7	15.5
Haiti.....	3.8	6.1
Honduras.....	.3	5.3
Mexico.....	53.5	124.2
Nicaragua.....	3.1	4.6
Panama.....	.2	4.3
Peru.....	15.1	20.6
Uruguay.....	11.1	20.4
Venezuela.....	4.1	20.1
British Empire, excluding Canada:		
Australia.....	111.6	196.4
Bahamas.....	.1	.7
British East Africa.....	9.7	13.5
British West Africa.....	1.7	-----
British West Africa.....	1.7	-----
Gold Coast, Gambia and Sierra Leone.....	9.5	4.7
Nigeria.....	1.5	4.3
British South Africa.....	4.6	96.4
Union of South Africa.....	4.6	96.4
Southern Rhodesia.....	.5	6.5
British Honduras.....	.5	1.9
British Oceania.....	2.9	3.6
Ceylon.....	31.1	27.5
Cyprus.....	.1	.3
Egypt.....	1.7	18.1
India.....	38.2	105.0
Jamaica.....	.1	3.1
Newfoundland.....	2.3	12.5
New Zealand.....	1.6	22.9
New Hebrides.....	.4	(¹)
Trinidad.....	(²)	2.4
United Kingdom.....	1	133.4
Total, British Empire, excluding Canada.....	218.6	653.2
French Republic:		
French Cameroons.....	-----	10.7
French Equatorial Africa.....	.4	.3
French Oceania.....	.3	5.8
Guiana.....	11.4	12.1
Madagascar.....	1.0	3.1
Tahiti.....	.6	(³)
Netherlands:		
Netherland East Indies.....	9.2	88.7
Netherland West Indies (Curaçao).....	-----	22.7
Surinam.....	.1	4.9
Europe: Russia.....	2.4	25.2
Asia:		
Arabia.....	0.3	10.9
China.....	10.5	15.2
Iran.....	-----	7.6
Iraq.....	-----	5.3
Turkey.....	3.7	17.5
Africa:		
Belgian Congo.....	20.1	40.2
Liberia.....	4.5	5.6

¹ Includes antimony valued at \$1,031,000 and tungsten valued at \$775,000 credited to Chile but believed to have originated in Bolivia.

² Excludes antimony as per note (¹).

³ Includes purchases of approximately \$180,000,000 sugar and molasses which were stock piled in Cuba.

⁴ Republic of Panama and Canal Zone.

⁵ Jamaica (West Indies).

⁶ Newfoundland and Labrador.

⁷ Included in United Kingdom.

⁸ Less than \$50,000.

⁹ Trinidad and Tobago.

¹⁰ General Import figure listed as "Cameroon".

¹¹ Public Purchases not broken up.

¹² Shown as French Guiana.

¹³ Included under French Oceania.

¹⁴ Arabian Peninsula States.

Mr. BUTLER. Mr. President, I do not rise to join in the debate with reference to whether we shall or whether we shall not continue with the lend-lease program. To me that question has been settled by a vote of the Senate. I do not think, however, that because we consider that question definitely settled it is out of order for the Senator from

Louisiana [Mr. ELLENDER] to request, as he has done in the course of his remarks, an investigation by the members of the Appropriations Committee of the operations and the administration of the lend-lease program.

In this connection I should like to remind the Senator from Louisiana and other Senators, and especially the members of the Committee on Appropriations, that I submitted a resolution on January 7, last, immediately following the big party which was put on at one of the downtown hotels by the man who really runs the lend-lease program. He does not admit it publicly, but he is Chairman of the Munitions Assignment Board, and in that position dominates the situation to a greater extent than does the Lend-Lease Administrator. I have received many letters from the Administrator of Lend-Lease following the submission of the resolution by me on January 7, but they contain no information whatsoever on the subject. The resolution is very brief, and I wish to read it into the RECORD in order to remind Members of what it contains:

Resolved, That a subcommittee of the Committee on Appropriations, to consist of not more than five nor less than three members, who shall be appointed by the chairman of such committee, is authorized and directed to make a full and complete investigation of the administration and operation of an act to promote the defense of the United States, approved March 11, 1941 (commonly referred to as the Lease-Lend Act). The subcommittee shall report its findings and recommendations to the Committee on Appropriations at the earliest possible date.

For the purposes of this resolution, the subcommittee is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-eighth Congress, to employ such clerical and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per 100 words. The expenses of the subcommittee, which shall not exceed \$10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

Mr. President, I was led to believe by several members of the Committee on Appropriations that an honest investigation would follow the submission of the resolution. For some unaccountable reason nothing has been done so far as I know. I should like to ask the chairman, or the acting chairman of that very important committee, if he happens to be in the Chamber, or any other Member who wants to speak for him, why no investigation has been conducted along the lines proposed by the resolution.

I should like to call the resolution to the attention of Senators, especially of the five who have recently returned from a visit to the war theaters and who submitted their reports the other day. Three of the five are members of the Committee on Appropriations. There are 16 Senators, all distinguished Mem-

bers of this body, on the majority side. The Senator from Georgia [Mr. RUSSELL] and the Senator from New York [Mr. MEAD] are members of that group. On the minority side there are nine Members, including the Senator from Massachusetts [Mr. LODGE], one of the five who made the trip around the world. I had hoped for an investigation of this fund a long time ago. I am anxious, as is every other Member of the Senate, that we do everything we possibly can, that we can afford to do, to win this war and help to the extreme limit each and every one of our allies; but I cannot forget that it was the strength of the United States that won the decision in the First World War. I think I am safe in saying that it is going to be the strength of America which will win in this war.

None of us knows whether we are going to engage in another war, but I do not think human nature is going to change overnight or over any short period of time. The possibility at least is that ultimately we will have another war. If it should come at a time when we as a Nation have been bled white and do not have the strength at the moment to do the big brother act and come to the assistance of nations wantonly attacked, then what plight would we be in? I think we owe it to ourselves, to our neighbors, especially those in the Western Hemisphere, to maintain our country in a strong position. It cannot be done if we spend our substance entirely and become one of the weaker nations of the globe. That is the reason I submitted the resolution in all sincerity, and I now hope that the Committee on Appropriations will find it possible to proceed with the investigation.

Mr. President, in connection with my remarks, I should like to have inserted in the RECORD at this point an article entitled "Lend-Lease for War Only?" I prepared that article, and it was published in the May issue of *Nation's Business*. There are some very pertinent questions brought up in the article. I again express the hope that the Committee on Appropriations will see fit to proceed with the investigation which has been requested by the Senator from Louisiana.

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

"LEND-LEASE" FOR WAR ONLY?—A FINANCE COMMITTEE MEMBER DISCUSSES THE PUBLIC INTEREST IN A \$63,000,000,000 PROGRAM

(By Senator HUGH BUTLER, of Nebraska)

The recent action of Congress in extending lend-lease for another year presages the continuation of what is already a multi-billion dollar foreign aid program and involves perhaps the transfer of still more billions to foreign governments for the ensuing year.

This much the American public knows. It knows, too, that lend-lease originally was intended to help those nations which have since become our allies to fight a war. The public knows further that it next became an implement to speed up the United Nations' war effort. We approved it whole-heartedly if it meant the saving of a single American life, if it meant that the war could be won more swiftly.

What the public does not know—but perhaps suspects—is that this lending program is actually an outright donation program—the most colossal dole of all times. Few people know either that the \$18,000,000,000 appropriated directly to the President for lend-lease is only about one-third of the total involved in the program.

If the American people are to have their promised part in post-war planning, if they are to have confidence in their Government, if they are not to be disillusioned as they were after the last war by what they termed the trickery of their former allies, it is necessary that they should know all commitments and policies, past and future, of their Government which do not involve military expediency. One place where facts should be made plain is lend-lease.

The total sum involved and the ultimate purpose in the lend-lease program have been matters of conjecture for some time. Actually, the amount involved is approximately \$63,000,000,000, which, as time goes on, may be considerably increased. This \$63,000,000,000 is made up of:

Three appropriations, \$18,410,000,000, made to the President for lend-lease, and \$45,016,650,000 of authorized lend-lease transfers of goods and services procured from Army appropriations, Navy appropriations, and other departments.

Nor is this all. Authorized expenditures for foreign construction for plants and equipment production total \$2,000,000,000. The plants built and owned by the United States Government and the equipment for plant construction and production in foreign nations, together with that portion of domestic manufacture to be transferred to lend-lease, although the Defense Plants Corporation finances the operations, adds an estimated \$4,000,000,000 more.

About \$5,000,000,000 more might be added by including the amount contracted by B. E. W., R. F. C., and R. F. C. subsidiaries for purchases abroad. These bring the total to \$74,000,000,000.

Even beyond this figure, defying estimation, is the amount of funds which may be transferred for lend-lease purposes from the Naval Appropriations Act of 1942 and subsequent similar appropriations acts and the amount which the new Russian protocols may call for.

It is significant that Assistant Secretary of State Acheson stated recently that Russian aid has been stepped up enormously and that Secretary Wickard concurred in this opinion.

A second point of confusion is the reciprocal feature of the program. The public wants to know what is to be returned to the United States under lend-lease agreements. Members of the House Committee on Foreign Affairs, themselves in the dark, have asked many questions about the value of "reverse lend-lease."

As far as can be ascertained, slightly more than \$1,000,000,000 has been returned in goods or services.

Early in the present war, many patriotic Americans hesitated to become allies of debt defaulters. The distrust and disillusionment which might ensue if the American people are fooled into believing that lend-lease billions will be repaid after the war might well influence the conclusion of a successful peace.

It will not do for Mr. Stettinius to declare that even a reasonable estimate in dollar terms or in ship tons of the value of lend-lease in reverse is impossible. The American public will demand to know.

The distrust of the American people will not be lessened when they become aware of certain disconcerting practices of the Lend-Lease Administration in its dealings with nations obtaining strategic supplies under this arrangement. In many instances these

recipient nations produce metals, strategic supplies, and other commodities which we need. The natural arrangement would seem to be reciprocal trade arrangements but, instead of this, these nations receive lend-lease aid free while the United States buys needed materials from them for cash.

The American public will also want to know if the 14 other claimant agencies which have a call on the Requirements Committee do not to some extent duplicate the specific activities of the Lend-Lease Administration. They will want to know if the broad general principles of the Lend-Lease Administration are not also duplicated by the Foreign Relief and Rehabilitation Board, the Office of the Coordinator of Inter-American Affairs, the B. E. W., the O. S. S., the Red Cross, the W. P. B., and others.

The public will want to know if it is true that nonessential materials are being shipped abroad at the expense of home consumption; if products shipped to Britain under lend-lease eventually find their way to South American markets to compete with our own products; if large quantities of lend-lease are lost or stolen and never traced; if food spoilage, transshipments, and reshipments exceed all reasonable limits; if lend-lease aid has been used to serve politics rather than war aims.

WORLD-WIDE W. P. A.?

Once these questions are answered, our people will have more confidence in the lend-lease program.

Beyond the winning of the war objective of lend-lease, the public might well ask, "Where are we headed for in post-war international relations?" Article VII of each lend-lease agreement provides that the terms of the final settlement shall be such as to promote the economic objectives of the Atlantic Charter. It pledges each of the signatories to work with all other countries of like mind for "the expansion, by appropriate international and domestic measures of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples." Lend-lease officials even now encourage hegemonic use of vast sums of money. The latest expression of this trend is the signing of the 15 secret Latin-American agreements.

LEND-LEASE FOR WAR ONLY?

Such a trend, both in the European and in the South American theaters, has raised the question whether lend-lease is not the opening hand-out of what will finally become a world-wide W. P. A. The door is open to just that, because the Lend-Lease Act provides that "the terms and conditions under which any foreign government receives aid shall be those which the President deems satisfactory, and the benefits to the United States may be repayment or repayment in kind or property, or any other direct or indirect benefit which the President deems satisfactory."

In this connection it will be remembered that Harry Hopkins, now in a position to influence and control lend-lease to a greater extent than anyone except the President, was formerly Administrator for W. P. A.

Although, when the House Foreign Affairs Committee requested him to appear and testify on lend-lease, Mr. Hopkins replied that he had nothing to do with that agency's administration, he is Chairman of the Munitions Assignment Board, which must authorize all lend-lease requests for transfer of materials. Furthermore, final determination of lend-lease benefits rests with the President and Mr. Hopkins is special adviser to the President.

In reviewing the broad philosophy underlying lend-lease, one continually bears in mind the fact that lend-lease was sold to the American public on the basis which the name implies: Lend or lease. Secretary of

War Stimson, testifying before the House Foreign Affairs Committee, emphasized that lend-lease was set up as a Government instrument to overcome the difficulties of the dollar exchange problem between ourselves and other nations which needed American equipment and food. Mr. Stettinius, Lend-Lease Administrator, in his report on the lend-lease operations up to December 31, 1942, said: "It was in our interest that the flow of weapons and other supplies furnished to promote the defense of the United States should not be interrupted by a lack of dollar exchange."

WHY NOT LEND MONEY?

On this basis, the American public has subscribed to War bond drives. They believe they have lent this money, leased this material—not given it. They believe this because they have not concerned themselves sufficiently with the intricacies of the problem to ask, "Why did we not lend the money in the form of dollar exchange if that is necessary?"

The only logical answer to this question is that the original intent of lend-lease was not to lend but to give.

The President himself indicated that position when he told a press conference on December 17, 1940: "What I am trying to do is to eliminate the dollar sign * * * get rid of the silly, foolish old dollar sign."

There is a tremendous conflict between the sound policy of helping foreign nations and receiving materials from foreign nations on a commercial trade, export-import paid-for purchase basis, and the Lend-Lease Administration policy of giving away aid. If continued indiscriminately that policy would ruin private trade, an effect already foreshadowed by the squeezing out of business of numerous exporting and importing firms all over the world.

NO REASON TO BUY

It may be contended that an amendment is entirely feasible to prohibit the Lend-Lease Administration from giving away materials in all cases where the Government has information that a foreign nation can buy.

Of course, a more nearly ideal situation would be for Federal agencies to work primarily through private concerns of this country and foreign nations. Since the Lend-Lease Administration works primarily through Government, it frequently authorizes exportation of material on what is tantamount to a gift basis when the transaction might well have been carried out through commercial trade. Obviously, if foreign nations can get something for nothing they see no reason to buy it.

In doing these things Lend-Lease has obviously taken long steps away from its original purpose as an emergency system for supplying war materials to those countries in a common war effort.

It has moved swiftly toward becoming an extensive, socialistic system of mutual aid, relying in the main on a principle of irrevocable subsidy from the United States Treasury. This is an absurd, costly, dangerous trend embracing the concept that the United States will subsidize foreign nations indefinitely and finance their socialization forever at W. P. A., poor relief, state socialism levels. Mathematically, the American purse is not big enough for this task.

In summary it should be said that close watch should be kept on the effect of an overgrowth of lend-lease activities in transferring supplies.

The General Accounting Office should be encouraged to exercise the same—or more strict—control over the expenditures of the Lend-Lease Administration that it exercises over the finances of other Government agencies, particularly in regard to reciprocal lend-lease accounts. With this in mind, the latter

agency should be restricted to use only such funds as will aid primarily in the war effort. Similarly, any unwise hegemonic use of vast stores of supplies should be meticulously avoided.

By no means should it be allowed to implement state socialistic economic theories of a vast international scope.

At all events, a full accounting of lend-lease activities in all their ramifications should be made. Without it, a just final determination of its benefits may be impossible. That final determination should rest with Congress.

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

Mr. BUTLER. I yield.

Mr. TAFT. The Senator made a trip during the summer visiting some 20 or more South American republics. He has been somewhat more reticent about his experience than have other senatorial travelers. I wonder whether he can tell us if lend-lease operates in all those 20 South American republics?

Mr. BUTLER. I will say in answer to the Senator that I expect to make a report in more or less detail to the Senate. I shall make a report in writing to the Truman committee. It will not be a short report. The United States Government has a program involving a total amount of \$6,000,000,000 over a 3-year period, 2 years of which are past. I did not find in any country I visited the thought that we as a nation were able to continue doing what we were doing at the moment. I did not find a single nation that expected us to continue the dole program we have been following to date.

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

Mr. BUTLER. I yield.

Mr. TAFT. Did I understand the Senator from Nebraska to say that we have a \$6,000,000,000 lend-lease program in South America?

Mr. BUTLER. It does not all include lend-lease. The Senator might be interested to know that the total appropriations for lend-lease up to date are but \$18,410,000,000, but the lend-lease program, in its various forms, including the \$45,000,000,000 provided for the Army and the Navy which can be used for such purposes, makes a grand total somewhere between \$65,000,000,000 to \$75,000,000,000, which is involved in what might be called the lend-lease program. Our \$6,000,000,000 program for South America is included in that figure.

Mr. NYE. Mr. President, will the Senator yield so that I may make a statement in response to a question on his part?

Mr. BUTLER. I yield.

Mr. NYE. I had hoped that the acting chairman of the Appropriations Committee might be present directly to give assurance to the Senator as to what is in progress respecting a study of the lend-lease commitments. I am sure I am betraying no confidence when I reveal for the information of the Senator from Nebraska and the Senate itself that the acting chairman of the committee has called a meeting of the whole committee for tomorrow morning, and I can assure

the Senator that the subject of lend-lease will be very much under consideration at that time.

Mr. BUTLER. I thank the Senator.

FEDERAL AID TO PUBLIC EDUCATION

The Senate resumed consideration of the bill (S. 637) to authorize the appropriation of funds to assist the States and Territories in more adequately financing their systems of public education during emergency, and in reducing the inequalities of educational opportunities through public elementary and secondary schools.

Mr. THOMAS of Utah. Mr. President, I can see that because of the lateness of the hour we cannot begin consideration of Senate bill 637 at this time. I desire to give notice, however, that the first thing on Thursday I shall try to obtain the floor and hope the Senate may proceed with consideration of the bill.

Mr. McNARY. Mr. President, I am very glad to note the attitude of the very distinguished Senator from Utah. I should like to suggest that when the Senate concludes its work today it take a recess until Thursday so that we may proceed immediately to the consideration of the bill.

Mr. THOMAS of Utah. Yes. I think that is in keeping with the understanding, if it is agreeable to our acting leader.

OPERATIONS OF LEND-LEASE ACT

Mr. HATCH. Mr. President, it is my understanding that when the Senate concludes its business this afternoon it will take a recess until noon on Thursday next.

Mr. President, I desire to speak for a few moments in connection with the discussion which has occurred this afternoon and also in connection with other discussions which have been had on the floor of the Senate and elsewhere throughout the country in recent days and weeks. I hold no brief for any country which is attempting to secure any material advantage from our lend-lease generosity. Perhaps some countries are doing so; I do not know. Perhaps everything the Senator from Louisiana [Mr. ELLENDER] has said this afternoon is absolutely correct. I do not know. However, Mr. President, if the Senator from Louisiana had a story to tell of investigation of lend-lease activities, if he desired to have such matters investigated by the Truman committee, as he said he did, I wish he had come before the Truman committee and had requested such an investigation, and had laid his facts before the committee rather than to take the floor of the Senate and proclaim to the country and to the world suspicion and distrust of nations whose men are fighting and dying for our country.

The Senator can count the cost in dollars and cents if he desires to do so, but I am thinking of the cost some of our allies have paid in the blood of their sons—yes, more than that. The Senator has talked about Great Britain, and others have talked about Great Britain. Perhaps Great Britain does have imperialistic desires; I do not know. She has had them in the past. But I do know that for months and months Great Britain stood alone and battled hordes

of the Nazi tribes which would have destroyed our Government had it not been for Great Britain in that hour of peril. Let the Senator put that on his balance sheet. How much credit does he give for that? How much does he value his country and his form of government? Let us give Great Britain some credit for that.

The Senator talked about lease-lend to Russia. Mr. President, who can count what contribution Russia has made—communistic state though she may be to free governments throughout the world? Her country was invaded by millions of the finest troops the world had ever seen, we were told; troops that could not be defeated, it was said, and yet Russia threw against the enemy of free government vast numbers of her men, and not only her men but her women as well. Her land was invaded and impoverished. Her homes were destroyed. Her men were killed. Their wives and daughters were ravished—millions of them, Mr. President. How much does the Senator value that in his balance sheet for lend-lease operations? Will the Senator give some credit for that, in computing the dollars and cents we have paid out? I do not know what the Senator thinks the value of that may be, but I know our country has been repaid in the lives of American boys who would have died if it had not been for the contribution made by Russia and by Great Britain, if you please.

Mr. President, I have sat in my seat on the floor of the Senate and have heard criticism thrown at our allies, and I have been reminded that Hitler had but one theme. Anyone who has read his writings knows he counted on success because he did not believe the freedom-loving nations of the world could ever unite. His philosophy was "divide and conquer." And he did. He kept the nations of the world divided until he plucked them off, one by one, and until it looked, for a time, as though democracy and every free government, including our own, would be destroyed by the marching goose-stepping troops of Adolf Hitler—and not alone, when Japan started her march and made her dastardly attack on us.

Today we criticize Russia because she has not declared war on Japan. I should like to see the situation so that Russia could do so, but I understand why she has not. I think Russia is wise and militarily correct; and I am confident that when the tide of war changes in Europe, and when Hitler is destroyed—as he will be if we continue united—Russia will be found fighting Japan on the side of the Allies. Yes, "divide and conquer" the nations of the world" was the philosophy of Adolf Hitler, and he counted on division within the democratic countries, because he said even in our own country we could not unite. He talked about the cackling geese in parliamentary bodies, and said we would talk and divide, and never be able to unite. But we did unite; and united we are fighting this war. But the war is not yet won, and we must remain united—not only united with our allies, but we must be united at home.

"Divide and conquer," said Hitler. Yes, Mr. President, he is right. If we divide as nations, if we divide at home, it will mean for us—for free government it will simply mean divide and die. We can remain united, and we can win. Hitler has but the one weapon left, the one secret weapon, and that is this: If through propaganda agencies he could create distrust, discord, and disunity among the Allied forces, he might yet win, and Japan might yet win.

Please God, Mr. President, the sentiments which have been expressed in the Senate and in other places, showing suspicion and distrust and disunity, are not the sentiments which prevail in this country.

Americans think more of the lives of their sons than they do of their dollars; and whatever the cost may be in dollars and cents, this country is going to pay that cost. We are going to pay it gladly, knowing that the more we pay in money—and that may be selfish—the less we shall pay in the lives of our sons. We are not going to let criticism and distrust divide us at home, or divide us from our allies. The American people are resolved that they will remain united, and that we will win.

INTERNATIONAL SECURITY

Mr. RADCLIFFE. Mr. President, on September 23 last, I gave a talk entitled "Some Comments on Security" in Chicago before the very active and useful Mortgage Bankers Association of America.

I stated that security looms bigger today in the minds of people than ever before. Never has security been sought more eagerly or more assiduously.

Much speculation has there been as to the imagined status of the individual in the early state of human development. Some visionaries have idealized the situation as being one wherein each man did really what he wanted. But the so-called primitive man was not wholly free. He was unavoidably a victim of grave insecurity because of danger from hunger, cold, wild beasts, and enemies. To obtain some protection from these dangers, it was necessary for him to team up with other men and consequently to sacrifice liberty of action in some matters for the sake of adding to his state of general security. As his exercise of retained rights became increasingly complex, he surrendered more and more of his individual independence for restrictions imposed by society.

Today international security is uppermost in our thoughts. History stresses how insecurity has followed again and again attempts made to impress dominion over other peoples. Long ago we accepted the premise that the day of conquest of one powerful nation by another had passed forever. Even the First World War did not destroy that belief.

A few years ago the sinister worldwide schemes of the Axis Powers to dominate the earth shattered our sense of security. For the first time in history, with likelihood of success, an attempt was made by several nations, joined together in a bloody conspiracy, to impose

their cruel and despotic will upon the entire world.

I shall not discuss how such sinister machinations arose and developed, nor the unprecedented efforts which have been made to withstand and to defeat such a gigantic and felonious assault upon the security of the world. We know that there can be no real status of security in this world until the gangster plots of the Axis have been frustrated and entirely crushed. That defeat must, if a feeling of security is to return and remain, so discredit and dishonor plottings and conspiracies to acquire world domination that never again will such a hideous concept rear its head to threaten and to torture the world.

Peace is not in sight but the might of the United Nations grows steadily and certainly none of the peoples of the Axis Powers can really believe today that their defeat can be avoided.

The contrast between the sling and stone with which David slew Goliath and the vast mechanics of present-day warfare suggests a sad commentary upon human progress. It demonstrates that although since the days of David and Goliath the world has devised many new methods of killing people in war, it has made no satisfactory progress in safeguarding peace. Nor has it found a way of preventing the lawless and blood-thirsty international gangster from attacking, despoiling, and frequently subduing other peoples.

Numerous attempts throughout the ages have been made to set up and retain some instrumentality to secure peace. The empires of Alexander the Great and of Napoleon, Pax Romana, various religious organizations, Balance of Power, the League of Nations, represent some of these expedients. These have for a little while seemed successful, but no one has endured. Each has lived its day and died.

In the strain and agony of the world today is the ever present purpose that this time we will not fail to create a system of international relations adequate seemingly to prevent another world war. The task of setting up and carrying out such a plan for the entire world is beset with countless obstacles. No inflated concept of isolationism or of swaggering self-sufficiency must blind us to the fact that this time we must do the job and do it right.

Modern warfare has changed requirements as to security. A fence or wall around a man's property once afforded real protection. Barriers around national boundaries did likewise. The airplane has, of course, upset any such state of immunity or complacency. Naturally post-war planning will be greatly concerned with new and greater uses of the air during both war and peace. Our founding forefathers in all their wisdom never foresaw that rights in the clouds would have to be adjusted.

Before we entered the war we made a wise and far-reaching move in acquiring 12 bases from Great Britain under 99-year leases for air bases and for naval purposes. None of our ancestors could have known that to protect our shores it

would be necessary to go hundreds of miles into the ocean to acquire such bases. Lessons learned from this war will undoubtedly show that even more far-reaching arrangements as to far off bases are necessary. Three thousand miles of ocean still afford some protection but who would ever have thought that we could be attacked from the air by the North Pole route? When Seward bought Alaska, derisively dubbed "Seward's ice box", who would have believed that Alaska occupied a vitally strategic position in our program for security? One prominent authority insisted that whoever owned Alaska could dominate the world. Until recently we fought only on the land and on the surface of the water. Now search for security requires us to be ready to fight also in the air and beneath the face of the waters.

Greenland and Iceland also hold strategic positions from the standpoint of our security. The same is true of the western coast of Africa and of various islands in the Pacific and Atlantic Oceans. We want no new possessions to rule but we must see to it that the possibilities of danger to us from the air are met by our having suitable bases in different parts of the world, whether such bases are in possession of the United States exclusively, or jointly with other nation or nations, or whether we merely share the use of such bases.

Says Mark Twain in effect, "Everyone is talking about the weather but no one is doing anything about it." Now everyone is talking about post-war security. Quite a number of us are doing something about it—but not nearly enough.

The growing realization that we can win the war emphasizes our need for constructive planning for international security from war, famine, and anarchy. The demand that the Allied Nations get together now to decide obvious post-war problems ever grows more insistent. The point is made that if the Allies had done so during the First World War many later mistakes, complications, and tragedies could have been avoided. While the War between the States was in progress, a predetermination of the post-war status and arrangements as to seceding southern States would have saved us from many of the agonies of reconstruction.

Since we do not know when the war will be won, we cannot foresee clearly the conditions which will face us then, or what specific measures for protection each Allied Nation will urge for its own safety. We do not even know just who will sit at the peace table. There must be no head of that table. It must be a Round Table, like King Arthur's, with several nations, such as Great Britain, Russia, China, and the United States having dominating voices. Other nations should also have weight there, for instance, Brazil, Mexico, and the other American nations. The nations now under the brutal heel of the would-be conqueror will want to be heard, and deservedly so.

Some people believe that the United States attempted too much after the First World War in trying to participate

in the settling of boundaries in Europe instead of being content with joining in the enunciation of general principles and with helping to set up international machinery designed to decide specific questions growing out of clashing of interests of different nationalities. In the end we really agreed to nothing constructive or worth while to safeguard peace. A wave of isolationism swept over our country. We attempted to wash our hands of the whole business of international post-war problems, refusing even to participate in the Versailles Treaty or to become a member of the League of Nations.

Some tried to justify our action by pointing out that the United States and other republics of the Americas settled international disputes in the two American continents without the participation of countries of Europe and Asia. The analogy, however, is not clear. European nations have demonstrated unfortunately time and time again throughout the last 2,000 years that they have not been able to agree upon any method which would insure peace in Europe. Wars in Europe have almost invariably spread into other countries of the world. The hope is a fatuous one that after this war is over the European nations could settle their differences without any participation whatever of non-European countries. Then, the problems of Europe are so often intertwined with those of Asia, Africa, or even of the Americas.

The analogy to our own War between the States is not a pertinent one. If Lincoln had lived, he could have done much to prevent the horrors of reconstruction. Possibly he could have been more successful in dealing with Thaddeus Stevens than was Woodrow Wilson in his efforts to cope with the opposition in the United States Senate to plans for post-war international readjustments.

It may be that we can pass up offers of honors by grand gestures of renunciation, but we cannot dispose of our responsibilities in any such manner. Countless and, at times, constructive suggestions are made as to what should be the character of post-war organizations designed to guard peace among nations. I do not think, however, we should at this time commit ourselves to concrete plans for international readjustments, although we should try to reach in our minds conclusions, sometimes in alternatives, as to what we favor. As to controversies among nations, we should now pledge ourselves to adopt plans apparently adequate for consideration, decision, and enforcement under certain conditions.

The discussions which are now going on are helpful, although some of them have aroused disturbing comment, if not dissension, threatening to imperil that close cooperation which is so essential among the Allied Nations. Desirable though it is that the Allied Nations now discuss among themselves post-war problems and settle some of them now if feasible, it is vastly more important that nothing delays or balks our present war progress. It is significant that usually the most insistent advocates of post-war

planning fall back now quite wisely upon generalizations, but such generalizations can be very helpful.

How can a feeling of real security be brought back into the world by the elimination of the militaristic elements in Germany and Japan? Undoubtedly not one but various methods will have to be tried. Those who worship the use of aggressive force assume that such force if employed by themselves will prevail. No one is likely to start a fight if he expects to be licked. The impending failure of the militaristic attempts of Japan and Germany should do something to discourage their adoration of the use of force.

Security demands that Japan and Germany must be disarmed and their facilities for making war eliminated or restricted very closely. Doing so will require supervision and regulations which will become more and more irksome and difficult with the passing years. Educational methods would help even though the militaristic delusions of Japan and Germany might still be nurtured in secret, plotting for an opportunity to renew fiendish efforts to enslave the world. Somehow out of the welter of war the lesson may be taught conclusively that no nation or group of nations can bring the world into subjection.

There is also a psychological factor to be considered. It is doubtful whether any treaty of peace, if its terms are formulated while war continues, would be similar to the terms of a treaty prepared in times of peace. Would the difference be an improvement or otherwise? A warring nation while fighting for its very existence is likely to insist upon terms so stringent that their execution might jeopardize the welfare not only of nations named, but even of the entire world. This is especially true as to territorial boundaries, war indemnities, and commercial and trade transactions.

Some urge a long-termed armistice before final terms of peace are made. This would give an opportunity for the cooling-off period and the gaining of experience. But such an interim would likely be a fruitful source of friction, jealousies, and secret alignments. I fear such delaying arrangements would be over-hazardous.

There are marked differences of opinion as to whether an alliance after the war between Great Britain, Russia, China, and the United States would be beneficial. Whether or not any such alliance exists, the victorious nations must retain a long close-working association with each other to consider problems apparent at the end of the war and others then unforeseen. Such a status should help rather than interfere with the activities of a new League of Nations or of any international courts or police system established. A long while would necessarily elapse before any new international organizations, whatever they be, might be created and become sufficiently operative. The idea that if we form closely working arrangements with our allies by treaty or otherwise, we may find ourselves seriously out-traded and actually despoiled by them of our rights, suggests

an inferiority complex on our part to which I do not subscribe. Nor am I willing to impute such unworthy motives to our allies. Much more progress than is apparent has already been made in disposing of potential difficulties at the peace table. Russia, Great Britain, China, and the United States are working each day in closer accord. A conference of Churchill, Stalin, Chiang Kai-Shek, and Roosevelt would be as dramatic and as momentous a meeting as history has ever known.

Never in the history of the world has it been necessary for so many people to make so many and so important readjustments—social, economic, political, and possibly religious—as will be entailed by the coming of peace. Knowing that a chain is no stronger than its weakest link, we cannot hope for a well-rounded, successful economic and social structure, both national and international, after the war is over, unless we plan wisely for changes in countless forms of human activity. A weak link might jeopardize the whole connection.

Should there be a revival in some form of a League of Nations with real power? When we are asked to adopt some such plan for international cooperation and security we will be reminded of the theory that there is no such status as a divided sovereignty, and that, therefore, any agreement which restricts even to the slightest extent, our national freedom of action infringes upon our sovereignty and necessarily destroys it. Is it possible for us to be a party to international agreements, courts, and possibly a policing system to safeguard peace, without sacrifice of our sovereignty? What is our alternative? Suppose some plans requiring some minor curtailment of our national freedom of action really rids us of the menace of war—and we might lose a war! Would it not be better for us to make some such small concession, if thereby we might safeguard international peace and security? We can do so without impairing any essential principles of sovereignty.

I was in favor of the League of Nations and was treasurer of the Maryland branch of the League to Enforce Peace. I voted later for the World Court. I would again support such a league or a world court even if either were given somewhat broader powers than the original plans provided.

Another major matter to be decided has to do with international financing. Should we have international banks or some form of international guaranty of solvency of individual nations? Already there are the so-called British and American plans, among others. The difficulties in successful operation of any of these seems to be almost insuperable, but the lack of any such attempts might invite disaster.

Security demands that international trade and transportation receive urgent attention. Quite likely the first worldwide attempt in history to plan along such lines will be made after this war. The very thought of it is staggering. Naturally the United States will play a

leading role, and we can do so without permitting ourselves to be imposed upon throughout the continuing friction which international competition is likely to engender.

Gold according to long accepted standards personified financial security, national and international. Recently, however, we have seen nations with little or no gold function vigorously in peace or war. We own most of the gold in the world. Gold will, of course, continue to be very useful, but no longer will it rule autocratically international commerce and finance. We will need gold for post-war security, but its days of omnipotency are doubtless over. How are we going to readjust ourselves to such a change? The problem will be one of continuing difficulty of solution.

Fortunately in these days we hear much of the "four freedoms." We, in discussing this subject, instinctively have in mind our own country, but there is an international aspect to be considered. Of course, I do not suggest that we in the United States should attempt the preposterous steps of guaranteeing the exercise of the "four freedoms" in the other countries of the world. That responsibility rests with the people of each nation in the administration of its own affairs. We can, at least, cherish and emphasize the hope that sometimes our application of the "four freedoms" will have persuasive force in other parts of the world. We should not be so ultra-nationalistic that we are willing to sacrifice such an opportunity to promote international security.

We have been trying to shift every industry and almost every human activity to a war basis. When, after the war is over, we will have made changes in a few matters, we must not assume that these will more or less automatically carry along with them other changes, really essential for the success of our post-war regime. There can be no suitable application of true relative values, or of a sound sense of proportion, if one of such economic factors is so slighted or so aggrandized that we have a lopsided result. We will need an economic rehabilitation in this country which will affect closely every form of industry and every individual.

Social-security legislation is not basically so new to us as many people think. For countless ages the poor and needy have received some assistance out of the public till. We have had almshouses giving crumbs of security to a few of the poor and helpless. Public relief and work measures have been put into practice. Now we have far-reaching social legislation whose general plans and practices are not likely ever to contract materially and may be increased.

The statement that people are best governed when least governed is a wise saw to keep in mind, but complexities of modern life have called for activities with which our ancestors did not have to reckon. For many years government has been probing deeper and deeper into private affairs of individuals and companies and regulating them, sometimes too much. The most far-reaching and

radical step in that direction was the adoption in the past generation of the policy of Federal income taxation. The tide toward increasing authority in Federal Government by regulations has been running strongly. Yesterday's depression and today's policy of going from all-peace to all-war have called for gigantic extensions in the exercise of governmental authority.

Of course, some day the pendulum should and will swing back. When it does, let us hope that the prevailing viewpoint will not be that whatever exists must necessarily be changed, or that all we need to do is to return to some much-praised but rather mythical "good old times." We must realize that such old times with their numerous advantages and blessings were not even in their heyday regarded as entirely adequate. Economic conditions are always quite naturally in the state of flux and flow. Let us be vigilant lest we rush into hasty and ill-advised extensions of certain existing governmental activities or lest we make ruthless sacrifice of certain existing governmental policies which should in some form be preserved. We should see to it that the tide runs more strongly in the direction of local government or so called States' rights, and also that evils of bureaucracy, whether federal, state, county, or municipal, are lessened materially.

There is much hue and cry that we have gone so far in passing legislation during the war and the years immediately preceding it that individual initiative has been fettered forever and a day. Remember that the most of the so-called war powers of President Roosevelt have been created by legislation which automatically dies with the coming of peace or within 6 months thereafter, by its own terminology. Should the people of this country after peace comes succumb to the colossal folly of continuing unnecessarily certain war-time restrictive policies, they will have to do so deliberately by passing new legislation.

Oh, yes, I know it is said that the drift in our economic and social life is such that it would be very difficult, if not impossible, for us to refrain from passing new legislation perpetuating such unnecessary limitations upon business and personal initiative. I challenge any such statement. Nothing already done will prevent the American people from exercising their right to decide what they want to retain, modify or undo entirely. We know that 50,000,000 people will continue to go to the polls to vote by secret ballot. No one can tell them authoritatively how they must vote. No one need know how they vote. The will of 50,000,000 people as expressed in the ballot will continue to be the supreme arbiter of the policies of the United States.

We realize that we have tried to protect ourselves with armies, navies and air forces which were much too small. How large an armed force we need for the prosecution of this war calls for decisions where the judgment of those in charge of our armed forces prevail. Gone, I hope forever, will be the pernicious fallacy that we will not always need a mer-

chant marine capable of handling a very big part of our own imports and exports. Our stupid and foolhardy policy, on numerous occasions, of permitting our merchant marine to fall really into disuse jeopardized our very national existence. Every bit of our rapid pace in shipbuilding has been needed to keep us securely abreast of the ravages of hostile submarines so that we could transport the men and materials vitally needed by us and our allies.

We endangered our safety by relying upon our continuing to get rubber from the other side of the earth. Will we be reckless enough to ignore entirely synthetic processes for supplies of rubber? We have been too confident that our supply of natural resources, such as lumber, coal, and fuel oil would remain sufficient for all time. The tremendous inroads made on them especially during this war tend to impair our status of security. If we do not find new sources, we may have to submit to curtailment of uses, or develop synthetic processes, or embark upon a greatly enlarged program of importation. This suggests one of the countless reasons why a merchant marine is essential to us.

Fresh consideration is being given to the question of renegotiation of contracts. Experience after the last war illustrates that the apparent profits of today may be dissipated by post-war movements along the rocky road of conversion from war to peace activities. What seems like security to the manufacturer or contractor today may not have a firm foundation. This possible threat to security must be reckoned within our renegotiation of contracts and in our plans for taxation.

When we called upon our men and women to go to sea and to foreign lands to fight for the preservation of our national liberties, it became our duty and privilege to do justice to them. Justice demands payment of sums of money to the families of those who have been lost and for care of the wounded. It requires suitable compensations of various kinds. And that is not all. Returning members of our armed forces and of our merchant marine must be guaranteed opportunities to make a living and to be refitted into our national economy. We already have laws providing that they may regain, under certain conditions, their former civilian jobs. We must also in a comprehensive and practical way train those who left for war as mere schoolboys. Government boards are already tackling this problem.

There would not be the right kind of security in banking if its functions were to pass from private industry to the United States Government, and yet we would not give up the Federal guaranty of bank deposits. During the depression and the war period the United States Government has exercised many banking activities which in normal times should be in private hands. I have no relish for the concept that more and more private activities must be taken over by the Government.

War requirements have brought insecurity in some lines of business and often

a total collapse. The automobile industry illustrates this in a tragic sense. Many forms of businesses have had temporarily to seek other sources of income. Fortunately the ever-increasing demand for manpower has cushioned this shock somewhat.

The grocer, confronted often with inadequate inventories and various Federal regulations such as those of the Office of Price Administration, has found his former state of security badly jarred. Enforced shifts in his methods of operations have, at times, been extremely difficult. The landlord has found his security at times jeopardized by the freezing of rents but not all of his costs of operation.

Those who insist that we could have avoided inflation with its disastrous consequences without adopting policies of price fixing and rationing have not proved their case. They cannot do so. The inconveniences necessarily involved by such policies are a small price to pay for resultant security. Oppressive regulations not essential can and should be eliminated.

Probably no general class of citizens have had their security more threatened than have those engaged in what is known as small business, especially in manufacturing or contracting lines. Large concerns have found it less difficult to convert their business. Some of the contributing factors which made it difficult for small business to convert have been the impossibility or great difficulty in getting materials when and where most needed, enforced stoppage in the manufacturing of certain products used only by civilians, transportation problems, difficulties of acquiring subcontracts of our big war contracts, shortages of labor and the inability of the man of small business to compete frequently with the labor scale of the big war plants. Resultant loss of security to small business has been widespread and serious.

The administration and Congress have made many attempts to remedy the situation. The present plans of the Smaller War Plants Corporation to handle this problem provide for more authority in securing labor, materials, subcontracts, transportation, and other necessities. So far those in the Government seeking to foster the interests of small business have had few duties except advisory. They are receiving much wider executive powers.

Both capital and labor have made valuable, indispensable, and patriotic contributions to our war program. Too many of the comments and criticisms in regard to relations between capital and labor have not been constructive. The post-war period will probably furnish the best opportunity in our history for capital and labor to cooperate on a basis even more satisfactory than has been the case in the past. Security demands that both recognize greater responsibilities to each other. The theory, occasionally advanced, that labor can get what it is entitled to only by resorting to strikes should find itself outmoded by closer methods of cooperation and better

regulations. Although there is now a big shortage of labor, we may have again after the war a grave unemployment problem. Our planning today should reckon upon such a change.

One of the most far-reaching and dramatic steps taken in the promotion of security has been the tremendous growth of insurance in this country. Many losses of property we cannot prevent but we can retain security by insurance in its manifold forms. For instance, the enormous sums of money paid for death benefits by insurance companies provide for an incalculable amount of family stabilization.

One of the interesting developments in the progress of insurance in recent years has been the growth of surety insurance companies. The substitution of corporate surety for the private surety has been a godsend. The corporate surety offers protection against shortages of private and public officials and employees, of court fiduciaries. It guarantees performance of construction contracts, both private and public. These functions illustrate how corporate suretyship has afforded protection from losses which frequently would have been devastating. Surety companies have helped greatly to promote better practices in business generally. They provide some much-needed security in almost every field of business activity.

Every reasonable step should be made to foster, protect, and regulate insurance companies and practices. Just now the Finance Committee, of which I am a member, is considering just how far we can, in the drafting of tax legislation, encourage insurance allowances. We will have to pay heavy income taxes for many years to come. As time goes on, more and more should be done to permit deductions in the payment of income taxes for certain kinds of expenses. The present credit for insurance premiums should be retained and probably increased. Giving tax allowance for money paid out to acquire a home has real merit. True, some people provide for the future support of their families without life insurance or home buying, but these two methods are used so frequently, and are so freed, relatively speaking, from interlocking business complications, that they are entitled to a place in our system of tax exemptions. The supervision of insurance by the States has proved to be satisfactory. The suggested change in control from State to Federal regulation is unwarranted, and I will oppose it.

We would be stupid and unfair to ourselves if we permit a repetition of many of the harmful liquidating policies and practices which followed the First World War. In many instances the desire to discredit, undo, and seek partisan advantage led to grave injustices and unnecessary suffering. Too many abrupt stoppages instead of wisely directed tapering processes occurred in the conversion from war activities to those of peace.

Industry must be encouraged to assume the tremendous task involved in housing and supplying the needs of 130,000,000 of people in this country. It must have real freedom of action. It

can use it without riding rampant over the rights of individuals. Our policy toward industry will require today, tomorrow, and in the years to come every bit of resourcefulness and wisdom of which we are capable if we are to maintain necessary equilibrium and yet avoid unnecessary oppressive restrictions.

It is a grave mistake to talk much about our opportunities and little about resultant responsibilities. We are quick to pay tribute to our frontier ancestors. Don't forget their opportunities were few in number and their responsibilities far exceeded their opportunities. No one wants to return to the harsh and cruel privations of pioneer days but we need to apply the spirit of thrift, of self-reliance and individual initiative then so indispensable. We want a better world; we should offer a better United States.

Real estate operations, with its myriads of forms and guises, will be a foundation stone of post-war equilibrium and prosperity. Unless real estate conditions after the war settle down to a stable basis, there will be no such thing as a well-adjusted, well-established plan of economy or a philosophy of life in these United States.

It was inevitable, in the misty days of antiquity, that as soon as individuals realized they might own private property, attempts should have been made from time to time to transfer or assign property. Naturally some transfers were the results of out-and-out gifts or purchases, while others took the form of pledges. The Bible and even earlier codes of laws and regulations made elaborate provisions for such transfers. Often the ruler, whatever his title, would assume that all property really belonged to him and that he could transfer it absolutely by sale or gift, or conditionally by pledge. When Duke Robert pledged the Dukedom of Normandy for funds to be used by him to carry on a Crusade, he was not doing much out of the ordinary procedure as to pledges. Fortunately in this country we escaped most of the entangling and obstructive provisions of feudal law and tenures.

Our experience in Maryland has been somewhat unique. The King of England gave all of what is now known as Maryland, and other parts of the country later snatched from Maryland, to Lord Baltimore, who gave perpetual leases carrying nominal rentals. Still in theory Lord Baltimore owned all of Maryland. The development of somewhat customary real-estate laws and practices followed in Maryland. Our ground-rent system in Baltimore worked very well. It enabled a man of very small, moderate income to purchase his home on a basis easy to manage. The result was that Baltimore became distinctively a city of homes. Our building and loan associations and other financial institutions rendered an indispensable service in the furtherance of a home-making policy.

Factors entering into the cost of housing are often indirect, for instance, as in provisions of law regarding foreclosures of mortgages and transfers of estates. There is a wide divergence in different States both as to costs of mort-

gage foreclosures and time required for such proceedings to be completed. In some States the cost of foreclosing even a small mortgage has been excessively high and the time required too long. Perhaps a slow foreclosure process gives a certain element of security to the mortgagee in that the intervening time affords opportunity to make better terms with the mortgagor or to arrange for the transfer of the mortgage or for its cancellation. There is, however, another side to the picture. A lender, knowing that costs of foreclosure in any such State will be heavy and the time involved will be drawn out, will be hesitant to lend on mortgages there and will demand a larger apparent equity. Certainly such factors militate against long-term mortgages or low rates of interest. Mechanics' lien laws giving preference in some States to liens over existing mortgages are also deterrent factors.

Some efforts have been made to secure uniformity of law throughout the country which, if successful, would eliminate some of the costs and delays of foreclosures and transfers. About 15 years ago the American Bar Association drafted such a uniform law, but it has been adopted by very few of the States, if any. Also a few years ago a committee composed of the general counsels of housing agencies drafted a uniform foreclosure law which after considerable amendment has been approved by the National Conference of Uniform State Laws. Such uniform legislation would have obvious advantages.

The Federal Government in spite of some evident error has done much in order to encourage uniformity of practices and to improve conditions in real estate business. There are, however, other factors involved. These include State legislatures, local and municipal building and zoning authorities, the building industry, labor, real estate operators, large financial institutions and great industrial corporations as well as many other elements upon whose proper coordination our whole national economy depends. Without the intelligent understanding, interest, and active participation on the part of all of these elements, the problem of the construction and financing of adequate shelter in this country can never be satisfactorily solved. Certainly the efforts already made toward a solution of the housing problem and the maintenance of a permanently sound and profitable system of home mortgage financing will have too restricted limits unless suitable housing can be produced within the incomes of most of our people.

Progress must be made especially in producing adequate houses at costs which people with small incomes can afford. Such progress would lessen the sinister effect of the slum and would be an effectual argument against those who insist that the United States Government must be forced permanently into the business of building houses for civilians—a policy to be avoided by the Federal Government. Banks, insurance companies, and other financial institutions which habitually invest large sums of money can be made

to realize more and more the productive outlets for their funds which the real-estate market can afford. The more the building of houses is looked upon as a sound investment and not a form of speculation or philanthropy, the better will be the housing situation in this country and the better off will be our country.

No one questions the fact that the mortgage has played an indispensable role in home building and in business operations. No one has figured out how our railroads and many big business organizations could have started and developed if they had not issued bonds guaranteed by underlying mortgages. Such a prerequisite still exists.

Spreading out of the risk sometimes has its lure for a mortgage investor who would often rather have a small undivided interest in a mortgage on one or more big tracts, than the entire mortgage upon a much smaller piece of real estate. Of course the process suggests an analogy to the theory of fire, life, and other forms of insurance.

Guaranties of bonds or their underlying mortgages by surety companies was another step, proving during the depression to be highly disastrous to surety companies for various reasons apart from any carelessness in the selection or management of the risks. One was that the spread of the mortgages was too small, and another, the assets of the surety companies were often inadequate to stand the catastrophic losses involved in the tremendous fallings off in real-estate values and markets during a severe financial depression.

The depression found private interests unable in many cases to withstand the strain. Many people active in the home financing field had realized that their institutions suffered from lack of outside credit reserves upon which they could call even in normal times. They foresaw the dangers inherent should a period of depression develop. Their fears proved to be well-grounded. Many became hard pressed for funds which they could not obtain in sufficient amounts from private existing sources.

You will recall that in July 1932, the Federal Home Loan Bank System was established. Following the national pattern set up for commercial banks in the establishing of the Federal Reserve System, 12 strategically located Federal Home Loan banks were organized, each to serve member home-financing institutions in its area by making both short- and long-term advances. The Federal Treasury set up a fund of \$125,000,000 for capital stock—for the Home Loan Banks. The Home Owners' Loan Corporation invested as much as \$223,000,000 in savings and loan associations, which has been reduced to \$64,000,000. Government agencies have received \$52,000,000 as dividends on investments in these associations, and also \$15,000,000 from its investments in the Federal Home Loan banks.

The facilities and the assistance of the Federal Home Loan Bank System were helpful but they were not adequate after the extreme rigors of the depression developed.

An unprecedented extension of the Federal Government into private real estate operations followed. We are all familiar with the fact that the Government sometimes operated there directly through its own lending agencies as the Home Owners' Loan Corporation, the Reconstruction Finance Corporation, and various other departments, and it also set up the Federal Housing Administration to guarantee loans on new construction of homes or repairs to old ones. There were, of course, indirect forms of Federal participation through encouragement and supervision of certain forms of quasi-private agencies and through its long-standing supervision over banks.

The experience of the Home Owners' Loan Corporation is interesting and significant. We know that as the depression developed the ownership of many homes was jeopardized. Foreclosures of homes arose to a thousand a day, which is doubtless an all-time record. The efforts of commercial banks, building and loan associations, and individuals were insufficient to stem the tide. The Home Owners' Loan Corporation from 1933 until 1936 made loans to owners of homes but only where the existing loans were in distress. Since then no new loans have been made or contemplated.

The average loans made by the Home Owners' Loan Corporation were on homes 2 years in default of the principal and interest and 3 years as to taxes. The loans were for an average period of 15 years, with provision for monthly amortization, and were made at a low rate of interest. These loans during 3 years reached the astonishing number of 1,017,821 in amounts aggregating \$3,093,000,000. The Home Owners' Loan Corporation made later advances and incurred certain advanced costs of sale and reconditioning which brought the total investment of the Home Owners' Loan Corporation in these properties as of May 31, 1943, to the total amount of \$3,483,000,000.

Now, what has been the experience of the Home Owners' Loan Corporation in regard to these loans? As of May 31, 1943, over half of the money has been recovered by the Home Owners' Loan Corporation; that is to say, \$1,820,000,000, leaving a balance of about \$1,663,000,000. The figures show even better results because 110,000 of these borrowers are now making monthly payments in excess of the amounts regularly due. The number of borrowers prepaying their loans is steadily increasing; 233,861 of the original borrowers and purchasers of these Home Owners' Loan Corporation loans have paid off loans in full. During the month of May 1943 the number of paid-off loans reached 8,984, which was more than twice the number of the May record of the previous year. Also during last year the payments on principal by these borrowers amounted to \$272,419,000, which is the highest figure for any 1 year.

Since all these properties were in distress at the time the new loans were made, it was very reasonable to assume that a considerable portion of the loans made by the Home Owners' Loan Corporation would go into default and that

the Home Owners' Loan Corporation would be obliged to take over such properties. So far, less than 20 percent of these properties have been taken back by the Home Owners' Loan Corporation, that is to say, 195,451. The Government has sold about 86 percent of these properties repossessed. At the end of May the Home Owners' Loan Corporation had on hand 26,983 of those repossessed properties, of which about 84 percent were rented, the remaining ones being held especially for sale or reconditioning. There is a decided likelihood that the total loss of the Home Owners' Loan Corporation in the liquidation of these properties will not exceed \$100,000,000.

A reasonable question is whether the Home Owners' Loan Corporation was worth the experiment. The answer is quite obvious. The fact that over a million home owners, less a few who might have found other means of refinancing their homes, did not have to give up their homes is a matter of tremendous importance. The psychological effect of nearly a million families having homes, rather than being homeless, was a factor of crucial importance during the dreary days of the depression. Who can estimate what would have been the increased momentum given to the depression if these homes had not been saved?

But that is not all of the story. Banks, insurance companies, building and loan associations, and other types of corporations were relieved of many problems which would have been unbearable except for the operation of the Home Owners' Loan Corporation. The taking over of loans from these hard-pressed mortgagees provided relief which is really incalculable. These operations furnished a stabilization and security of immeasurable benefit and proved to be one of the most important factors in helping us over the depression.

What are the lessons to be derived from the operations of the Home Owners' Loan Corporation? Even bearing in mind that real-estate conditions have been somewhat favorable during recent years, the fact remains that the Home Owners' Loan Corporation has demonstrated that distressed properties can be saved on a large scale by suitable methods. They have demonstrated that the average man will not only endeavor to save his home but that often he will succeed in doing so, no matter how hard pressed he is at the moment if he is given time, latitude, and benefit of low interest rates.

The experience of the Federal Housing Administration opens up a big field for speculative thought. Quite wisely the Federal Housing Administration does not lend money and does not build houses. It furnishes guaranties. It is an insurance agency which protects banks, building and loan associations, life-insurance companies, mortgage companies, and other qualified lending institutions against loss on loans made to individuals or companies for the construction or purchase of residential structures or for the repair and improvement of homes and other types of buildings.

Since the founding of the Federal Housing Administration in 1934, more than 1,175,000 families have financed their homes under the Federal Housing Administration plan. The insurance on these homes now exceeds \$5,000,000,000. In addition, the Federal Housing Administration has issued repair loans aggregating more than \$1,600,000,000 in regard to 4,220,000 homes, farms, and business properties. The guaranties are made by long term loans at 80, or in some cases 90 percent, of valuations with an amortization period which may be as long as 25 years. Interest rates are four and one-half plus an additional one-half percent to cover annual mortgage insurance.

Many homes have been built as we know under this plan in order to meet the greatly increased demand for houses for workers in war industries. In many such cases, if it had not been for the guaranties of the Federal Housing Administration, the United States Government would have had to build these houses at its own expense.

The total income of the Federal Housing Administration during 1943 was over \$25,000,000 and yet all expenses and losses were only \$11,000,000. The Federal Housing Administration mortgage insurance funds of over \$66,000,000 have been accumulated from income. It is gratifying to realize that the Federal Housing Administration has operated so far at a profit. No one, of course, can forecast how a period of depression or even a decided shrinkage in real estate values would affect present figures. It is conceded, however, that the Federal Housing Administration has on the whole exercised unusual care in efforts to safeguard against losses. It has insisted upon houses being built of suitable materials and in suitable neighborhoods where there are necessary schools, water supplies, and other conveniences. It has refused to sanction high costs of finance. It has discouraged the second and third mortgage. However, it has guaranteed loans made on a higher percentage of values for a longer period of time, with slower scales of amortization and with lower interest rates.

Even those who have questioned the advisability of having a Federal Housing Administration hold that it has functioned carefully and conservatively.

We had not caught up with the housing shortage when we were forced into this war which put an end very largely to many phases of private construction. Of course it is difficult to forecast with assurance what will be the general state of our finances, public and private, after the war. The indebtedness of the United States Government will have reached colossal proportions and Government bonds will be outstanding in amounts which stagger the imagination. There will be no natural security if we do not handle this debt wisely during the fluctuating economic conditions which the years will undoubtedly bring. Taxes will be very high but it is reasonable to assume that there will be sufficient cash for financing the building and reconditioning of homes on a large scale.

A new element will likely come into the picture. During the war the tremendous demands for strategic and critical materials led to a larger increase in experimental materials as substitutes for customary building materials. Experiments have been made as to glass, steel, plastic, plywood and other materials, and especially in the field of prefabricated homes. Chemistry and electricity are constantly opening up new living facilities. It is quite likely that many in the near future will live in homes built quite differently from those of today. Certainly many such types of homes are being built or planned at this time.

Such prospects give rise to many questions as to the security in construction of new types of buildings, durability in materials used, methods of finance, and changing values of real estate due in part to widespread reshifting of populations which will follow the war. New cities have been built up around new big war plants. After the war is over these cities will not be needed for the purposes for which they were constructed. How to find fresh uses for these cities thereby avoiding wholesale unemployment and vacant houses will be an absorbing problem of post-war days.

One of the cruelest and most unwarranted charges made occasionally against our real estate industry is that real estate conditions were largely responsible for the late depression and that the real estate industry as a whole made a sorry showing in those days of grave distress. Although real estate markets are peculiarly sensitive to adverse business conditions, real estate prices held up as well during the depression as did those in other general lines of business. The fact that even at that time the bulk of our real estate really stood staunch helped to lessen some of the shocks and disasters of the depression.

This fact does not relieve us from the realization that the depression focussed attention on some grave mistakes in our real-estate policies. The Home Owners' Loan Corporation, the Federal Housing Administration, and other Federal agencies directed attention to some of these errors which, of course, many careful real-estate operators had realized for years and had eliminated in part. The Federal agencies and conservative and constructive real-estate operators deserve much credit for what they have done so well. In the hundreds of private constructions which the post-war period will require, a golden opportunity will exist to make other wise readjustments which experience has shown to be desirable.

It is difficult to imagine what would have happened if the Federal Government through the Reconstruction Finance Corporation, Federal Home Loan Bank System, Home Owners' Loan Corporation, and Federal Housing Administration had not stepped actively into the real-estate situation. I have never heard any means suggested by which certain real-estate problems of the depression could have been solved but for the help of the Federal Government. In

doing so it cooperated with many private agencies and individuals who, in a patriotic and constructive manner, were trying to solve real-estate problems which were often so exceedingly acute as to be beyond private effort alone.

What ought the Federal Government do when peace comes, about building houses or issuing guaranties as to loans upon them?

No one advocates the return of the Home Owners' Loan Corporation to the mortgage lending business. Some urge with much force that banks and other private lending institutions can absorb very many of the activities which the Federal Government is now exercising in other forms of the lending field. There are other people who insist that the Federal Government should stop guaranteeing mortgage loans.

The question is not an easy one. I would like to see Federal Government avoid every form of unnecessary competition with private industry. Furthermore I would have the Government keep out of any business which can be handled satisfactorily by private operations.

Can private industry meet a demand that the security of underlying real estate be supplemented by some form of guarantee? The surety companies cannot, and should not, attempt the job. Can companies of gigantic capitalization be put into the field which could operate so widely as to be able to avoid local real estate storms and also be big enough to absorb the shock of Nation-wide receding real estate markets? Do not the elaborate systems of reinsurance built up so intricately and yet so successfully by insurance companies suggest a course to follow?

Even possibilities of a general recession in real estate values might not prevent private capital from launching out on such a venture of reinsurance. Some suggest that all demands for guarantees be frowned down upon and be ignored, but some such demand will doubtless continue. I hope and believe private capital can find ways and means of furnishing such guarantees carefully supervised and that some day the Federal Government will be entirely out of the guarantee of real estate values.

The farmer is the natural prey to insecurity from droughts, frosts, tides, wind and dust storms, labor shortages, minimum control over prices, abnormal relations of supply and demand, transportation insufficiencies, besides other hazards. When the United States after World War No. 1 passed from the status of a debtor Nation to that of a creditor, many advantages resulted, but many new baffling problems were involved growing out of shifts in balance of trade affecting international financing. The foreign market of the farmer was badly injured by these changes.

Some of the records as to recent farm-loan movements are suggestive. During the last 10 years total farm-mortgage debt declined almost \$2,300,000,000, or more than one-fourth. The Federal land banks and the Land Bank Commissioner held about one-third of the total

at the beginning of 1943, as compared with about one-eighth 10 years earlier. In the late 1930's these agencies held almost 40 percent of the total. Life insurance companies and insured commercial banks now hold about one-fifth of the total. In 1933, life insurance companies alone held more than one-fifth and commercial banks held more than one-tenth. The sharp reduction in interest rates payable on farm mortgages by farmers is reflected in a reduction of about three-eighths in total interest charges during the same period, while outstanding farm debt dropped about one-fourth.

Farm real estate values in March 1943 were almost up to the 1912-14 level, whereas in 1933 they were down to 73 percent of that level. Farm real-estate holdings of the principal lenders are again back to something like the level in 1933. Distress farm transfers were 54.1 per 1,000 farms in the year ended March 15, 1933, but for the same period in 1943, they were down to 6.6 per 1,000 farms. Voluntary transfers, on the other hand, which were only 16.8 per 1,000 farms in 1933, were up to 44.4 in 1943. The improved farm-mortgage situation is shown also by low delinquency figures for Federal Land Bank and Land Bank Commissioner loans at the beginning of 1943. In 1933, almost one-half of the Federal Land Bank loans were delinquent. More prosperous conditions in rural areas as compared with 10 years ago are indicated, also, by the fact that rural bank deposits in 1942 were about three and one-third times the level in 1932, and cash farm income was up to about the same ratio.

These figures on the whole show an encouraging trend, but the fact remains that the farmer's pathway is beset with no end of serious obstacles. Needs of the farmer and public policy itself demand that continued close attention be given to efforts to lessen the insecurity from which the farmer suffers. All of this is necessarily true also as to the canner, packer, stock raiser, and others concerned with the land or its products. Plans for the protection of the farmer have been numerous and complicated. Often they have involved much so-called regimentation which is instinctively abhorrent to many of our cherished historic principles.

No post-war arrangements can be adequate if the real estate situation generally in this country is not on a stable and secure basis. It must always offer convincing incentive for private loans. Naturally the welfare of this country urgently demands the most efficient methods for our real estate transactions that we can devise. Legislation upon such matters must not rest merely upon preconceived theories as to what should be functions of the Federal Government. They must depend upon what is best for the people. I cherish the hope that desired results can follow with a minimum of Federal cooperation and with the laying of more and more stress upon private initiative. The more we can do without the financial help of the Federal Government, the better. I hope to see the Fed-

eral Government withdraw from the policy of either building homes or owning them, except to meet war needs.

Whatever errors of commission or omission have occurred in carrying out our war program, our national administration, the Congress, local public authorities, both industry and labor in countless forms, have made a fine record of efficiency in cooperating with our armed forces on land and water and in the air. As a result we are passing rapidly from grave insecurity and danger to such a vastly improved status that we now know how we can obtain essential security and we are moving ever faster in the necessary direction.

With victory now predictable it would be disastrous folly for us to sacrifice the security which victory would bring us by bickering among ourselves, or by a general let-down in our war efforts. We are realistic enough to know that the approaching political campaign might be a menace to our success in winning the war and in handling post-war problems. Anyone who permits politics to get ahead of patriotism is fighting not with us but against us. The American people will have in this coming election their severest test as to whether they can really conduct a combined presidential and congressional campaign vigorously in such a manner as not to hurt, but rather to assist our war efforts. The times will call for eternal vigilance to see that forbearance, common sense, and patriotism have full sway. The members of our armed forces would have a fundamental ground for criticism if we by harmful political activities sacrifice any opportunity of supporting them. In justice to them and to ourselves and to the world itself, we must avoid any such pernicious policy.

We remember that philosophers centuries ago debated long and hotly the question as to whether mind or matter is primary. In considering security it is not necessary for us to settle that medieval controversy. Security is both mental and material in its essence. Of course the search for security is not the chief aim in life. You will remember that the Book of Job discards the theory that security is the most important objective of religion. However, security is and will always be vastly important as a factor in the aims and purposes of mankind.

Security like perfection is never fully reached, but it should be a gleaming goal always to be kept in sight and pursued. In fact the etymological origin of the word "security" is suggestive in that it does not signify complete protection but merely freedom from care and anxiety. Since we will never find absolute protection in our quest for security, we hope to reach such a degree of security as would satisfy the reasonably prudent man or woman.

RECESS TO THURSDAY

Mr. BARKLEY. Mr. President, there being no Executive Calendar, I move that the Senate take a recess until Thursday next at 12 o'clock noon.

The motion was agreed to; and (at 4 o'clock and 53 minutes p. m.) the Senate took a recess until Thursday, October 14, 1943, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

TUESDAY, OCTOBER 12, 1943

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God our Father, how wonderful are all Thy works. We rejoice that Thou art waiting at the door of every human heart, at the campfires, and on the fields of combat, Thou are there. We praise Thee that Thou wilt show the way home and wilt satisfy all human needs and aspirations for the pilgrimage. The light that is given along the way of time will shine in the realms of a new day. O, could we but see its radiance and glory in the darkness, and to see is but to look. "Come unto Me and I will give you rest," not by the absence of the hill but by the absence of the spirit of fainting.

O Divine Saviour, be a companion to those who are far afield, bereft and alone, and where earth's riches have flown away. Where culture and wealth insure no favor, where all distinctions are wiped out, and the next step may be in the mist and darkness; let Thy gracious Evangel bless every soldier and sailor boy. Do Thou make us loyal servants of Thine and of our country and altogether worthy of their toil, tears, and sacrifice. May we be rich in deeds and willingly submit ourselves to the tragic vicissitudes of war, assured that all things work together for good to them that love Thee. Through Christ our Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MRS. VIRGINIA THRIFT

Mr. COCHRAN. Mr. Speaker, by direction of the Committee on Accounts, I submit a privileged resolution (H. Res. 321) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Mrs. Virginia Thrift, widow of Chester R. Thrift, late an employee of the House, an amount equal to 6 months' salary compensation at the rate he was receiving at the time of his death, and an additional amount not to exceed \$250 to defray funeral expenses of the said Chester R. Thrift.

The resolution was agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a very interesting article.

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

There was no objection.

Mr. WICKERSHAM. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short resolution.

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

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in two respects, and to include in one extension a brief letter I received.

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

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. J. LEROY JOHNSON. Mr. Speaker, I ask unanimous consent that on October 18, after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered, I may address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. J. LEROY JOHNSON]?

There was no objection.

EXTENSION OF REMARKS

Mr. CASE. Mr. Speaker, yesterday I submitted a request to extend my own remarks in the Appendix of the RECORD. The Public Printer advises me that this will exceed the ordinary allowance by one-third of a page, with an extra cost of \$15 or a total of \$155. I ask unanimous consent that my remarks may be extended notwithstanding the cost.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota [Mr. CASE]?

There was no objection.

INVESTIGATION OF FOOD COSTS AND PROFITS

Mr. SAUTHOFF. 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 Wisconsin [Mr. SAUTHOFF]?

There was no objection.

Mr. SAUTHOFF. Mr. Speaker, the Committee on Banking and Currency in the House is holding hearings on the continuation of the Commodity Credit Corporation. Embodied in the measure now under consideration is a set-up providing for subsidies, which the House in no uncertain terms rejected earlier this year. The membership of the House is still strongly opposed to subsidies but in favor of continuing the Commodity Credit Corporation. This presents the dilemma of the possibility of voting down a measure that is wanted because of certain provisions that are not wanted.

Let us look at this picture a little more closely. It is stated that the purpose behind the subsidy payments is to "hold the line" on living costs and yet prevent any loss of production on the part of those who produce items of food. It is suggested that \$500,000,000 be used for the

purpose of keeping down the cost of living. Five hundred million dollars divided among 132,000,000 consumers leaves a reduction of about \$3.73 for each consumer annually, or, in other words, a trifle of over 1 cent a day. According to figures secured from the Bureau of Economics, this \$500,000,000 for subsidies would mean a reduction of 1 percent annually in the cost of food. According to the report of the economists of the New York Times, it would mean a reduction of only one-half of 1 percent annually in the cost of food. Hence, the reduction proposed on this basis is negligible. However, there is a reduction that can be obtained which it seems to me is far more valuable than the trivial one referred to above.

This reduction can be secured by reducing the wholesalers' profits and those of the packers. There should be an immediate investigation into the profits now being made by wholesalers dealing in food products and also the profits made by packers of meat products.

Labor, a national weekly newspaper owned and edited by the railroad labor organizations, has disclosed some astounding facts in regard to this serious question. I quote from the edition of Saturday, August 21, 1943:

Experts of the O. P. A. have determined that wholesale food dealers increased their profits between 1939 and 1942 as high as 500 percent. This startling information is contained in volume 6 of the O. P. A. series of War Profits Studies, which are not public documents, but are intended only for use of the agency's officials.

The facts and figures in this study are not only a blistering indictment of war profiteers, but are equally an indictment of officials who have permitted them to get "away with murder."

Three out of every 10 food wholesalers reported profits for 1942 more than 300 percent higher than in 1939, and for half of these concerns profits rose 500 percent or more.

Seven out of every 10 food middlemen more than doubled their profits, and 4 of these 7 had at least a 200-percent rise.

Even more startling is the O. P. A. disclosure that in many instances higher profits were harvested on a declining volume of business. In almost every case, profits increased much more rapidly than sales, making it as plain as a pike staff that wholesalers took advantage of the emergency and the complaisance of O. P. A. to jack up prices.

Sales were up 43 percent, but profits rose over 200 percent.

Labor goes on to point out that—

Instead of rolling back wholesale prices, the O. P. A. permitted retailers to hoist their ceilings, and that is the explanation of an increase of almost 50 percent in the prices of food paid by consumers.

Another matter that is worthy of note is the fact that this report has been suppressed, for what reason no one knows. The Congress and the public should be very grateful to labor for exposing these enormous profits.

On October 2, labor again rendered a valuable service by disclosing another confidential O. P. A. study, covering 53 companies in the meat-packing business which handle 85 percent of the Nation's meat production. This report revealed that while the profits of the packers ag-

gregated \$24,971,000 a year in the peacetime base period, they had scooted to \$108,613,000 in 1942.

This confidential report of the O. P. A. also said that on each dollar of investment, profits mounted three and one-half times.

Labor goes on to say that:

The top group, which does 70 percent of the total business, rolled up 336 percent more profits, from \$23,476,000 to \$102,322,000. The medium firms rose even more, by 638 percent, from \$717,000 to \$5,293,000, while the small companies—doing under \$5,000,000 a year each—fared worse, going up only 28 percent—from \$778,000 to \$998,000.

In 1942 alone, compared with the previous year, the large packers of meat products fattened their profits by 40 percent and the medium group 100 percent.

Why these reports of the O. P. A. should remain confidential is beyond one's understanding. Certainly these revelations ought to be clearly understood by everyone, and in order that a full and fair and open hearing may be had on these matters, I have introduced a resolution which empowers the Committee on Agriculture in the House to hold hearings either in full committee or by subcommittee and get all the facts in relation to these profits contained in the confidential report of the O. P. A. Had it not been for labor these matters would still be a secret and known only to a top few officials in the O. P. A., who in too many cases are identified with companies making the large profits.

The following is a copy of the resolution introduced today:

Be it enacted, etc., That the Committee on Agriculture, acting as a whole or by subcommittee, is authorized and directed to make a full and complete investigation of (1) the prices at which agricultural food products are purchased and sold by processors, wholesalers, and other handlers of agricultural food products, and (2) the profits of such processors, wholesalers, and handlers resulting therefrom with a view to determining whether additional legislation is necessary for the control of such prices and profits.

For the purposes of this resolution the committee or any subcommittee thereof is authorized to sit and act during the present Congress at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to take such testimony, to employ and fix the compensation of such experts, investigators, and other assistants, and to have such printing and binding done, and to investigate income and excess-profits tax returns of such processors, wholesalers, and other handlers of agricultural food products as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or subcommittee, or by any person designated by him, and shall be served by such person or persons as he may designate, the chairman of the committee or subcommittee, or any member thereof, may administer oaths to witnesses.

THE POTATO SITUATION

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to re-

wise and extend my own remarks in the RECORD.

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

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Speaker, due largely to, first, the unquestioned patriotic desire of the potato growers of America to furnish food to win the war; second, to the announced support price; third, to assistance rendered through the non-recourse loans; and, fourth, the prevailing potato-growing weather in the large potato-producing States, we have an estimated national yield of 460,000,000 bushels as of September 1943. The following table shows the production by the leading potato-growing States:

Estimated 1943 potato production with comparisons
(Thousand bushels)

State	Preliminary		10-year average, 1932-41
	1943	1942	
Maine.....	62,400	42,120	42,805
Idaho.....	45,355	30,590	26,315
New York.....	31,317	27,405	29,098
California.....	28,875	23,130	15,236
Minnesota.....	24,035	19,380	21,366
Michigan.....	22,000	16,562	25,135
North Dakota.....	20,240	17,955	11,133
Pennsylvania.....	19,712	17,584	23,443
Colorado.....	19,125	17,020	13,213
Wisconsin.....	16,150	10,050	19,083
Nebraska.....	13,800	12,876	8,504
North Carolina.....	11,772	8,988	8,103
New Jersey.....	11,502	10,136	8,850
Washington.....	11,395	7,800	8,365
Other States.....	122,824	109,554	102,683
United States total.....	460,512	371,150	363,332

There was an increase in acreage in 1943 over 1942 of from 2,711,000 acres in 1942 to 3,363,000 in 1943, or 24 percent. The estimated production in 1943 over 1942 was, as you will note, from 371,000,000 bushels in 1942 to 460,000,000 bushels in 1943, or an increased production of 24 percent, the same as in the acreage. The average estimated yield per acre for both 1942 and 1943 was 136 bushels, which is some 20 bushels increased yield per acre over the 10-year average production per acre of 1932-41. If the 1943 potato crop had averaged 100 bushels per acre, as potatoes did some years, we would have had a shortage even this year. The acreage in 1943 was less than the acreage of 1928, 1929, 1931, 1932, 1933, 1934, and 1935, although the yield per acre, as previously stated, was much greater in 1943 than the above years.

The need of food for the war and the support price contributed to a better care of the crop this year. Victory gardens furnished an undetermined number of potatoes in 1943. The increase in consumption due to more people working also must be considered.

In order to provide an ample production of potatoes in 1944, it is important that the various committees, such as the Banking and Currency Committee, the Appropriations Committee, and the Agricultural Committee, give due consideration to the factors involved in the production of potatoes in 1944.

We must realize that before the war we were on a general food-importing basis. In fact, every year from 1920 to 1940 we imported more agricultural products than we exported, and during many of these later years our agricultural imports were twice the amount of our agricultural exports. The American farmer is now asked—and he has responded splendidly up to this time—to furnish food for the armed forces, wherever they may be; to furnish food for domestic consumption; and to furnish food for our allies and the peoples of occupied countries. We have been harvesting around 340,000,000 acres of cropland each year, and the 1944 program asks for 380,000,000 acres. We have a total of 500,000,000 acres available in the United States for crop production. To harvest the 500,000,000 acres available we would of necessity have to plow up some of our pasture lands, which may or may not be advisable. We would also be compelled to use some millions of acres of land usually designated as marginal land.

While the weather conditions are the greatest factor in the production of food, there is no reason why we cannot expect ample production if all of the factors involved are given the proper consideration at the right time. Every available acre should be put to work for the war food program. While the weather is an uncertain element, yet the man-made factors need not be uncertain.

The urge to produce must be maintained; the benefits of the price support must be recognized; and the influence on production of nonrecourse loans must be given the proper consideration as an incentive to production.

EXTENSION OF REMARKS

(Mr. VURSELL asked and was given permission to extend his own remarks in the RECORD.)

(Mr. MASON asked and was given permission to extend his own remarks in the Appendix of the RECORD.)

Mr. SCHIFFLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. SCHIFFLER]?

There was no objection.

Mr. SCRIVNER. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein an editorial from the Iola (Kans.) Register.

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

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter from the Traveling Men's Association of North Platte, Nebr.

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

There was no objection.

Mr. HILL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein copies

of two letters I have received on the price of milk in my district.

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

There was no objection.

Mr. PLOESER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the St. Louis Globe-Democrat.

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

There was no objection.

DELIVERY OF WAR BONDS

Mr. JEFFREY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. JEFFREY. Mr. Speaker, not for days or for weeks but for months I have received complaints. These have come from civilian employees of the War Department, of whom there are approximately 40,000 located at Wright and Patterson Army airfields and in the Air Service Command near Dayton, Ohio. Many of these employees subscribed through the pay-roll deduction plan for the purchase of War bonds from July 1, 1942, through December 31, 1942, and few if any of these bonds have been delivered to date. In fact, these people do not hold so much as a receipt. Their criticism is justified. From 9 to 15 months have now passed and the Finance Office of the War Department has yet failed to work out a system which will effect delivery. Undoubtedly the same situation prevails among other civilian employees throughout the country.

I have written many letters of protest. The Finance Office of the War Department assures me that the system is being decentralized, but the result remains the same.

Recently the Third War Loan Drive was successfully completed. Much time, money, and energy were spent in promoting this entirely worthy and highly necessary effort. Just a little less inefficiency and delay in this Finance Office would do more than all the ballyhoo in promoting sales among these loyal civilian employees who signed away 10 percent of their pay checks to "back the attack" months ago. It is time and past time that these bonds be delivered. It is high time that the decentralized system be made to work.

EXTENSION OF REMARKS

Mr. FARRINGTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a resolution adopted by the Board of Supervisors, city and county of Honolulu, on repeal of the Chinese exclusion law.

The SPEAKER. Is there objection to the request of the delegate from Hawaii?

There was no objection.

Mr. O'HARA. Mr. Speaker, I ask unanimous consent to extend my own

remarks in the RECORD and include therein an editorial on the subject of why butter is short.

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

There was no objection.

PROPOSED INVESTIGATION OF FATAL ACCIDENTS IN THE MILITARY FLYING FORCES

Mr. BUTLER. 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 New York?

There was no objection.

Mr. BUTLER. Mr. Speaker, yesterday I introduced a resolution asking for an investigation of the numerous fatal accidents in the military flying forces. According to newspaper reports, there have been 4 Liberator crashes in 5 days in the same area with a loss of 34 of our boys. Two of these boys, well known in my district, have given their lives before they were called to the battle front, and many people in my district, like myself, feel that the crash of 4 of these Liberators in 5 days justifies the grounding of this type of bomber until they are checked and examined by experts and let the public know the facts. We can take it when it is accidental, but feel if it is sabotage or neglect of factory, let them take the responsibility, but please do not destroy our youth before they have had an opportunity to display what their training has taught them.

EXTENSION OF REMARKS

Mr. CARLSON of Kansas. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a short statement I made over the Mutual Broadcasting System on the Treasury tax proposal.

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

There was no objection.

Mr. SCOTT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter from Mr. H. W. Prentis, Jr.

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

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter to the editor and a dispatch from London appearing in the New York Times.

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

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SCOTT. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 10 minutes.

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

There was no objection.

WEATHER REPORTS

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. HINSHAW. Mr. Speaker, I see by the morning paper that the Weather Bureau and the War Department have finally agreed to release weather information to the people of the United States as a whole. The weather information which is to be released can be of no possible value whatever to the enemy, particularly the weather information on the west coast as west-coast weather comes from offshore and moves eastward. An observer offshore can know more about tomorrow's weather than we can on shore. I believe the censorship on weather information was placed much too rigidly in the first place and without regard for meteorological facts. Now that they are to release the weather information the farmers and the air services and all other services that need this information will be greatly benefited.

COMMITTEE ON RIVERS AND HARBORS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the Committee on Rivers and Harbors be permitted to sit during the session of the House this afternoon.

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

There was no objection.

FRANCO MUST RECALL "BLUE LEGION"

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. CELLER. Mr. Speaker, it is quite evident that we have been aiding Dictator Franco immeasurably in his attempt to stabilize his totalitarian regime. We have sent him cotton, petroleum, and many other items under lend-lease aid. No less an authority than His Excellency, the Archbishop Spellman, of New York, writing in a current issue of a national magazine, has acknowledged the obvious fact that valuable assistance has been forthcoming steadily from the United States.

Russia is our ally. She is being bled white in her valiant advance against the Nazi hordes. Yet Franco continues to maintain against the Russians his "Blue Legion" of Spaniards who oppose the Russians every inch of their arduous way. Under such pressing military exigencies, it would be less than fair if the administration were not to demand that Franco remove his Spanish soldiers from Russia's embattled soil.

The Scriptures provide us with the stirring phrase, "He who is not with Me is against Me." Franco still stammers like a stuttering peacock of the death of the democracies; he still extols the totalitarian way.

We must tell Spain in no uncertain language as we did Argentina that she can no longer applaud the philosophy of fraud and enslavement. She must no longer be a pipe line of intelligence to Berlin. She must no longer give aid and comfort to our enemy to the extent of sending a legion to fight in their behalf. Franco has delivered himself of many specious arguments as to the neutrality of Spain. Apparently, his is a weird concept which we cannot and should not accept.

The killing of Russian soldiers by Franco's men can hardly be regarded as a neutral activity by any stretch of the imagination.

It is charged that Franco and his aides spy on our ship movements.

We have emphasized to Argentina that her actions will preclude her place at the peace conference. We must say no less to Franco. The bell of doom is tolling for Franco and his totalitarianism. We must make that warning a siren's shriek. To do any less would brand us as derelict in our duty to our ally, Russia.

CURTAILMENT IN MILITARY AND NAVAL EXPENDITURES

Mr. STARNES of Alabama. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. STARNES of Alabama. Mr. Speaker, the administration again is importuning the Congress to provide for a greater measure of income, and our Ways and Means Committee again has embarked upon the task of searching out ways in which additional revenue may be raised toward liquidating the growing war cost.

My colleagues will be interested in knowing that their Appropriations Committee, through its Military and Naval Subcommittees, has initiated a move which may result in the recovery of some of the funds available to the armed services and thereby lessen the burden of financing the war's cost.

We have not been actuated by any thought of an early end of the war, or any feeling that the armed services should do aught that might conflict with the most vigorous prosecution of the war according to the judgment of those responsible for its conduct. However, annual budgets are prepared several months in advance of the opening of the fiscal years to which they apply. That fact of itself should suffice to convince anyone of the utter impossibility of accurately foretelling military and naval needs anywhere from 6 to 18 months hence during the course of a world-wide conflict. Consequently, the appropriations that have been made, other than for definite, specific projects, have been based upon the

best estimates that could be made in such circumstances. Many programs; many projects, of necessity, largely were tentative. As the conflict has progressed, changed conditions, changed situations, changed requirements, broadened experience, each may have contributed to a current budget situation different in many respects than that which initially prevailed. There are many ways in which changes could occur which would render unnecessary funds heretofore appropriated.

Your committees on military and naval appropriations subcommittees have called this matter to the attention of the heads of the War and Navy Departments, and they have been requested to have a study made of all available funds with a view to the repeal of any for which a need no longer exists. If there is any surplus money, it is the purpose of the committee to find and recapture it. I am hopeful that we may be able to report to you very worthwhile results.

With your permission I will read to you a paragraph from the communications to the War and Navy Department heads with regard to the recapture program about which I have just spoken.

It reads:

While not immediately contributory to a reduction in presently available funds, it is quite probable that appreciable savings ultimately would flow from a more alert and assertive attitude on the part of Federal inspectors in holding down the labor rolls in plants having cost-plus-a-fixed-fee contracts. There is a very strong feeling abroad that contractors, particularly prime aviation contractors and shipyard contractors, are considerably overstaffed. Aside from the considerable cost to the taxpayer, unwarranted large labor rolls militate against many relatively small plants, some of which are experiencing real difficulties in supplying on schedule essential equipment and parts to prime contractors because of the paucity of skilled help. This is not good for the war program and certainly does not augur well for post-war national economy. It is the numerous widely dispersed small plants that will provide the bulk of employment in the post-war era, and their survival for that reason alone is of major importance.

The action initiated by the Military and Naval Subcommittees on Appropriations points the way to lesser expenditures and lesser future appropriations. We are seeking ways to eliminate all unnecessary expenditures in the prosecution of the war. Speaking for myself, I believe we will have the cooperation of the War Department. I shall welcome suggestions from my colleagues and other responsible persons to aid in reaching our objective.

MARSHALL FIELD

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, we can all join in wishing our colleague, the gentleman from Mississippi [Mr. RANKIN] success in his endeavor to have some of that \$70,000,000 of Marshall Field's

turned into the United States Treasury, but few of us are so gullible as to think anything like that will happen. We would like to see it happen, because it would take away some of the smear fund, the fund being used for smear purposes by PM and the Chicago Sun and other publications.

But may I suggest to the gentleman, while he is talking about getting this sum of money, that he read the remarks of our colleagues, the gentleman from New York [Mr. TABER] and the gentleman from Mississippi [Mr. McGEHEE] the latter remarks made yesterday, and that he do something to make the New Deal quit spending money unnecessarily. I recall very distinctly, the majority on that side has been at the bottom of this wasteful spending, which has run up this great deficit of almost three hundred billions, instead of trying to save something by plugging up the bung hole in the barrel.

Most of us realize that no matter how much is put into a barrel, it never will be full if the open bung-hole—the outlet—is twice as big as the intake. It surely is absurd to continue increasing taxation without any effort to stop waste, extravagance, unnecessary spending. That the New Deal has been spending on other than war activities during the past 10 years far more than was received in revenue we all know. Let it begin to show a little consideration for the overburdened taxpayer.

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

Mr. HOFFMAN. I cannot yield, I have no more time.

The SPEAKER. The time of the gentleman from Michigan has expired.

EXTENSION OF REMARKS

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by the insertion of a recent editorial from the Marion (Ohio) Star.

The SPEAKER. Is there objection?

There was no objection.

Mr. SMITH of Ohio. Also, Mr. Speaker, I ask unanimous consent to extend my remarks by the inclusion of a resolution unanimously adopted at the 1943 rally in the Epworth Methodist Church, Bucyrus, Ohio.

The SPEAKER. Is there objection?

There was no objection.

THE ISSUING OF BONDS

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, issuing bonds to people who subscribe through factory pay rolls is a very technical job, and I simply throw these remarks in for the benefit of my colleague from Ohio, and do it to point out that in my town, where so many thousands of factory workers have made such subscriptions, we found it necessary to get the banks, the Red Cross, the War Finance Local Board, and other forces to assist. Some of the companies have gone

so far as to get the banks to issue these bonds for them promptly, but that has become a rather impossible burden, because the banks are now almost unable to obtain the necessary careful help to perform the job. I can understand why my friend's constituents want the bonds issued, but the volume now clearing through and the increase in the shortage of manpower cause considerable delay in getting these individual pieces of paper issued carefully to the proper names and all.

The SPEAKER. The time of the gentleman from Michigan has expired.

EXTENSION OF REMARKS

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and include a telegram to Marvin Jones.

The SPEAKER. Is there objection?

There was no objection.

THE EXECUTIVE AND LEGISLATIVE BRANCHES

Mr. MORRISON of North Carolina. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. MORRISON of North Carolina. Mr. Speaker, I have always understood that the great powers granted to our Government were divided into three great departments of government, the executive, the legislative, and the judicial. What has become of that very wise separation of the powers granted to this Government? We have the power to investigate the executive branch of the Government for the purpose of legislating, but we have debated that until today the executive branch of this Government has the whip of a Congressman thrown over it everywhere, trying to dictate to the executive or the administrative branch of the Government how to perform its duties, which branch is just as independent as we are, and we should assume, just as honest and just as patriotic. We ought not to abuse this power that we have to get information on which to wisely legislate by constituting ourselves the censors of a branch of our Government as independent as we are, and I submit as intelligent and as honest and as patriotic, and I submit there should be more respect accorded to this branch of our Government which we almost hourly assail here not for the purpose of acquiring information to legislate upon but to let that branch understand that we are its masters, and that if they do not do our will they will be pilloried before the people of the United States.

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. CASE. 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. CASE. Mr. Speaker, I listened to the remarks of the gentleman from North Carolina [Mr. MORRISON] with a great deal of interest. I fear he has

confused the situation. If I have correctly understood the language of the people who have been taking the executive branch to task or who have been directing investigations, it is that Congress has been inquiring as to how it comes that the executive branch should assume legislative and law-making powers. The various inquiries we have had are directed to asserting and reclaiming the powers of Congress, the loss of which the gentleman deplored.

The SPEAKER. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and include an editorial from the *Carmie* (Ill.) Democrat.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from a newspaper.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks on the development of the Arkansas Valley area.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my remarks and include a clipping.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MUNDT. Mr. Speaker, I ask unanimous consent that on tomorrow, after the other special orders and any business on the Speaker's desk, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 15 minutes.

CEILING PRICES AND THE PRODUCTION OF FOOD

Mr. HOFFMAN. Before I begin, I wish to yield back 10 minutes of the 15.

To those Members from the farm districts who are opposed to subsidies and to all others who are inclined to object to the payment of subsidies, permit me to say that if the present program of the administration continues we are going to take subsidies even though we do not want them.

An effort will be made to prove that by citing an instance that happened last summer. They fixed the price of black raspberries on the canning market at 13 cents a pound. They fixed the price on the fresh market at 20 cents a pound. You know how many went into cans, do you not? The same was true of other fruits, especially peaches.

In addition to the fact that we had a shortage of cherries and peaches in

Michigan and in other States, they fixed the price so that the canneries could not operate. The majority of the people in the small towns are canning their own provisions.

I wish these city farmers would listen to me, because you are going to be hungry next year. It is not going to bother us out in the country and small towns, but the people who live in the cities and who eat out of tin cans are going to discover, not this winter, but next year, in 1944, that canned goods are short. And when, like Mother Hubbard, you go to the cupboard and find that it is bare, do not blame the farmer; take it out on the planners.

With reference to onions, celery, apples, and other farm crops, the O. P. A. fixed a price and issued orders so as not only to hinder production, but marketing and storage.

The result is going to be this, that as the farmer's income drops, as it will, the administration, through Marvin Jones and others, will tell the farmers that the only remedy is subsidies. I see my friend from Massachusetts [Mr. GIFFORD]. They will catch you on fish. They will find some way to keep your fisherman from making any money.

So when the farmers and others who are engaged in production find that they cannot make a livelihood, we will be swamped in Congress with letters asking for subsidies. They are already trying it in my district, and I am beginning to receive letters from farmers who say, "We do not want a subsidy. We think it is un-American. We think it will not work. We do not like this idea of having a dollar taken from us in taxes and then having 50 cents or 70 cents come back by way of subsidies. There is too much shoving when it runs through Washington. Too many fellows get their fingers on it and take a little out of it. But we must live."

These bureaucrats are like the little boy who swallowed the \$5 gold piece of his neighbor. They gave him a dose of ipecac, and up came the money. But when his father took it over to the neighbor, the father said, "Sorry, but there was only \$4.50 that came up. That is all we got back out of that \$5 gold piece."

It is the same way with every dollar that the taxpayer puts through Washington. When it comes back to him in the way of a subsidy or a payment of any kind, it is less. It is not a dollar. The taxpayer is lucky if it is 50 cents.

How are they going to make us vote for subsidies? They are going to starve our farmers to the point where they will say, "Well, we do not like it, we do not believe in it but we must eat. We must have it. We must live."

On top of that procedure is the demand of the union officials for the roll-back of prices. They want us to take the taxpayer's dollar and make it easier for the consumers to live, but so far, in spite of the millions of dollars which are collected each year right out of the workers' pay envelopes, I have not heard anything from any of the union politicians who are supporting the roll-back, the New Deal and demanding a fourth

term for the President, suggesting that there be any roll-back in the payment of union dues so as to aid in reducing the cost of living, so as to help the worker purchase food. Caught by Government price-fixing which gives him less than the cost of production, the farmer—yes, and processors and handlers of food who find their incomes reduced almost to the vanishing point—will of necessity need more money, a greater income; and, with the New Deal in power, there is no other way of getting it except through a subsidy, the major portion of which he will himself pay.

Caught between the pressure exerted by the farmer, who, because of regimentation, is forced to ask for a subsidy, and the demands of the labor politicians, who insist upon a roll-back of prices, which again would squeeze the farmer, Congressmen will be forced to vote for subsidies or clean up on the O. P. A. and the Government planners.

In my judgment, we should waste no time in doing the latter. A house-cleaning in the executive branch of our Government is long overdue. Why sit here and let the New Deal force us farther along the road toward a socialistic state?

The SPEAKER. The gentleman has consumed 5 minutes.

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. PHILLIPS] is recognized for 12 minutes.

THE NEW DEAL IS STUCK IN MOLASSES

Mr. PHILLIPS. Mr. Speaker, molasses is a very sticky substance, and I have an idea that the administrative agencies who are dealing with this commodity are going to find themselves thoroughly stuck in it before very long. I am speaking today, however, to the consumers of the United States who expect to drink milk this coming winter or to eat poultry, or steaks or pork products, and who will be very much interested to know that one reason why there will be a shortage in these products is definitely chargeable against the muddling of several Washington agencies which have to do with the administration of foodstuffs.

There are 355,000,000 gallons of molasses potentially available in the Caribbean area. One hundred and eighty million of these are obtainable from Cuba; 65,000,000 gallons are in San Diego; and 110,000,000 gallons can be secured from Puerto Rico. The Office of Economic Warfare made this estimate a few days ago and pointed out that this molasses for the manufacture of alcohol was urgently needed in the United States for both munitions and synthetic-rubber programs.

The consumers are interested because this molasses, if shipped to the United States, would release more than 50,000,000 bushels of wheat for food purposes. That amount of wheat, to put it into understandable language, is enough to provide twelve and one-half million men, women, and children with bread for 1 year, or to provide enough feed for the production of 375,000,000 pounds of pork. It could be translated just as easily into poultry or beefsteaks.

You understand, Mr. Speaker, that the ratio for the production of alcohol, between sugar, grain, and molasses, is a ratio of 2-3-4. That is, it requires two units of sugar, or three units of grain, or four units of molasses to produce the same amount of alcohol.

The New Deal seems to be stuck in molasses. During the past year there has been a very small movement of molasses from these areas because of the tanker shortage. In recent months about 5,000,000 gallons have been shipped monthly from Cuba, on smaller boats. However, a representative of the War Shipping Administration testified a few days ago before a subcommittee of the House Committee on Military Affairs that a sufficient number of tankers has now been allocated to move all the offshore molasses supply. The W. S. A. representative said in so many words, "The shipping shortage is not an obstacle at this time."

These ships have been available for more than a month, yet no molasses has been moved from Puerto Rico on W. S. A. vessels and the movement from Cuba has not been stepped up in accordance with the plans recommended by the O. E. W. and approved by the War Food Administration.

The reason is entirely one of price. For some unexplainable reason, which other Congressmen think is a mutual agreement between the governmental agencies involved, war agency officials have decided that they cannot move this molasses to the United States until it has been purchased by the Defense Supplies Corporation. D. S. C., however, has not yet succeeded in purchasing the molasses in question because, according to reports, the price to the owners of the molasses in Cuba and Puerto Rico is below that prevailing for molasses in the mainland markets.

This decision to move the molasses only after it has been purchased by the D. S. C. seems to be an arbitrary decision. Why cannot the individuals now owning the molasses ship it to the mainland on W. S. A. tankers and sell it here in the open market to available purchasers, most of them, the distilleries manufacturing alcohol? Yet, according to earlier press reports, war agency officials have stated that there is an informal agreement whereby no molasses will be shipped from the Caribbean, no matter how badly it is needed, until the present owners of the molasses come to terms with the Defense Supplies Corporation.

The current price ceiling on molasses, in Louisiana and Florida—the larger producing areas of the United States—is 18 cents per gallon. This is the ceiling price set by the O. P. A. At other mainland points the ceiling price is slightly higher. Yet the D. S. C. is offering only 5% cents per gallon for the Cuban supply and was offering less than that for the Puerto Rican molasses. The farmers who grew the cane, and therefore own the molasses in Cuba and Puerto Rico, have taken the position that they will not sell at these levels in view of the much higher prices being paid for molasses produced on the mainland. Their

position is understandable. However, in spite of protests, D. S. C. persistently refuses to yield.

A delegation came recently from Cuba to negotiate with D. S. C. and subsequently announced they were rejecting the offer and were returning to Cuba without making any sale. Negotiations with Puerto Rico owners were also broken off.

As a result of this confusion and delay, the alcohol distilleries of the United States continue to use grain for the manufacture of alcohol, thus seriously cutting into the supply of foodstuffs for cattle, poultry, and hogs, and into the supply of wheat for consumers in the United States.

The importance of releasing this amount of grain can be shown by a few figures. The demands for wheat last year approximated 950,000,000 bushels. The estimated demands for this year are said to be 1,250,000,000 bushels; that leaves us with an estimated shortage of 300,000,000 bushels. We have a carry-over from last year of about 600,000,000 bushels which makes a net shortage of approximately 300,000,000 bushels. I have not checked these figures myself; perhaps the gentleman from the Wheat Belt will confirm them. The release of 50,000,000 bushels of wheat is not a small thing in view of the critical shortage of food in the United States.

Until the D. S. C. agrees to equalize prices, or at least to approximate prices between the mainland and the Caribbean areas, or until the Caribbean farmers give in and sell their molasses for a third of what they could get on the mainland, the molasses will remain in the areas where it has been grown and the alcohol distilleries will continue to use grain, thus seriously depleting the foodstuff supply for the men and children and women of this country.

To make matters worse, during this unexplainable and wasteful delay many thousands of gallons of molasses are simply going to waste in Puerto Rico. Storage facilities have been exhausted and the molasses is poured into ditches for lack of suitable storage space. Millions of other gallons are being used for the manufacture of gin and rum in the islands instead of being utilized to save grain for human consumption.

The responsibility for this muddle rests solely on the policy in Washington of dividing the administration of food between a half-dozen agencies instead of placing it, as during the last war, under one administrative head. The results of the same muddling, in connection with milk, citrus fruits, vegetables, and beef are already known, or should be known, to the consumers of the United States.

The Republican Congressional Food Study Committee has been pointing out these facts to the consumers for about 6 months, and with some success so far as changes in regulations are concerned, and I point them out now not only to the consumers of the United States but particularly to that committee which announced itself the other day as being for the protection of the consumer. The best protection that can be given to the

consumers will be: First, to increase production, which can never be done by subsidies as they are now proposed, and, second, to reduce the spread between the price paid to the producer and the price paid by the consumer in the local markets. It does not follow at all that the consumer will necessarily pay a higher price for necessities, if the producer receives the cost of production. That is, unless the O. P. A. continues to make regulations giving the handlers of the product, between producer and consumer, more money than these same handlers ever received in normal times, or expected to receive in this time of emergency.

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

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

Mr. HINSHAW. The gentleman has made a very valuable contribution to the thinking of the House today and it has occurred to my mind that while we were having sinkings in the South Atlantic there was a shortage of coffee and sugar in this country. I understand that shortage has been met for both commodities, and yesterday I called the Office of Price Administration and asked what had happened when the limitations on the distribution of coffee were lifted and the reply was "Nothing."

I think the same thing would happen if all restrictions were lifted on sugar, that nothing would happen.

Mr. PHILLIPS. I thank the gentleman for his contribution.

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

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

Mr. CRAWFORD. I want to thank the gentleman from California for his very fine statement concerning this matter. The molasses storage tanks in Puerto Rico are practically all filled at this time.

Mr. PHILLIPS. That is correct.

Mr. CRAWFORD. The grinding season will start, perhaps, in January or February at the latest, and such molasses as is produced, in the absence of some such arrangement as the gentleman has suggested, will have to go to absolute waste, and in and around these storage pits there will be additional wastage.

Mr. PHILLIPS. The gentleman from Michigan knows that from his own observation.

Mr. CRAWFORD. There is another matter that we will probably have on the floor very shortly. Puerto Rico at the present time is participating in the tremendous rum market in the United States. There is a very heavy rum export tax.

Mr. PHILLIPS. That is correct.

Mr. CRAWFORD. Which tax is being paid by the people of this country, the consumers of the rum, into the Federal Treasury and later remitted by the Federal Treasury to the insular government. Those funds are now running around \$4,000,000 to \$4,200,000 per month.

Mr. PHILLIPS. I was not aware of the amount.

Mr. CRAWFORD. A fantastic sum of money is going into the insular treasury as a result of the previous act of the Congress, and this Congress should recapture control of that fund and use it as a part of the subsidy program, or rather, the relief program we are giving to Puerto Rico instead of letting the funds waste and then turn around and make direct appropriations from the Treasury.

Mr. PHILLIPS. I thank the gentleman from Michigan for his statement, which makes mine more complete.

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

Mr. PHILLIPS. I yield to the gentleman from Ohio [Mr. CLEVINGER].

Mr. CLEVINGER. Is it not true that sometime ago the House Agriculture Committee, with 100-percent support of the Republican members thereof, reported out a bill to put this food-administration program under one head, instead of seven or eight different heads, thus dividing their responsibility and operation?

Mr. PHILLIPS. The gentleman from Ohio is correct. Perhaps he will tell the House also what became of that bill.

Mr. CLEVINGER. About the time we reported the bill out, Mr. Chester Davis turned up as one of the casualties of this war and from that time on we have not seen the bill.

Mr. PHILLIPS. The gentleman from Ohio will agree with me that the bill should be brought out, will he not?

Mr. CLEVINGER. Yes, indeed.

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

Mr. PHILLIPS. I yield to the gentleman from Nebraska.

Mr. CURTIS. The gentleman from California is a very able authority on all these matters.

Mr. PHILLIPS. The gentleman from California is not.

Mr. CURTIS. I wonder if the gentleman can tell us how it happens that even with seven or eight agencies handling food they can make as many mistakes as they are making?

Mr. PHILLIPS. No; I do not think anybody on this side of the House can possibly tell that.

Mr. CURTIS. Surely it could not be accidental.

Mr. PHILLIPS. The guess of the gentleman from Nebraska is as good as mine.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The gentleman from California has correctly stated that the paying of a subsidy will not increase the production of food.

Mr. PHILLIPS. It has not historically, as the gentleman knows.

Mr. AUGUST H. ANDRESEN. I am satisfied that those who are advocating a subsidy and the paying of a subsidy will offer the same suggestion, but I am also convinced that the subsidy is being paid for political purposes, trying to garner in the consumer votes by making consumers believe that they are getting

a lot under the program, in the hope of trying to get their votes through paying them something out of the Treasury to support of a fourth term.

CALENDAR WEDNESDAY BUSINESS

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that business in order on tomorrow, Calendar Wednesday, may be dispensed with.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. RUSSELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix by including an article from the Washington Times-Herald.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein a newspaper article.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. WINSTEAD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein an article by Raymond Moley.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Pennsylvania [Mr. GAVIN] is recognized for 30 minutes.

THE CANOL PROJECT

Mr. GAVIN. Mr. Speaker, today we in the United States have a great liberal and generous Government—generosity personified. Constantly we hear everlasting talk about the freedoms, freedom of the press, freedom of the air, freedom from fear, freedom from want. We should add another freedom, freedom with the taxpayers' money, because if we continue to neglect the freedom with the taxpayers' money, certainly we shall not have the other freedoms.

However, when there is anything that concerns the administration policies and programs that may be of a critical nature, the freedom that we boast about instantly ceases and secrecy prevails.

We have just been advised, through the press, of the return of the five distinguished Senators from their tour of the war zones, and if I interpret their public utterances correctly, our allies certainly have been taking a lot of freedom with Uncle Sam.

Along with the "four freedoms" and the propaganda we have been feeding the world, it is quite evident that the people of the stricken countries are of the opinion that Uncle Sam is a rich uncle whose pockets are inexhaustible. It looks now as though the freedom with the taxpayers' money may eventually lead us into national bankruptcy, because of our philanthropic, utopian ideas and that these countries we are so nobly assisting are of the opinion that

after the war we are going to carry on a glorified W. P. A. project in every stricken country in the world. That this country is a gigantic smörgåsbord, as pointed out by the distinguished Representative from Minnesota [Mr. KNOTSON], and our assignment will be to provide food and supplies for all the world, invite all the people in the world to partake of the feast, all except the Americans, who are permitted to produce the food, not participate in the feast, but pay the bill.

When the distinguished Senators returned to submit their report, I cannot understand why this branch of the Congress was not given an opportunity to listen to the executive session report. There are 435 of us, representing 135,000,000 people who are entitled to hear what the Senators had to say as well as the Senators themselves.

Now, when the distinguished Senators started to talk with that freedom of speech that we so gloatingly tell the world is one of our freedoms, Senator SCOTT LUCAS, of Illinois, according to the press, reminded the Senators that the penalty for disclosing events in an executive session of the Senate is expulsion.

Also, according to the press, the majority leader, ALBEN BARKLEY, and Senator FRANCIS MALONEY complained.

Now, if the American taxpayer sent these men on a tour of the battle fronts to secure information, then the public is rightfully entitled to a report as to what they found out as to conditions on the fronts in which American troops are fighting and dying, whether Uncle Sam is being played for a sucker or whether we are getting a square deal.

We, as Members of the Congress, are also entitled to this information so that we can tell our people what is actually happening.

It has recently come to my attention that this ambitious program of freedom with the taxpayers' money has not been confined to the stricken war-torn countries of the world, but we have become very generous on the North American Continent. I now refer to the Canol project in Canada for development of one of Canada's natural resources, oil.

I have here an article appearing in Maclean's magazine, Canada's national magazine, of August 15, 1943, the headlines as follows:

Story of the \$138,000,000 project, which is lining Canada's Main Street to Asia with airfields, oil wells, highways, and pipe lines.

The editor's note states:

The Canol project described by Mr. Richard Finnie, is one of the most notable construction operations in Canadian history. It involves the opening up of an oil field on the Mackenzie River, only 75 miles south of the Arctic Circle, construction by the United States Army of 1,600 miles of oil pipe lines traversing sub-Arctic waste, intensive development of a 1,200-mile lake-and-river transport system, building of a refinery and many hundreds of miles of new highways, and construction of new key air routes through the Canadian Northwest. A Washington report states the project will cost \$138,000,000.

Now, in view of the fact that I come from the oil country, where oil leases are

being abandoned, wells scrapped and sold for junk and a proven oil area that has a billion barrels of oil waiting to be drawn from the reluctant sands, that we cannot secure an increased price on oil to justify securing increased production of oil to fight this war, to give the people the necessary fuel oil to keep them warm, and gasoline to operate their cars, when a 50-cent price increase on a barrel of oil would mean less than a half-cent a gallon to the American people and would not cost the Government anything, so it occurs to me that it would be time to find out why we spend \$138,000,000 in Canada to develop the oil resources of that country—to build pipe lines, highways, and airports, all at the expense of the American taxpayer.

Therefore, I requested the Petroleum Administrator for War, under date of September 17, 1943, to submit to me a copy of the contract entered into on May 20, 1942, for the development of the oil operations at Norman Wells, Canada, for the construction of pipe lines from Norman Wells to White Horse.

I received a reply from Deputy Administrator Ralph K. Davies, under date of September 27, 1943, as follows:

The contracts covering this project were made by the Army with the various companies involved, and the Petroleum Administration does not have copies of any of these documents. I would therefore suggest that you get in touch with the office of Gen. Brehon Somervell. I am sure that the War Department will be glad to supply you with the information you desire.

Well, for the information of the House the War Department was not glad to supply information as you will know later.

This letter indicates that even if Secretary Ickes may be the Petroleum Administrator for War, here is one instance in which he was not given very much consideration in determining whether or not this was a practical or an impractical project for producing oil for the war effort.

I then wrote Deputy Administrator Davies again and asked him why they were not permitted to participate in so important a project concerning oil for the war effort, and on October 4, 1943, he wrote me as follows:

It is true that the Petroleum Administration is supposed to be consulted on all foreign matters relating to petroleum and is charged with the responsibility of directing the operations of American oil companies in the foreign field. The Canol project first came to our attention, however, after the plans were well advanced and the undertaking had actually been launched.

Upon making inquiry of the War Department, we were informed that the Army considered the development of sources of supply of military fuel for Alaska to be of such extreme military urgency and necessity as to warrant independent action. In the circumstances it felt that development could properly proceed without prior consultation with the Petroleum Administration. This view has thus far prevailed and, accordingly, the Canol project represents an exception to the regular procedure.

Now, I admit that production of new oil as a contribution to the war effort is essential and it should be considered

for supplying our Alaskan base, providing the field his proved that there was enough oil to economically justify the expenditure of \$138,000,000. I admit that after Pearl Harbor we were willing to grasp at anything; however, after this Jap threat was removed we should have proceeded more cautiously.

However, I was also interested in determining what kind of a contract was entered into with Canada and therefore wrote to Gen. Brehon B. Somervell requesting that he submit to me a copy of the contract between Canada and the United States and other interested parties, and I received a letter under date of October 5, 1943, from Maj. Gen. W. D. Styer, as follows:

General Somervell is absent on an extended inspection trip, and your letter to him concerning the Canol project has been referred to me for reply.

Contracts pertaining to the Canol project are classified as secret War Department documents for military reasons, and I regret that I am not at liberty to furnish you copies.

After receiving this letter I wondered why, in view of the fact that Maclean's magazine had given a very comprehensive and complete and detailed report of the project, with pictures and a map showing the highways, pipe lines and railways and the exact location, in fact, there is nothing secretive about it any longer. The American press did not carry the story, at least I never saw it, but Canada makes no secret about it and states in this article:

This was to be the Canol project (Canol from the words "Canadian" and "oil" telescoped), and participating in it were to be the Imperial Oil Co., Standard Oil of California, J. Gordon Turnbull and Sverdrup and Parcel (as architect-engineers) and Bechtel-Price-Callahan (as constructors). Fulfillment of the contract was to be aided and supervised by the United States Corps of Engineers with Col. Theodore Wyman, Jr., as officer in charge.

A week later Colonel Wyman and representatives of the constructors and architect-engineers were arriving in Edmonton—which was to be the control base—and 2,500 United States Engineer troops, most of them colored, were en route to Waterways, end of steel 300 miles north. Rolling with them over the second most northerly railroad with a main-line connection were 15,000 tons of pipe.

And, by the way, I may say that at that time not an oil producer in the United States could get pipe.

This was for the line from Norman Wells to Whitehorse and curiously enough, while it was the first thing sent, it was the last thing needed.

It is a very comprehensive, detailed story of the whole project, so there is nothing I can see that is very secretive about this Canol project any longer.

On October 7, 1943, I then contacted, by telephone, Under Secretary of War Robert P. Patterson and requested that he submit to me, in view of the fact there was no longer any secrecy, a copy of the agreements relating to the Canol project between Canada and the United States. He said over the telephone that he would take the matter under consideration and advise me later. Almost immediately, that is on October 8, 1943,

I received a letter from Mr. Patterson as follows:

I have considered your request that we furnish you with the various agreements relating to the Canol project, so-called, for the drilling of wells, the construction of pipe lines, and the erection of a refinery in northwestern Canada, some of the pipe lines running also into Alaska.

I realize that articles have appeared recently in Time magazine and in Maclean's magazine published in Canada last August. I believe there have been some other articles as well. These articles, however, do not go into certain details as to capacity, etc., or specific features of the various agreements.

I find it necessary for the present to adhere to the position expressed by General Styer in his letter to you. Because of the military secrecy involved, I cannot now release the documents. I assure you of my desire to give you any information which I properly can and that if, at a later date, the situation changes so that the classification of the papers can be changed, they will be made available to you.

Now, I might also tell the Congress that on June 19, 1943, under a War Department release, it was stated:

Less than 100 miles from the Arctic Circle in the northwest territory of Canada, troops of the Army of the United States have overcome the difficulties of wilderness and rough weather to tap a huge source of oil to supply the armed forces in Canada and Alaska, the War Department announced today.

This, the Canol project, is going forward under an agreement with the Canadian Government, which retains ownership of the wells developed.

Now, I would like to know how much oil this field can supply and who authorized these agreements between the Canadian and United States Governments.

It is believed, from what I can learn, that this huge source of oil claimed is not so huge, according to Maclean's magazine:

In 1939 Norman Wells installed a modern straight-run 840-barrel refinery so that the field could fully supply the local market for engines on water, on land, and in the air, turning out not only fuel oil and motor gasoline but 87-octane aviation fuel as well. Part-time summer operation took care of the demand, and 1941's production was a little less than 24,000 barrels of high- and low-test gasoline and several grades of oil.

No doubt, I would say, the production has been greatly increased over these figures; but, whatever it may be, it is but a drop in the bucket. I might say our daily production in the United States is 4,250,000 barrels, our annual production 1,385,000,000 barrels, and the oil man is asked to up this in 1944 to 1,550,000,000 barrels.

A report submitted to me on September 28, 1943, from the Subcommittee on the Cost of Production prepared by the crude-oil requirements committee, composed of 40 producer associations covering the entire producing area of the United States, reports as follows:

We have estimated that the cost of finding, producing, and developing a barrel of crude oil as of June 30, 1943, was \$1.244, which is an increase of 48 cents per barrel over the cost of the third quarter of 1941, as reflected by the Tariff Commission's report. We further estimate that application of the 48-hour week will increase the cost at least 5 cents per barrel. This would bring the cost

at the present date to \$1.294, exclusive of interest for capital.

Now when we ascertain what the daily production is in the Norman Wells field of Canada and divide it into whatever the cost may be we can secure the cost per barrel to produce Canadian oil, and believe me it will be plenty. Then we can determine whether it is military secrecy involved or whether we should call it a case of poor judgment, write it off and put it down as something to be remembered but not talked about.

I would say there is no longer reason for suppression of the contract under which development of Canadian oil resources in the far north are being financed by this Government.

There can be no question of military secrecy. All the enemy cares about in this deal is the location of places to drop bombs. The War Department in its own press releases and Maclean's, Canada's national magazine, have removed such secrecy. It has told the entire world where the refinery will be located, where the pipe line is being laid and where the oil field is being developed. What more could the enemy wish to know? The enemy does not care about the terms of the contract.

But the taxpayer, that long-suffering, victimized and confused bearer of the burden of all these fantastic, impractical spending schemes, has the right to know. How much money, where it is being spent and what it buys and, in this case, what is to become of the property after the war is over and how much oil is actually being produced.

There can be no valid reason for refusal to tell exactly what our War Department has contracted to do in this petroleum venture up there near the Arctic Circle. The only reason for refusal now to make the matter fully public is the fear of letting the full truth be known—that or a tacit admission that the whole thing is a failure.

A widely read columnist on October 9, 1943, had this to say under the heading, "Alaskan oil":

Nearly 1 year ago this column called attention to the phantom oil pipe line which the War Department was laying from the Fort Norman oil fields in north Canada to White Horse, Alaska. It was pointed out that the pipe line had to be laid over icy mountains, on top of the ground at sub-zero temperatures, and that congealed oil could not be pumped at these temperatures.

Due to these and other difficulties, Petroleum Administrator Ickes wrote a letter to Secretary of War Stimson calling the pipe line impractical. As a result Secretary Stimson ordered its construction stopped. However, Gen. B. B. Somervell later was able to proceed with it and the line is now more than half built.

Recently the Truman committee sent a delegation of three Senators to Alaska and they have brought back an extremely critical report. They are in doubt whether the pipe line can be finished in time to serve any real military value in Alaska. When finished, they doubt whether it will be able to move oil at temperatures of 70 degrees below zero. Finally, they are not sure that there is too much oil in north Canada to pump anyway.

The Senators also report that oil prospectors are now busy in northern Canada

looking for oil—at Government expense. They also report that although the cost of the pipe line was supposed to be \$31,000,000—actually the cost of the entire project will be many times that much. They cannot get a figure from the War Department as yet, but it is whispered that it may run as high as \$200,000,000.

The most amazing thing, however, is the report that after the war the pipe line and the wells in north Canada will be turned over jointly to Imperial Oil, Ltd., and the Standard Oil of California.

It is significant that the former head of Standard of California, Ralph Davies, now deputy petroleum coordinator under Ickes, acted vigorously to stop the Canadian-Alaskan project—apparently working against the interests of his own firm.

I might add at this point that Ralph K. Davies, Deputy Administrator of Oil, is a brainy oil executive and advised against it because he knew it was unsound and impractical, realizing that eventually if it were pushed through somebody would have a lot of explaining to do about tossing \$138,000,000 down the hole into a project that in his judgment was economically unsound and which eventually would fall into disuse and be abandoned.

I recommend that the Lea subcommittee of the House on Interstate and Foreign Commerce should cause an immediate investigation of the Canol project.

The administration has adopted a policy of "hold the line" in our own country but dished it out everywhere else with the result that the O. P. A. continues to ration the ever smaller available quantities of oil and its byproducts, fuel oil, and gasoline, as best they can, while the people are crying for gasoline and fuel oil, when with a slight increase in the price of oil in the United States we could produce all of the crude oil necessary in this country for not alone the war effort and our allies but our own people; but the powers that be would rather dump \$138,000,000 into a questionable and undetermined oil project to develop the natural resources of Canada at the expense of the American taxpayer, than look after our interests in their own back yard.

I would say that if such a huge sum as \$138,000,000 were spent in United States oil fields it would have produced, every day, several hundred thousand barrels of oil. It will be interesting to find out how much production this Canadian exploration scheme is actually producing—this the American taxpayer is entitled to know.

I am fully convinced that if this field would give real value the oil companies would have gobbled it up long ago. That is, if in their estimation, sufficient production was evidenced to economically justify the expenditure.

The chances are that when the contracts are made public the only part the oil companies will have played will be to agree to take the oil, refine it, and distribute it. However, they have nothing to lose, and no doubt will end up with the properties which they will operate at a profit, otherwise they will be abandoned.

So the good-neighbor-minded boys playing loose with Uncle Sam's pocket-book have plunged recklessly into what

now appears to be a bust. Time will tell. In any event, it has made a splendid development for Canada even if they never get any oil to speak of. It is all at the expense, I understand, of the American taxpayer who is entitled to know just what the set-up is. One hundred thirty-eight million is a neat little sum to spend in any man's country.

Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include therein an article appearing in Maclean's, Canada's national magazine.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The matter referred to follows:

[From Maclean's magazine of August 15, 1943]

CANOL BLITZ

(By Richard Finnie)

STORY OF THE \$138,000,000 PROJECT WHICH IS LINING CANADA'S MAIN STREET TO ASIA WITH AIRFIELDS, OIL WELLS, HIGHWAYS, AND PIPE LINES

(EDITOR'S NOTE.—The Canol project described by Mr. Finnie is one of the most notable construction operations in Canadian history. It involves the opening up of an oil field on the Mackenzie River only 75 miles south of the Arctic Circle, construction by the United States Army of 1,600 miles of oil pipe lines traversing subarctic wastes, intensive development of a 1,200-mile lake-and-river transport system, building of a refinery and many hundreds of miles of new highways, and construction of new key air routes through the Canadian Northwest. A Washington report states the project will cost \$138,000,000.)

The Japanese attack on Pearl Harbor hastened the development of northwestern Canada about 100 years. It started the Alaska Military Highway and the Canol project—by far the biggest construction program, in respect to territory covered, in the history of the world.

"An aerial campaign against Japan could be pushed to best advantage from Alaskan air bases," said the late Brig. Gen. William Mitchell a score of years ago, and belated recognition of that opinion is reflected in the fortification of Alaska, in the building of the Alaska Highway, and in the undertaking of the Canol project.

With the Japanese occupation of Attu, Agattu, and Kiska, Americans and Canadians became suddenly and painfully aware of the proximity of Alaska and its Aleutian Islands to Japan; and many of them, studying global maps for the first time, saw that Fairbanks in the very heart of Alaska was only 3,500 miles from Tokyo. They saw also that from San Francisco to Japan the air route via the Aleutians was nearly 2,000 miles shorter than the Hawaiian route. They saw that Attu Island, last in the Aleutian chain, was 750 miles from the Japanese Kurile Islands, with their air and naval bases. They saw that the westerly tip of Alaska was less than 60 miles from Asia.

But to defend Alaska and, better still, to strike at Japan from Alaska, we would require tremendous quantities of equipment and tremendous quantities of fuel. Alaska was insular, attainable only by air or sea. Men and equipment and fuel could be shipped to Alaska—and they were—but freighters and tankers were needed elsewhere. And there was an ever-present threat of enemy action in Pacific waters.

There would have to be a road and there would have to be fuel. Alaska had petroleum but it was remote and undeveloped. The nearest ready source was in the lower

Mackenzie Basin in Canada, 700 air miles from Fairbanks.

The presence of oil on the lower Mackenzie had been noted as far back as 1789 by Alexander Mackenzie, the young Scottish fur trader and explorer whose name was given to the river down which he canoed to the Arctic. In 1919 the Imperial Oil Co. (subsidiary of Standard of New Jersey) sent a drilling crew to a location on the right bank of the Mackenzie 52 miles below the trading post of Fort Norman and 75 miles south of the Arctic Circle. The following summer a well was brought in but the local market was then too small to warrant production. Fur was still king and in the 1920's there was no industrial activity in the country. The largest fuel users were the steamboats and they burned cordwood. The Imperial Oil Co. capped the several wells that had been drilled by 1925 and withdrew.

In 1932 the fuel requirements of the new radium mine at Great Bear Lake justified the reopening of the Norman field and the drilling of new holes. From then on, Norman Wells (the present post office name of the camp) produced steadily. The development of gold mines around Yellowknife in 1937 gave an additional outlet for Norman oil.

In 1939 Norman Wells installed a modern straight-run 840-barrel refinery so that the field could fully supply the local market for engines on water, on land, and in the air, turning out not only fuel oil and motor gasoline but 87-octane aviation fuel as well. Part-time summer operation took care of the demand and 1941's production was a little less than 24,000 barrels of high- and low-test gasoline and several grades of oil.

But this could be increased many times with increased storage facilities if the refinery were kept going through the four seasons drawing from only the three wells which were then available. Because the Norman crude, which has a paraffin, not a bituminous base, will flow at 70 degrees below zero, winter operation would present no insuperable difficulties.

The United States War Department decided to develop Norman Wells and put a pipe line over the Mackenzie-Yukon Divide in a beeline to Whitehorse. Whitehorse was right on the Alaska Highway, where fuel would be needed for trucks and tractors as well as aircraft.

The Alaska Highway was already well under way from Dawson Creek to Whitehorse and Fairbanks when, on May 20, 1942, a United States War Department contract was executed in Washington for the further development of Norman Wells and the construction of a pipe line from the Wells to Whitehorse. This was to be the Canol project (Canol from the words "Canadian" and "oil" telescoped), and participating in it were to be the Imperial Oil Co., Standard Oil of California, J. Gordon Turnbull, and Sverdrup and Parcel (as architect engineers) and Bechtel-Price-Callahan (as constructors). Fulfillment of the contract was to be aided and supervised by the United States Corps of Engineers with Col. Theodore Wyman, Jr., as officer in charge.

A week later Colonel Wyman and representatives of the constructors and architect-engineers were arriving in Edmonton—which was to be the control base—and 2,500 United States engineer troops, most of them colored, were en route to Waterways, end of steel 300 miles north. Rolling with them over the second most northerly railroad with a main-line connection (first: Churchill) were 15,000 tons of pipe. This was for the line from Norman Wells to Whitehorse, and curiously enough, while it was the first thing sent, it was the last thing needed.

Exploring had to be done for the Mackenzie-Yukon divide area was among the least known in all the 1,300,000 square miles of the Northwest Territories, and an airplane was dispatched from Edmonton on June 6 to

fly to Norman Wells and thence to Whitehorse.

But the biggest over-all problem was transportation. The Mackenzie River in length and drainage is second on the North American continent only to the Mississippi, the Yukon River coming third. Many thousands of tons of equipment and supplies along with personnel had to be moved 1,500 miles northward from Edmonton before the real job could be started. There were consultations with specialists in northern transportation and plans were made.

The season for river freighting was short. Everything had to be moved by rail 300 miles to Waterways, by boat and barge 285 miles down the Athabaska and Slave Rivers to Fort Fitzgerald, over a 16-mile portage necessitated by a series of rapids, then on down the Slave 190 miles to Great Slave Lake. From there it went another 125 miles across the lake to the head of the Mackenzie proper, and 550 more miles to Norman Wells, 75 miles south of the Arctic Circle.

A couple of hundred carpenters and laborers hastily recruited in Edmonton built a camp and loading facilities at Waterways. Prefabricated barges were assembled, and with troops operating pontoon rafts freight started to float down the Athabaska before the middle of June. Within a year the Canol project was destined to have thousands of people on its pay roll, in addition to troops.

Existing transportation facilities were mainly those of the Hudson's Bay Co. and the Northern Transportation Co. and they were geared to handle about 10,000 tons in a summer. Besides this normal quota there would be at least 30,000 tons for the project's first season.

The United States Corps of Engineers and the constructors, moving on to Fort Fitzgerald and Fort Smith (on the sixtieth parallel—the border between Alberta and the territories), set to work augmenting wharves and improving the roads. Hundred-ton, 200-ton, and 300-ton barges were lifted bodily from the water at Fort Fitzgerald, trundled over to Fort Smith, and launched. Everything had to go over—pipe, equipment, supplies.

Hack out airfields

Meanwhile, airfields were being built. Hitherto in the Northwest Territories all flying had been done on skis in winter and on pontoons in summer. Canadian Airways Ltd. and Mackenzie Air Service Ltd. and their predecessors, and now their successor, Canadian Pacific Air Lines, had safely flown millions of miles in the North. But their operation was handicapped by the limitations of their skis and pontoons for there were the in-between seasons of a month or two in fall and a month in spring when neither skis nor pontoons could be used. These delays could be overcome and large cargo aircraft employed only through the construction of airfields. So the Army and the constructors, with bulldozers, carry-alls, and scrapers, hacked out landing strips—all the way from Edmonton to Norman Wells. Most of them were ready for use 3 weeks or a month after the first trees had been dozed over.

Norman Wells is on the right bank of the Mackenzie and a camp—Canol camp—was established on the opposite side 5 miles away. In July and August surveyors, constructors, and Army engineers were making the first attempts at road building toward the Mackenzie Mountains, rising to a height of 8,000 feet, some 30 miles back from the river.

Aerial reconnaissance flights were being made between the Wells and Whitehorse, a distance of 550 miles, and photographs were taken of several possible routes. Real exploring had to be done, for knowledge of the Divide country was sadly limited and fragmentary. A few gold seekers had gone to the Klondike via the Keele River in 1897 and 1898, and the mountain Indians regularly ascended

the Carcajou, farther north, on hunting forays, returning down the Keele in moose-hide boats. But the only published report on this part of the Divide was that of Joseph Keele, a Canadian Government surveyor, who traversed it in 1907-8.

Keele made his way, from the Yukon up the Ross River, a tributary of the Pelly, reached the height of land at Christie Pass (4,525 feet), then descended the Gravel (the original name of his river) to the Mackenzie. He found that "on the western slope the water flows from near the Divide for a long distance through valleys of mature erosion with an easy grade before reaching the master stream, the Yukon; while the streams on the eastern slope fall rapidly for a comparatively short distance and reach a much lower level at their junction with the Mackenzie."

Two salient facts emerged from preliminary investigations: Construction of a road and pipe line over the Divide would not be easy; and work should be carried on from both ends. But at the outset the shipping of materials to the Yukon was possible only through Skagway, and that port was already clogged with freight for the Alaska Highway. By August, however, after the Japanese situation in the Aleutians had been brought under control, arrangements were made to bring in equipment, supplies, and pipe via Prince Rupert, Skagway, and thence over the 110-mile White Pass & Yukon Railroad to Whitehorse.

Camps were established at Prince Rupert, Skagway, Carcross, and Whitehorse, and pipe was being strung and welded by October.

By the end of September a pipe line had been put across the Mackenzie between Norman Wells and Canol camp, and 600 colored troops, white troops, and a couple of hundred civilian workers were settling down for the winter. The colored troops, who had handled pipe and done general stevedoring all summer, now were building log cabins and cutting firewood to keep themselves warm. More than a dozen new wells, all of them producers, had been drilled and big storage tanks were under way. By the end of October when freeze-up began nearly all of the boats and barges that had carried freight and men until the last minute were drawn up on shore or safely berthed. Among these were the Hudson's Bay Co.'s sternwheelers, the *Mackenzie River*, built in 1907, and the *Distributor*, built in 1921. The latter, with a half dozen barges clustered about her, had on one trip taken the largest single load of freight down the river—1,300 tons.

The summer's operation, considering the haste with which it had had to be organized, was satisfactory. Some 2,900 tons had gone over the Fitzgerald-Smith portage. But not all of that had been delivered to the job site at Norman Wells. For instance, 9,000 tons of pipe for Canol lay piled at the delta of the Slave River. A great deal more freight would be needed at Canol camp before break-up. This led to another supplement.

In October the constructors built a camp at the town of Peace River, at rail's end in the Peace River country 310 miles northwest of Edmonton, and the troops who had been at Waterways and Fort Fitzgerald were moved there.

Pioneer 1,000-mile road

Then began work on a winter road from Peace River to the Mackenzie. There was already an all-weather provincial road 85 miles northward and a tractor trail to the mouth of the Hay River; but much of the latter had to be improved and relocated and a cut-off had to be run from Alexandra Falls on the Hay River to the lower end of Mills Lake below Fort Providence. Pioneering was done by white and colored troops, the constructors following. In December, truck convoys and tractor trains were rolling. They had 9,000 tons of freight to move. They were delayed

and plagued by Chinook thaws and lack of snow, but they kept going.

At the same time a civilian tractor crew was heading southward from Norman Wells to the north, crossing the Great Bear River on the ice, and continuing through unmapped wilderness 50 to 60 miles inland from the Mackenzie on the east side. The weather was bitterly cold and the men's only food was canned Army "C" rations which they heated in their tractor motors. An Army crew was working inland from Fort Simpson and another civilian crew was progressing northward from Mills Lake.

On February 24 a tractor from the north met a tractor from the south at Blackwater Lake. Their blades accidentally touched. One driver said to the other: "Why don't you look where you're going?" The reply was: "Why don't you learn how to run a cat?" Fisticuffs were narrowly averted—and that was the only ceremony attending the completion of a 1,000-mile pioneer road down the Mackenzie Valley.

Immediately truck convoys and tractor trains, having trekked northward 500 miles from Peace River to Mills Lake, continued another 500 miles to Norman Wells and over the ice to Canol. And they kept moving until the latter part of April when they began bogging down in spring mud. Most of them reached Canol; some were obliged to turn in 60 miles to Fort Simpson; but none were left on the road.

During the winter the Army had pushed a trail from Fort Smith to Hay River over which equipment needed on the Norman road was driven. Between February and late April thousands of tons of pipe were hauled on sleds pulled by tractors 220 miles across the ice of Great Slave Lake from the Slave Delta to Mills Lake, thence to be carried on barges to Canol camp after break-up.

There was still another operation. At Dawson Creek, 490 miles northwest of Edmonton, constructors and the Army engineers of the Canol project built a camp and in January they started freighting supplies and pipe over the Alaska Highway.

In December the Canol project was brought under the direction of the Northwest Service Command headed by Brig. Gen. James A. O'Connor of the United States Army. In March Colonel Wyman, who was given another command elsewhere, was succeeded by Brig. Gen. L. D. Worsham as division engineer, United States Corps of Engineers, northwest division, in immediate charge of the Canol project.

From November of 1942 through April of this year, dog team and tractor parties were working from both ends of the Norman-Whitehorse line. When break-up comes in May the stage was set for the long pull over the mountains. A route had been selected and access roads were already under way.

Communication was maintained by the United States Army with the cooperation of Royal Canadian Corps of Signals stations. There were mobile units operating with tractor crews wherever they went.

Meanwhile in the Norman Wells area, producing wells were drilled. Though many more would be brought in during the coming summer and fall, a more than adequate supply of oil was already assured to fill the original quota to be pumped through the line. The wells were shallow as oil wells go, averaging about 1,400 feet and taking 2 or 3 weeks each to drill.

Because of the low pour-point of the Norman crude, the line would not have to be buried or protected in any way from frost. It could lie right on the surface of tundra and rock.

To string and lay pipe you must have a road and this means it will soon be possible to drive a truck from Canol camp on the Mackenzie across the Divide to the Yukon.

Frontier pushers

What sort of people have done and are doing all this frontier pushing? Among the troops the colored boys are mostly from Georgia, Alabama, and Texas. The white troops are from almost every State in the Union. The colored troops at Canol camp faced the winter with forebodings—they expected to freeze to death, but came through unscathed and now look upon themselves as heroes.

Because of Canadian labor restrictions, the proportion of Canadians on the Canol project is small. They include famed bush pilots and bush surveyors, barren-land trappers and dog drivers, river pilots and road builders, carpenters, and catskinners. Among them are a few Indians (the project hasn't touched Eskimo country yet) who serve as boat pilots, canoe men, guides, and dog drivers.

The white troops—engineers, signalers, Medical Corps—have felt lonely at times, missing the amenities of the outside world, but numbers of them have become fond of the North.

The civilian workers—the carpenters, truck drivers, catskinners, riggers, crane operators, welders, cooks, etc.—are mostly from Oklahoma, Minnesota, Wisconsin, Texas, and some from California. Although they are making more money than most of them ever made in their lives before, there has been a 10-percent-per-month turn-over due partly to homesickness and restlessness. But among them are imaginative, visionary men who recognize the potentialities of the North. They feel they are in on the ground floor, and they talk of coming back after the war to settle down.

And women? Yes; there are women, too. From the very start secretaries, stenographers, clerks, nurses, all of them Americans, have been eager to go to Prince Rupert, Skagway, to Carcross, to Whitehorse, or to Canol camp and Norman Wells. Only recently, when accommodations were ready, did the first contingent of office workers go to Canol camp and the Wells, but all winter there were girl office workers in Skagway, Carcross, and Whitehorse. They loved it. Girls being an overwhelming minority, every one of them was a queen, and northern romances and marriages were frequent.

Away back at the beginning of the Canol project last summer this sign was posted in the constructors' employment offices:

"THIS IS NO PICNIC"

"Working and living conditions on this job are as difficult as those encountered on any construction job ever done in the United States or foreign territory. Men hired for this job will be required to work and live under the most extreme conditions imaginable. Temperatures will range from 90° above to 70° below zero. Men will have to fight swamps, rivers, ice, and cold. Mosquitoes, flies, and gnats will not only be annoying but will cause bodily harm. If you are not prepared to work under these and similar conditions, do not apply."

That was, of course, to discourage the faint-hearted. While the facts could be at times as stated, the over-all picture was exaggerated. In practice, working and living conditions have been generally excellent throughout the project. Men have been well clothed, well housed, and well fed. Indeed the food—practically all of it brought from the outside—served in most of the northern camps is better than that to be found nowadays in the average city restaurant, and no rationing applies.

It is noteworthy that over the million and a half square miles or so that the Canol project covers and with all the hazards involved, there have been few casualties. Few men have been killed, and serious accidents have been negligible. Despite the 70 degrees below zero warning no one has been

badly frostbitten. Indeed, the thousands of men doing outdoor work on the Canol project in the north are in conspicuously good health, and many of them have grown luxuriant beards to emphasize their virility. There are safety engineers whose responsibility is to forestall accidents, and the United States Army maintains well-equipped hospitals at all the camps.

True, it gets cold in wintertime in the north, but the men from Minnesota and Wisconsin were accustomed to weather just as cold at home, and the men from other States didn't suffer from it. In the summertime it gets warm, and the flies and mosquitoes are extremely annoying—though they seldom cause bodily harm. No; the chief hardships which project workers have had to face were not mentioned in the sign at all. They were homesickness and the infrequency of mail deliveries. Those hardships have prompted more men to quit than the cold or heat or flies or mud or ice.

Barge, jeep, dog team, plane

The vastness of northern Canada has amazed American construction men—even those accustomed to the open spaces of Texas and Oklahoma. Mackenzie District alone covers an area of 527,000 square miles. Before the advent of Canol in all that vast area there were only 4,000 Indians and half-breeds, about 500 Eskimos (in the delta and along the Arctic coast) and 1,500 to 2,000 whites—traders, trappers, prospectors, miners, missionaries, and Government employees.

The immense distances have entailed a major problem, that of transportation. The initial plans for the Canol project did not take this sufficiently into consideration. Nor did they allow sufficiently for the vagaries of climate and terrain. As one old northerner put it: "These Americans are all right; they'll succeed. But they'll have to learn that you can't beat the North. You can't batter it down. You've got to study it and work in harmony with it. Then you'll find that it's friendly and will help you."

So that is what they are doing. They are learning fast. The sign was wrong. Men mustn't "fight" swamps, rivers, ice, and cold, or mosquitoes either. They must deal with them methodically and intelligently. But it is never easy. In the winter you have to contend with darkness, storms, and cold-weather problems, keeping your motors operating. In spring, summer, and fall you must contend with rain or mud or dust or bush-fire smoke or mosquitoes.

On the Canol project for transportation almost every conceivable type of vehicle has been used—from canoes to barges and Diesel boats, from dog teams and pack horses to jeeps and command cars, from tractors and trucks to railroad trains and airplanes.

During the first stages of the project, while there were millions of dollars worth of ground and water equipment, there were no new airplanes available to carry freight and passengers and do reconnaissance. Second-hand planes were reconditioned and called into service. Among these were Bellancas, Fairchilds, and Fokkers of 1929 vintage—some of the very planes that had pioneered northern flying. Hardy veterans, they came back to sing their swan song before being replaced by up-to-date Norsemen and Douglas transports.

So the Canol project rolls on. It is one of the indisputably good things brought by the ill winds of war. Every well drilled, every foot of pipe laid, every mile of road built, every boat or barge launched, helps to crack open the North to enrich Canada and the United States. And however many millions of dollars the cost may be before the job is finally completed, it will still be less than the cost of a couple of battleships which can be sunk in 5 minutes. But first and foremost right now, the Canol project is pointing its

1,600 miles of pipe lines like spears at the heart of Japan.

The **SPEAKER** pro tempore. Under the previous order of the House the gentleman from Indiana [Mr. HARNES] is recognized for 15 minutes.

THE DOMESTIC SITUATION

Mr. HARNES of Indiana. Mr. Speaker, 30 days ago the Members of this Congress returned to Washington after the longest opportunity any of us has had in recent years to resume personal contacts in our home States and districts. Like most of the Members, I devoted the greater part of my time during the recess to my constituency. I visited in each of the 10 counties in my own district at least twice; and I was in the larger communities more often. I met with the folks at home individually, in small conferences, and in large meetings from daylight until dark; and I exchanged views during those visits with hundreds and hundreds of people. I know beyond question of doubt that I learned the true sentiment in my district, for I met in sufficient numbers people of all interests and in all walks of life to give me a true cross section of public thinking in our area.

The people are supremely confident of final victory in this war, but far from being complacent and overconfident, most of them are convinced that victory will not come easily. In fact, the general sentiment as I observed it is that by far the hardest part of the struggle is still ahead of us. I think the American people no more underestimate the caliber of the enemy than official Washington does. And no little part of the general concern arises from the growing doubts and fears about the home front. In fact, the average citizen makes it perfectly clear to anyone who takes the time to listen to him that any danger of defeat, any delay of the final victory lies not in our military forces, but in the grave weaknesses on the home front.

In all my experience, I have never seen a people's thinking on American domestic policies so amazingly uniform. As each of you doubtless found, the alarm over our domestic situation and the utter lack of confidence in this administration's willingness or ability to improve this situation is all but unanimous.

The general frame of mind is clearly reflected, as you also doubtless found, in a militant demand that Congress move forcefully, and even drastically to clear up the almost hopeless home front muddle. The people at home are looking to Congress to effect whatever changes are necessary, since they have become convinced that there is neither the will nor the ability within this bungling bureaucracy to save the home front from chaos.

In face of this clear public sentiment, in spite of this unmistakable public demand, what has happened since this session resumed a month ago? The answer, I regret to say, is that the majority in this Congress still clings, through political habit, to policies which have been clearly repudiated; and still condones and tolerates the growing bureaucracy which is crushing the American people.

The result is that we have accomplished literally nothing in the past month. In the meantime this bureaucracy continues to multiply both in personnel and mistakes, and to become increasingly offensive in its attitude to the American people. Let me recite just one example of the intolerable manner in which this machine operates.

Late in September there spread through the Midwest the report that the Office of Price Administration had prepared another cut in the value of gasoline coupons. Naturally, our people in Indiana, particularly our independent oil dealers, turned to their Congressmen as their only source of possible information on this report. When the inquiries began to pour into my office, it was natural to turn to the Director of Gasoline Rationing for information for the people who would be most seriously affected by such a cut. The director was asked specifically what O. P. A. expected to do. The questions on the subject were posed in a quite detailed conversation with the director on Monday, September 27. Please mark that date. The director said that the report arose from the fact that gasoline consumption in district 2, of which Indiana is a part, was considerably over the quota allotted by the Petroleum Administration for War; and that O. P. A. was under heavy pressure to force consumption down within the quota limits.

He went on from there, however, to assure that O. P. A. did not, at least for the time being, intend to cut coupon values. Rather, he said, it was O. P. A.'s intention to try to drive consumption down by auditing out excesses from ration allotments already outstanding. Following that statement it was asked if we in Indiana might not safely assume that such an audit would take considerable time; and that it would also be safe to assume that it would at least be a considerable time before any further coupon cut was made, if it ever became absolutely necessary to make it. The director's reply to that question was a direct and categorical affirmative. In fact, if I can understand spoken English at all, I am sure I could not have misunderstood the director's statement of the matter.

Still believing that it is possible to accept the statements of responsible Federal officials at face value, I promptly transmitted that information to the many people who had written me on the subject. The result was that my assurances that there was to be no immediate coupon cut reached my correspondents almost exactly at the same time that they read in their local papers that the cut of October 1 was going into effect. Please remember at this point that this information from the director of gasoline rationing was on Monday, September 27, just on the eve of the official announcement of the cut by O. P. A.

If you are willing to grant that I can understand plain English, you can draw only one or the other of two unpleasant conclusions. The first is that a responsible Federal official would deliberately deceive and misinform Members of Congress without any plausible reason. If

such is the case in this instance, it must be remembered that the deception was gratuitous since this official, under the circumstances, was free to decline to comment.

The only other reasonable conclusion is that responsible executives in this administration do not themselves know from one day to the next what they are going to do, and that authority is so hopelessly divided and scattered that no one individual, regardless of the position he holds, can make a decision or render an opinion which is not subject to change without notice in some other office.

Whatever conclusion you choose in this instance, I repeat that it is most disquieting to us and to the American people. It is doubtless unfortunately true, also, that my particular recent experience is by no means peculiar. In fact, I know all of you must share the people's sense of futility in dealings with this Federal machine, because it is utterly impossible at any point to cut through the doubt and confusion.

There simply is no way to appease and conciliate these bureaucrats, for they have tasted power and are insatiable. It has been amply demonstrated that there is not enough common sense and practical ability in the administration hordes of dreamers and planners ever to restore efficient, businesslike operation of government. The people at home know that just as well as we do, and they are sick and tired of submitting to this bureaucratic tyranny. They are so completely fed up with it, in fact, that they will hold the majority in this Congress responsible if it does not act effectively to relieve them of the little dictators. I urge all of you in the majority who place the will of the people above selfish partisan interests to join with us in getting at the tremendous job which must be done.

Mr. DWORSHAK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record at this point.

The **SPEAKER** pro tempore. Without objection, it is so ordered.

There was no objection.

THERE IS NO CURTAILMENT IN FEDERAL CIVILIAN PAY ROLLS

Mr. DWORSHAK. Mr. Speaker, there is no more vital question before the American people today than that of fully utilizing our manpower. Considerable criticism has arisen because of the drafting of pre-Pearl Harbor fathers, and charges have been made frequently that there has been hoarding, as well as ineffectual use, of manpower in our essential war industries. It has been recognized generally that the Federal Government itself has accentuated this problem by maintaining civilian pay rolls far in excess of the legitimate requirements of government, even in wartime.

The Joint Committee on Reduction of Nonessential Federal Expenditures has advocated a reduction of at least 10 percent in the Federal civilian personnel, but it would appear that there have been no definite results because of the interest taken by this influential joint committee of the Senate and House.

Many months ago, the House authorized its Committee on the Civil Service, headed by the gentleman from Georgia [Mr. RAMSPECK] to investigate the various Federal agencies to determine whether there is any unnecessary personnel employed in the scores of bureaus, agencies, and boards. The chairman has already indicated that there have been some developments showing that the War Department has eliminated more than 100,000 employees from its civilian rolls. This House committee has not completed its hearings, and therefore it is impossible at this time to determine whether this investigation will accomplish the desired results.

In December of 1942, legislation was enacted by Congress to increase the workweek in Federal departments from 40 to 48 hours, with a 21.6 percent increase in salary schedules. The War Overtime Pay Act of 1943, which was approved on May 7, continued the foregoing temporary arrangement, so that the Federal Government would be operating on a comparable basis to private industry, with the longer workweek in effect. During the debate on this legislation, it was pointed out that the full utilization of civilian personnel in the Federal Government would make possible a reduction in the number of employees partially to offset the increased amounts required for the pay roll. Naturally, it was assumed that it would require fewer persons working 48 hours weekly to do the same amount of work when only a 40-hour week was in effect. It was anticipated that the various agencies and bureaus in the executive department of Government would cooperate in releasing unnecessary employees for the purpose of taking more essential employment in war industries or to join the armed forces of our Nation.

The United States Civil Service Commission has just released its official reports for June and July of this year, the delay for June being occasioned by innovations in the method of presenting statistical data. I urgently request every Member to procure copies of these two reports for the purpose of analyzing current trends in Federal employment.

Mr. Speaker, the June statement of the Civil Service Commission points out that on May 31, 1943, the total number of civilian employees in the executive departments was 3,030,659, reflecting a steady increase in personnel in each of the preceding months since June 1942, when the Federal pay roll embraced 2,206,970 employees. The civil service report pointed out that the net increase for June 1943 was 37,406, computed on the old basis, making a total of 3,068,065 on June 30, 1943. This figure is approximately double the number of employees in the executive department at the time of the Pearl Harbor attack, as total personnel was listed at 1,545,131 on November 30, 1941.

If you carefully check the figures, you will observe that since the longer workweek became effective last December, there has been a constant uptrend in personnel, with a net increase of 257,194 during the first 6 months of this year. In

this same period, the monthly pay roll jumped from \$470,334,353 to \$657,791,453, an increase of about 40 percent. Thus, it is apparent that instead of retrenchment in personnel, there has been an average monthly increase of about 43,000 and a tremendous expansion in the funds required to meet the monthly pay roll, so that it now requires almost \$8,000,000,000 annually for the civilian pay roll in the executive branch of government.

The foregoing figures prove conclusively that there has been little effort made in the various Federal agencies to cooperate in using the Nation's manpower advantageously. It is doubtful whether there has been any increase in the amount of work in the various bureaus and departments since last December, but it is obvious that there has been a criminal waste of manpower by the Federal Government at a time when fathers are being drafted and nationwide demands are becoming more urgent for a National Service Act. Apologists for the administration will probably contend that most of the increased civilian personnel is required by the War and Navy Departments. While these two departments on June 30 did employ almost 2,000,000 civilians, it is noteworthy that other departments and agencies employed in excess of 1,000,000 civilians, as compared with about 918,000 civilian employees in the entire executive department of Government at the peak of employment during the First World War.

The legislative branch of Government should not be held responsible for maladministration in the executive branch, but in view of the fact that Congress has cooperated with this administration in providing necessary funds and in complying with requests of the Bureau of the Budget, it is only reasonable to ask why the Commander in Chief permits his branch of the Government to set such a tragic example for the rest of the Nation. It is unfortunate that many thousands of Federal employees have received deferment from military service, and have not accepted more essential employment on farms and in war industries.

The American people today are fully aware of the tremendous burdens which have been placed upon this Nation in prosecuting this war. Charges have frequently been made that this administration is not efficient on the home front. While millions of our American boys are fighting in every battle zone, there is little need for maintaining Federal pay rolls which are actually retarding our war program. Today millions of Americans who are operating farms and small businesses are laboring under great difficulties because of the shortage of manpower. Nevertheless, the Federal Government is displaying almost criminal neglect and indifference in the operation of the executive branch of Government, and it is time that some effective action is taken by the Congress. For many months we have been receiving promises that some action will be forthcoming, but one must conclude that the war will be over before any retrenchment takes place.

Mr. Speaker, every legislative committee—and particularly the House Committee on Appropriations—should give careful consideration to this perpetuation of a bungling and inefficient bureaucracy when the Nation is facing many serious problems. Demands have been made by Secretary Morgenthau for \$10,500,000,000 of additional tax revenue, but no reference was made to any contemplated plan to reduce the cost of operating the civilian branch of Government.

This is not a partisan question, and I appeal for the active support of all Members of the House who are interested not only in maintaining our present form of government on an efficient basis but who surely recognize that it is our duty to help preserve a public morale that will insure a decisive military victory. We must win this war on the home front while our fighting forces are waging a successful battle in the combat zones.

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Pennsylvania [Mr. SCOTT] is recognized for 10 minutes.

THE PROPOSED UNITED NATIONS BANK

Mr. SCOTT. Mr. Speaker, the Treasury Department announced on the 4th of October a plan which it called: "Guiding Principles for Proposed United Nations Bank for Reconstruction and Development." This announcement was followed by an executive session before three committees of this House, following which exactly the same thing happened as happened after the executive sessions before committees of this House on the proposed currency stabilization plan: The Members of this House were required to keep quiet, to make no comment on what had happened, to hold their peace while sentiment was sounded out by the Treasury in various directions, but just as in the case of the currency stabilization program a news leak developed. This news leak, just as the other news leak, developed in London, and the British press, of course, again scooped the American press, and the Members of the American Congress who were not present at the committee hearings, and the American public by publishing the entire plan for the new world bank. I submit that these news leaks are not accidental; they do not occur purely through mischance or inadvertence, and they work a great disservice to the American press and the American public.

Somebody, perhaps in the Treasury, I might even say probably in the Treasury, is, for some reason best known to that person or those persons, permitting information to escape through London before we in America are told about it. Since, however, through the courtesy of the British press we Americans are informed of the details 4 days after the executive committee session in Washington, I assume it is now proper for Members of this House to discuss the matter.

The purpose of the bank is stated as follows:

The bank will encourage private financial agencies to provide long-term capital for the sound development of the productive resources of the member countries and when

necessary will cooperate with and supplement private capital for such purposes. The capital of the bank is \$10,000,000,000. Member countries will make an initial payment of 20 percent of their share. The initial and subsequent payments are to be made partly in gold and partly in legal currency, the proportion paid in gold not exceeding 20 percent, will be fixed by a schedule which takes into account the adequacy of the gold holdings of each member country.

I leave it to you as to which member countries have the gold. If other member countries do not have the gold, from whom will they get it and on what terms? And, having got the gold from us perhaps by gift, perhaps by lend-lease, perhaps by some donation through the aid of the sources in London of which we know nothing, in some mysterious method the gold will be transferred to other countries.

They will take the gold which they get from us to contribute as their national contribution to the member banks.

Will they vote in this member bank in proportion to their holdings? Oh, no; they will not. The statement is: "The voting power of the member countries will be closely related to their share holdings."

Bear in mind I am referring now to the report which comes out of London, and it has to be assumed this is substantially correct because the New York Times on October 9 publishes the entire text and that text conforms to the information which I have and is word for word exactly the same text. We are told that the voting power of the countries will be "closely related" to their share holdings.

I suspect you will find out that the voting power of the United States will be substantially less than the contribution of the United States to the member bank. We put in the money, but the other countries will have a greater proportion of voting power.

Mr. HOFFMAN. Will the gentleman yield?

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

Mr. HOFFMAN. If that were not true, they would not take us in. That is all they want us for, is it not?

Mr. SCOTT. Dr. White states that substantially, according to the New York Times. He says that we cannot hope to gain control even though we were willing to put up 51 percent because other countries would not stand for it. At the same time we are expected to stand for a proposal that gives us a lesser vote than our contribution, which is coming to be our historic position, I may add.

Mr. HOFFMAN. Have we been saving this gold, that I understand is down in the Kentucky hills, to finance this bank? Is that what we are getting that gold together for?

Mr. SCOTT. It seems to me that may be so. There seems to be no other reason for hoarding the gold.

Mr. EDWIN ARTHUR HALL. Will the gentleman yield?

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

Mr. EDWIN ARTHUR HALL. Does the gentleman mean that a small nation, such as Holland or Belgium could acquire a great number of shares, more than Britain or the United States?

Mr. SCOTT. I think that is rather unlikely unless such nation proves to be unusually persuasive. I rather think that the persuasion may be on the part of Great Britain or some of the major nations rather than some of the smaller ones.

Miss SUMNER of Illinois. Will the gentleman yield?

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

Miss SUMNER of Illinois. Can anyone think of a good reason why, when the United States is lending money to foreign countries, it should not make its own terms and have entire control of the loan rather than give it over to some group consisting of foreign nations or anybody else?

Mr. SCOTT. It is rather hard to answer the gentlewoman's question because our fiscal affairs move in a strange and mysterious way; the Treasury's proposal looks like some of the old magician's tricks; done with mirrors.

Miss SUMNER of Illinois. Does the gentleman know of any banker in his own private business who would ever exercise such lack of prudence about his own money?

Mr. SCOTT. I quite agree with the gentlewoman, I doubt very much if such situation would pass muster at any crossroads town or village anywhere in the United States, but we are dealing in international affairs and I understand in such case you are assumed to take leave of your fiscal sense when you do that.

Mr. ROLPH. Will the gentleman yield?

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

Mr. ROLPH. I am glad that the gentleman from Pennsylvania has brought up the question of this meeting and the fact it was an executive meeting. May I say I think it is a great mistake to have secret meetings such as we attended. I attended the meeting with the gentleman. I really believe that in the future we should do away with executive meetings because it is the people's business and the people should be informed of the situation at all times.

Mr. SCOTT. I quite agree with the gentleman.

Mr. HOFFMAN. Will the gentleman yield further?

Mr. SCOTT. I yield to the gentleman. I hope I can get a little more time.

Mr. HOFFMAN. I cannot see where the gentleman from California [Mr. ROLPH] gets this idea that the people have any interest in this thing. All the people have to do, as I get the scheme of the administration, is to furnish the money, pay the taxes, and furnish what other countries want. There is no reason why the American citizen should know anything about what is going on.

Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 10 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

Mr. ROLPH. My responsibility, however, is to the people, I am serving the people here and this is the people's business.

Mr. HOFFMAN. That is all right, but you are running contrary to the New Deal and we are at war. The whole theory of this administration is that the planners know it all; that the citizen knows nothing; that he has no rights.

Mr. SCOTT. I am going to get back to what the gentlewoman said in reference to the private bankers. Dr. White has his own idea about where the private bankers come in. I am going to quote again from the New York Times and not from the executive session, and this in turn comes from London. Dr. White says:

The bankers would make their own international loans where they could get the high rates and good risks but in other countries where the risk factor is high they would probably prefer collaboration with the bank.

In other words, if the loan is no good, take it to the world bank, get American dollars, and the American major contribution of assets will apply to the hazard and the risks which are no good, but to the low risks let the bankers take those and charge high rates of interest, which is a rather surprising statement, as I read it.

May I go on a little further:

The operations of the bank include these powers, that the bank may guarantee loans made with private capital to any member government—

And here we go back to repeat the mistakes made after the last war—

and through the government to any of its political subdivisions and to business and industrial enterprise in the member countries. The bank may participate in loans made with private capital or make loans out of its own resources only when the borrower is unable to secure the funds from private investment sources on reasonable terms.

In other words, that is only when the loan, as I understand it, is not a good risk. If it is a good risk, private capital will take care of it on "reasonable" terms. "Reasonable," however, could be whatever the lender and borrower agreed on.

We are told also in this plan which comes to us from the Treasury by way of London:

The decisions of the bank will be based exclusively on economic considerations.

We are not told what guaranty we have that the decisions will not be made on political considerations, and I suggest to you that when loans come before this bank from Brazil or from Argentina, how are you going to keep political considerations out? Suppose you had a loan from India, how would you keep political considerations out? Suppose you had loans from some of the Balkan states, if there are any Balkan states

left in the planning of our master minds, or from the Baltic states, if any of those are left, how are you going to keep political considerations out?

Now I come to what I regard as the main theme of what I have to say here, but before I get to it I want you to know that the plan of the world bank as propounded by the Treasury Department has been greeted with peals of joy in certain foreign countries. You, of course, can guess why the foreign countries are so glad to hear the news of a world bank. Let me tell you how it was received in Portugal. I am quoting from the New York Times, this time not by way of London, but by way of Lisbon:

A United States Treasury plan to help keep the world going after the war through united and associated nations' financial aid was welcomed by the newspaper *Diario de Lisboa* today.

I quote from the Lisbon paper:

It is a colossal effort that only a powerful, rich nation, full of generosity and capable of large-scale initiative, could realize—

Diario said. Then quoting again:

Peace would be another war just as dreadful and dangerous if victory should serve only to give satisfaction to plutocratic appetites.

I think the Lisbon papers and the American people ought to be told that satisfaction will be given to the plutocratic appetites; they are going to get the good risks at the high rates. The bank is going to get only the bad risks with American dollars at rates unstated. So if the plan goes through, Lisbon and London can relax.

The bank will impose no condition—

Says the text of the plan—

as to the member country in which the proceeds of a loan are to be spent.

What does that mean? Does it mean that the loans to one country may be used to advance that country's trade interests in another country, and, if so, will loans to Great Britain be used to advance that country's trade interests in Argentina? We are not told, but it is in the text.

I again call your attention to the fact that I am quoting from the text appearing in the New York Times of October 9 by way of London.

Payments of principal and interest—

We are told—

must be made in free currencies, or by agreement, in the currency in which the loan was made. In the event of an acute exchange stringency, payments of interest or principal may be made for a reasonable period in local currencies to be replaced subsequently with free currencies.

What does that mean? This is the catch in the whole proceeding. It means simply that we make loans in American dollars or in pounds sterling. These loans so made to other countries must be repaid either in gold or free currency, but if the other nation is unable to repay us in gold or in so-called free currency, it may repay us in the local currency of the nation, in reichmarks, in drachmas, in francs, or in yen, in any number of currencies, printing-press

money, paper money, for a reasonable period of time.

In other words, if another nation should go bankrupt, they can repay us in their bankrupt currency for what somebody says is a reasonable period of time, not stated here, at the end of which time the bankrupt gets help from somewhere. I will give you only one guess as to where that bankrupt country again comes to get help. Then he resumes gold or free currency payment—maybe.

I do not know whether any of you ever heard of a bankrupt being allowed to pay in worthless paper, or proportionately worthless paper, for a period of years, and then be given the opportunity at the end of several years, say, to start paying again in good money; but so this plan proposes, and that is just one of its crackpot features.

But look how this plan works. These, by the way, are called reconstruction or rehabilitation loans. Dr. White in the New York Times' article admitted that it was a little hard to distinguish between reconstruction and rehabilitation. You will recall that after the last war so-called reconstruction or rehabilitation loans were made to South American countries and to European countries, and that after the last war every country except Finland defaulted. My question on that is just this. If all of the countries after the last war except Finland were unable to pay their reconstruction or rehabilitation loans, which last time the private bankers negotiated, what is going to happen to the world bank if, having received all of the dollars in the bank and all of the sterling in the bank, perhaps, then every country in the world again, we will say, with the exception of Finland, to preserve the analogy, defaults and alleges that it cannot pay in anything but printing press money. Then we have assumed the burden of all the reconstruction and rehabilitation loans, if I may use a famous phrase, "Everywhere in the world."

Mr. VORYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SCOTT. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. The gentleman uses "rehabilitation" and "reconstruction" as if they were synonymous. I call the gentleman's attention to the fact that relief and rehabilitation are to be handled on a free basis, as I understand, under the set-up that is to be created at the White House November 9, and reconstruction is to be handled under this bank. I should like to have the gentleman's opinion on whether it would not be better to have loans or some arrangement to pay for both rehabilitation and reconstruction, rather than to have two agencies vying with each other as to whether it should be done free or through the means of loans.

Mr. SCOTT. I think the gentleman makes a very sound and constructive suggestion. I did not know that I had given the impression that the fuzziness of distinction was in my own mind. I had reference to a quotation from Dr. White, in which he stated or admitted that it was difficult to draw a line between re-

habilitation and reconstruction, but he says the purpose of the banks' loans would be to provide long term capital for such purposes as rehabilitating power plants, water systems and other capital structures.

I have just a word to say in conclusion. I regret very much that during the time that we are down here for this so-called "cooling off" period, we are given no legislation to act on. Most of us are waiting for the administration to send us something to do. We are not getting anywhere today. I cannot think of a better way to spend the time than to point out what the administration is busy doing behind the scenes, while pretending to the people that Congress is falling down on its job, and I say to the administration and to the leaders of the administration in the executive and legislative departments, give us the tools, and we will do the work.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

EXTENSION OF REMARKS

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to extend my remarks and include certain articles from Maclean's magazine. I am informed that the cost will be \$158, but I ask unanimous consent that it be done nevertheless.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RODGERS of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks and include a brief set of resolutions from the local grange.

The SPEAKER. Is there objection?

There was no objection.

Mr. CALVIN D. JOHNSON. Mr. Speaker, I ask unanimous consent to extend my remarks on the subject of Highway Transportation.

The SPEAKER. Is there objection?

There was no objection.

INFLATION CONGRESS NOW HAS PLENTY TO DO

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. PATMAN. Mr. Speaker, the gentleman preceding me said that Congress needed something to do. To my mind, Congress has plenty to do. Our No. 1 problem is winning the war. Fine progress is being made, and we are all of the opinion that everything is being done that can be done to win the war. Our No. 2 problem is keeping down inflation—ruinous, run-away inflation. It is possible for us to win the war on the 55 battle fronts where our soldiers are fighting today, and at the same time lose the war right here at home through ruinous or run-away inflation. It is possible for our dollars not to be worth more than dimes. To many people, to the very rich, that will not mean much, because they can go through inflation and they are the only ones who can. Inflation, however, will destroy the middle class of this country, the people who work

on fixed salaries, wages, and who live on dividend payments and fixed payments of any kind. They will be wiped out quickly by any kind of run-away inflation. Of course, the lower income groups will be wiped out right along with the middle class. There are several ways to attack this problem. One way is an unpopular way—that is, through price fixing, price control. You cannot attempt to fix prices on 8,000,000 different commodities, products, and different types of services in this country without doing things that will be unpopular, and mistakes will be made, but we should not point to just a few mistakes and say we should destroy the whole price-control law. If we do not have successful price control, we will have inflation in this country that will cause us to lose as much in property and money values as we would lose if we were to lose the war. That is a broad statement, but our country can be destroyed here at home through inflation. Here is where the duty of Congress comes in, and that is the power to levy taxes.

Our Constitution provides that the tax bills must originate in the House of Representatives, and under our parliamentary procedure they can originate only in the Committee on Ways and Means of the House of Representatives. A tax bill cannot originate in the Senate. It must originate in the House. That is a wise provision of our Constitution. That means that we will never have a dictatorship in this country as long as we have the Representatives of the people in this body, 435 elected every 2 years, and as long as a tax bill can originate only here in the House among Representatives elected every 2 years. That gives the people the power to control the policies of their Government, and, further, they are safeguarded by reason of the fact that only Congress can appropriate money. The Executive cannot tax the people and neither can the Executive take money that has been raised and expend it, unless this Congress, one House of which is composed of Members elected every 2 years, authorizes it to be spent. So there is a safeguard. Here is where Congress has a duty to perform, which Congress is not performing. The President has not said that Congress is to blame. But I think Congress is to be blamed because we are not making it possible for more of the cost of the war to be paid while the war is going on.

In England and Canada they are paying much more than 50 percent of the cost of the war as they go along. But we are not doing that here. We are paying probably 33 1/3 percent—not nearly as much as England and Canada. Consequently in England and Canada price control is not a difficult problem. So much of the buying power of the people has been siphoned off through taxes that the people do not have the money to go into the markets and compete with one another for the scarce and limited supplies of goods that they have. That is not true here. People have lots of money and they are in competition with one another. Unless we do have successful price control we will have ruinous inflation.

In some countries of the world today, in Russia and China, for instance, it costs \$1.25 in American money to buy a loaf of bread; \$400 to buy an ordinary suit of clothes; \$70 to \$90 to buy a pound of butter; \$7.50 to buy half a pint of milk—in our money. It can happen here.

Now, the Executive has asked us to pass a tax bill that would raise something like \$16,000,000,000 this year. Of course, taxes are always unpopular. I guess the most popular Member of Congress is one who votes for all appropriations to spend all the money, and who votes against all tax bills that would raise money. That is a fine, popular record; but occasionally we have to vote for tax bills to protect and save our country. In this particular case I think the Congress is very vulnerable in failing to pay more of the cost of the war as we go along.

Much has been said about the returning servicemen; how it will be unfair to them to leave a debt of a half billion dollars on account of subsidies or for other reasons, that the returning servicemen must pay. I will tell you something that is even worse than that. For every dollar that we borrow on long-term bonds we will eventually pay \$1 in interest on that \$1. So that we will eventually have to pay \$2 for every one that we borrow. If the debt is long enough it will be more than that. But judging the future by the past, we will pay \$2 for every one we borrow. If we do not pay a sufficient amount of the cost of this war as we go along, and the serviceman comes back here after the war has been won, he has got to pay \$2 for every one we have borrowed. So it is unfair to the serviceman who is winning the war on the battle fronts today to come back here and pay this cost of the war double and treble.

Furthermore, we cannot keep down inflation adequately and properly without adequate tax measures. I know it is unpopular to advocate price control. It is unpopular to advocate more taxes, but in a case like this I say that Congress has a solemn duty to perform that the Executive cannot perform, that the judiciary cannot perform, that no other branch of our Government can perform except the Congress of the United States, and that is to pay more of the cost of this war as we go along so as to keep down inflation, and also to keep the servicemen who win this war from being compelled to come back here and pay two or three times its cost.

Mr. CALVIN D. JOHNSON. Mr. Speaker, will the gentlemen yield?

Mr. PATMAN. I yield.

Mr. CALVIN D. JOHNSON. The gentleman says that England is paying half of the cost of the war and we are paying approximately one-third. That is true, but considering the population of the two nations how does the gentleman justify the fact that we should put up \$120,000,000,000 this year as our war cost, compared with \$21,000,000,000 for England?

Mr. PATMAN. I am not going to get into any fight with England or Russia or any other country allied with us in this

war. I do not think that is creating unity. If there are any injustices or inequities our leaders should work them out so as not to have us get into a fight here in our legislative body in a way that would be displeasing to our allies. I think too much has been done in that direction already.

Mr. CALVIN D. JOHNSON. We are getting back to the point that we must pay them to pacify them.

Mr. PATMAN. We will never have exact justice in international affairs or in domestic affairs. In other words, it is not contemplated under the law. You go over to the Supreme Court building and look at that inscription. It does not say "Exact Justice Under Law." It says "Equal Justice Under Law." So let us not expect to have exactness in everything.

Mr. CALVIN D. JOHNSON. My thought is this, that it is not fair to the American public to take from them in the form of additional taxes in order to satisfy the allies.

Mr. PATMAN. I am personally willing to spend money to save lives.

Mr. CALVIN D. JOHNSON. Every one of us is.

Mr. PATMAN. I am not willing to get into a fight with them over money if we can save lives by going ahead and successfully prosecuting this war.

The SPEAKER pro tempore (Mr. HARRIS of Arkansas). The time of the gentleman from Texas has expired.

AMENDING THE SELECTIVE SERVICE AND TRAINING ACT

Mr. CHENOWETH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CHENOWETH. Mr. Speaker, today I have introduced a bill amending the Selective Service and Training Act to provide that any boy 18 or 19 in his senior year of high school, or any similar institution, shall, upon request, have his induction postponed until the end of such academic year.

Under the law as it now reads any boy 18 or 19 years of age may have his induction postponed if he should be ordered to report during the last half of any academic year at high school or a similar institution. Under my bill this provision remains as it is. The only change made is that if such a boy happens to be in his senior year, and should be called for induction at any time during the academic year, he shall, upon request, be deferred until the end of such year.

I have introduced this bill to clarify the situation concerning boys in their senior year who reach the age of 18 prior to the last half of the academic year. The present law has caused great confusion among high-school principals and students. Local draft boards have placed different interpretations on the same. In some localities high-school seniors who reach the age of 18 have been inducted. In other places the local draft boards have taken a more liberal

view and have deferred these boys until the second half of the academic year so that they could come under the provisions of this act.

I think we should permit every boy to finish his senior year in high school if possible. Many of these boys being drafted will never again enter school. Every boy should at least have a high-school education. A boy lacking a few months of graduating certainly should be permitted to finish his course.

The SPEAKER pro tempore. The time of the gentleman from Colorado has expired.

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent that the time of the gentleman from Colorado be extended 2 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. PHILLIPS. Will the gentleman yield?

Mr. CHENOWETH. I yield.

Mr. PHILLIPS. Will the gentleman please say what the situation is at the present time? Just this morning I wrote the Secretary of War and the Secretary of State and the head of the National Selective Administration asking them questions on the same subject which the gentleman is now discussing as to young men; that is, boys of 18 years, whose induction period comes in the last half of the school year. The fact is today there is no alternative to their being inducted if they are within 60 or 90 days of the end of the school year.

Mr. CHENOWETH. The situation is this: The present Congress, by Public Law 126, which was approved July 9, of this year, provided that a boy 18 or 19 who is ordered to report for induction under this act during the last half of one of his academic years shall, upon his request, have his induction postponed until the end of such academic year.

Mr. PHILLIPS. What does the bill of the gentleman provide?

Mr. CHENOWETH. My bill provides that if such a boy is in his senior year in high school he shall be deferred at any time during the academic year. This is to take care of boys who will reach the age of 18 during the next 2 or 3 months and before the second semester begins. My bill will permit these seniors to complete their last year in high school and graduate next spring.

Mr. PHILLIPS. That is correct.

Mr. CHENOWETH. I am referring to seniors in high school who become 18 during the first half of the academic year.

Mr. PHILLIPS. But if they are in their second semester, at the present time, they would be deferred?

Mr. CHENOWETH. That is correct.

In most schools the second semester starts about the middle of January or the first of February. My bill protects those boys who are now reaching the age of 18, who are anxious to finish their senior year in high school, and who otherwise would be subject to induction.

Mr. PHILLIPS. I thank the gentleman.

EXTENSION OF REMARKS

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and embrace therein a highly informative address made by Brig. Gen. James A. O'Connor, of the United States Army in command of the Northwest Service Command at Vancouver, B. C., on September 26, 1943.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alaska?

There was no objection.

ENROLLED BILL SIGNED

Mr. KLEIN, 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. 3291. An act to amend the National Housing Act, as amended.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 55 minutes p. m.) the House adjourned until tomorrow, Wednesday, October 13, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON PATENTS

The Committee on Patents will hold a hearing on H. R. 2994, Wednesday, October 13, 1943, at 10:30 a. m., in the committee room, 416 House Office Building.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Tuesday, October 19, 1943, at 10 a. m., on H. R. 3334, to amend section 216 of the Merchant Marine Act, 1936, as amended.

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. COCHRAN: Committee on Accounts. House Resolution 321. Resolution granting a gratuity to Mrs. Virginia Thrift; without amendment (Rept. No. 751). Referred to the House Calendar.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 1951. A bill to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942, approved February 16, 1942; without amendment (Rept. No. 760). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 2199. A bill to amend an act entitled "An act in relation to taxes and tax sales in the District of Columbia", approved February 28, 1893, as amended; without amendment (Rept. No. 761). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 2866. A bill to amend the law of the District of Columbia relating to the carrying of concealed weap-

ons; without amendment (Rept. No. 762). Referred to the House Calendar.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 3313. A bill to amend section 10 of the act of March 3, 1925, entitled "An act to provide for the regulation of motor-vehicle traffic in the District of Columbia, increase the number of judges of the police court, and for other purposes", as amended; without amendment (Rept. No. 763). Referred to the Committee of the Whole House on the state of the Union.

Mr. LANHAM: Committee on Public Buildings and Grounds. H. R. 3306. A bill to authorize the conveyance of Harrison Park in the city of Vincennes to Vincennes University; without amendment (Rept. No. 764). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

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

Mr. FERNANDEZ: Committee on Claims. S. 425. An act authorizing the Comptroller General of the United States to settle and adjust the claim of J. C. Munn; without amendment (Rept. No. 752). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. S. 560. An act for the relief of Western Maryland Dairy, Inc.; without amendment (Rept. No. 753). Referred to the Committee of the Whole House.

Mr. ROWAN: Committee on Claims. H. R. 2600. A bill for the relief of M. C. Roberts; without amendment (Rept. No. 754). Referred to the Committee of the Whole House.

Mr. ROWAN: Committee on Claims. H. R. 2627. A bill for the relief of Ruben M. Herren; without amendment (Rept. No. 755). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. H. R. 2730. A bill for the relief of Mrs. E. B. Neville; without amendment (Rept. No. 756). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 2905. A bill for the relief of Walter R. Jones; with amendment (Rept. No. 757). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. H. R. 3076. A bill for the relief of Mrs. Cecilia Martin, mother of Arthur J. Martin, Jr., a minor; with amendment (Rept. No. 758). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 3153. A bill for the relief of the estate of Jennie I. Weston, deceased; with amendment (Rept. No. 759). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 2707. A bill for the relief of Henry White; with amendment (Rept. No. 765). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. SPRINGER:

H. R. 3435. A bill to incorporate The Mothers of World War No. 2, to set forth and establish the purposes and aims of the organization, fixing its corporate powers, and establishing the rights of membership, and for other purposes; to the Committee on the Judiciary.

By Mr. WORLEY:

H. R. 3436. A bill to amend the act of September 16, 1942, which provided a method of voting, in time of war, by members of the land and naval forces absent from the place of their residence, and for other purposes; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. CHENOWETH:

H. R. 3437. A bill to amend the Selective Training and Service Act of 1940 by providing for the postponement of the induction of high-school students; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. DIMOND:

H. R. 3438. A bill for the relief of Skagway Lodge, No. 431, Benevolent and Protective Order of Elks, of Skagway, Alaska; to the Committee on Claims.

By Mr. CARLSON of Kansas:

H. R. 3439. A bill for the relief of John Jehlik; to the Committee on Claims.

By Mr. HINSHAW:

H. R. 3440. A bill for the relief of Agnes W. Bange; to the Committee on Claims.

By Mr. KEFAUVER:

H. R. 3441. A bill for the relief of R. H. Price, Ocoee, Tenn.; to the Committee on Claims.

PETITIONS, ETC.

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

2805. By Mr. HEIDINGER: Communication from H. E. Sloan, independent oil operator of Fairfield, Ill., urging an increase in the price of crude petroleum as a necessary means to stimulate much needed oil production; to the Committee on Banking and Currency.

2806. By Mr. HORAN: Petition of Mrs. W. P. Connors and 44 other residents of Spokane, Wash., protesting against the passage of House bill 2082, to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war, by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

2807. Also, petition of Eleanor E. Horton and 13 other residents of Spokane, Wash., protesting against the passage of the Austin-Wadsworth bill because it violates the thirteenth amendment to the Constitution, would reintroduce slavery, and is contrary to labor slogan, Free labor will win the war; to the Committee on Military Affairs.

2808. Also, petition of Dr. Henry L. Holter and 36 other residents of Spokane, Wash., requesting that everything possible be done to encourage the passage of House bill 117 and Senate bill 100, regarding the securing of food and clothing for the starving children of Europe; to the Committee on the Civil Service.

2809. Also, petition of Mrs. C. R. Tang and 20 other residents of Spokane, Wash., requesting that everything possible be done to encourage the passage of House bill 117 and Senate bill 100, regarding the securing of food and clothing for the starving children of Europe; to the Committee on the Civil Service.

2810. Also, petition of Ida O. Harthold and 21 other residents of Spokane, Wash., requesting that everything possible be done to encourage the passage of House bill 117 and Senate bill 100, regarding the securing of food and clothing for the starving children of Europe; to the Committee on the Civil Service.

2811. Also, petition of Karl A. Anderson and 19 other residents of Spokane, Wash., requesting that everything possible be done to encourage the passage of House bill 117 and Senate bill 100, regarding the securing of food and clothing for the starving children of Europe; to the Committee on the Civil Service.

2812. Also, petition of Mrs. E. B. Engelhart and 19 other residents of Spokane, Wash., requesting that everything possible be done to encourage the passage of House bill 117 and Senate bill 100, regarding the securing of food and clothing for the starving children of Europe; to the Committee on the Civil Service.

2813. Also, petition of A. G. Ryan and 29 other residents of Soap Lake and Ephrata, Wash., protesting against the consideration or enactment of House bill 2082 and Senate bill 860, or any legislation having as its purpose the reenactment of prohibition; to the Committee on the Judiciary.

2814. Also, petition of Fred Forsyth and 29 other residents of Soap Lake, Wash., protesting against the consideration or enactment of House bill 2082 and Senate bill 860, or any legislation having as its purpose the reenactment of prohibition; to the Committee on the Judiciary.

2815. Also, petition of Frank Morrow and 25 other residents of Mason City and Ephrata, Wash., protesting against the consideration or enactment of House bill 2082 and Senate bill 860, or any legislation having as its purpose the reenactment of prohibition; to the Committee on the Judiciary.

2816. Also, petition of H. Babcock and 29 other residents of Ephrata and Spokane, Wash., protesting against the consideration or enactment of House bill 2082 and Senate bill 860, or any legislation having as its purpose the reenactment of prohibition; to the Committee on the Judiciary.

2817. Also, petition of Augusta Moller and 30 other residents of Grand Coulee, Wash., protesting against the consideration or enactment of House bill 2082 and Senate bill 860, or any legislation having as its purpose the reenactment of prohibition; to the Committee on the Judiciary.

2818. Also, petition of F. W. Hogg and 29 other residents of Electric City, Wash., protesting against the consideration or enactment of House bill 2082 and Senate bill 860, or any legislation having as its purpose the reenactment of prohibition; to the Committee on the Judiciary.

2819. Also, petition of J. M. Vosbell and 30 other residents of Coulee Dam, Wash., protesting against the consideration or enactment of House bill 2082 and Senate bill 860, or any legislation having as its purpose the reenactment of prohibition; to the Committee on the Judiciary.

2820. Also, petition of Leon Dobson and 29 other residents of Odessa, Wash., protesting against the consideration or enactment of House bill 2082 and Senate bill 860, or any legislation having as its purpose the reenactment of prohibition; to the Committee on the Judiciary.

2821. Also, petition of Russell Pentz and 29 other residents of Okanogan and Omak, Wash., protesting against the consideration or enactment of House bill 2082 and Senate bill 860, or any legislation having as its purpose the reenactment of prohibition; to the Committee on the Judiciary.

2822. Also, petition of Byran E. Harris and 29 other residents of Omak and Tonasket, Wash., protesting against the consideration or enactment of House bill 2082 and Senate bill 860, or any legislation having as its purpose the reenactment of prohibition; to the Committee on the Judiciary.

2823. Also, petition of L. J. Wax and 29 other residents of Omak, Wash., protesting against the consideration or enactment of House bill 2082 and Senate bill 860, or any

legislation having as its purpose the reenactment of prohibition; to the Committee on the Judiciary.

2824. Also, petition of F. W. Peir and 29 other residents of Okanogan, Wash., protesting against the consideration or enactment of House bill 3082 and Senate bill 860, or any legislation having as its purpose the reenactment of prohibition; to the Committee on the Judiciary.

2825. Also, petition of Ray C. Woodward and 31 other residents of Omak, Wash., protesting against the consideration or enactment of House bill 2082 and Senate bill 860, or any legislation having as its purpose the reenactment of prohibition; to the Committee on the Judiciary.

2826. Also, petition of Keith Stewart and 29 other residents of Wenatchee and Omak, Wash., protesting against the consideration or enactment of House bill 2082 and Senate bill 860, or any legislation having as its purpose the reenactment of prohibition; to the Committee on the Judiciary.

2827. Also, petition of Lawrence Morris, of Monse, and 29 other residents of Okanogan and Omak, Wash., protesting against the consideration or enactment of House bill 2082 and Senate bill 860, or any legislation having as its purpose the reenactment of prohibition; to the Committee on the Judiciary.

2828. Also, petition of Lena Laughery and 29 other residents of Omak, Wash., protesting against the consideration or enactment of House bill 2082 and Senate bill 860, or any other legislation having as its purpose the reenactment of prohibition; to the Committee on the Judiciary.

2829. Also, petition of Harry Baker and 29 other residents of Omak, Wash., protesting against the consideration or enactment of House bill 2082 and Senate bill 860, or any other legislation having as its purpose the reenactment of prohibition; to the Committee on the Judiciary.

2830. Also, petition of Walter Fox and 29 other residents of Okanogan, Wash., protesting against the consideration or enactment of House bill 2082 and Senate bill 860, or any other legislation having as its purpose the reenactment of prohibition; to the Committee on the Judiciary.

2831. By Mr. BROWN of Ohio: Petition of 79 citizens of Wilmington, Ohio, protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

2832. Also, petition of 20 citizens of Cheviot, Ohio, protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

2833. Also, petition of 20 citizens of Osborn, Ohio, protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

2834. Also, petition of 40 citizens of Xenia, Ohio, protesting the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

2835. By Mr. REED of Illinois: Petition of Annie Kriesche, of Joliet, Ill., and 21 citizens, protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

2836. By Mr. SHORT: Petition of Mrs. J. T. Steele and others, of Webb City, Mo., and vicinity, urging support of House bill 2082, introduced by Hon. JOSEPH R. BRYSON, of South Carolina, to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war, by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war and until the termination of demobilization; to the Committee on the Judiciary.

2837. By Mr. HINSHAW: Petition of 700 residents of the Twelfth Congressional District of California, favoring passage of

House bill 2082; to the Committee on the Judiciary.

2838. By Mr. LeCOMPTE: Petition of sundry citizens of Jasper County, Iowa, in the interest of the Bryson bill (H. R. 2082), to reduce absenteeism, conserve manpower, and speed production of material necessary for the winning of the war, by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war and until the termination of mobilization; to the Committee on the Judiciary.

2839. By Mr. COCHRAN: Petition of Olive Brown, of Washington, D. C., and 19 other citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2840. Also, petition of Robert H. Harrison, of Washington, D. C., and 119 other citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2841. Also, petition of John E. Reardon and signed by 160 citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2842. Also, petition of the Gilbert Brass Foundry and signed by 18 St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2843. Also, petition of the National Association of Letter Carriers and signed by 21 St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2844. Also, petition of Edward O. Herget and 18 other St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2845. Also, petition of the Laclede Steel Co. and signed by 20 St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2846. Also, petition of Arthur Lautner and 54 other St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2847. Also, petition of the Crunden-Martin Manufacturing Co. and signed by 43 other St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2848. Also, petition of the Cook Paint & Varnish Co. and signed by 38 other St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2849. Also, petition of the United States Cartridge Co. and signed by 101 other St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2850. Also, petition of John B. Ross and 22 other St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2851. Also, petition of D. M. Heinly, of Greenbelt, Md., and 19 other citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2852. Also, petition of Harry Rivetts, of Fort Belvoir, Va., and 19 other citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the

period of the war; to the Committee on the Judiciary.

2853. Also, petition of Hammond Mattison, of Washington, D. C., and 18 other citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2854. By Mr. CHIPERFIELD: Petition of 1,743 residents of the Fifteenth Illinois Congressional District, requesting the banning of alcohol and vice near military camps; to the Committee on the Judiciary.

2855. By Mr. CLASON: Petition of the Bogey Beverage Co. of Springfield, Mass., and several hundred other persons opposing the passage of House bill 2082, restricting the sale of alcoholic liquors; to the Committee on the Judiciary.

2856. By Mr. DELANEY: Petition of 230 citizens of Brooklyn, N. Y., protesting against consideration of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2857. By Mr. JENKINS: Petition signed by 135 members of the Fraternal Order of Eagles of Aerie No. 468, with headquarters at Glouster, Ohio, protesting against the passage of House bill 2082, or any other prohibition measure and requesting that Members of Congress vote against any and all proposed legislation; to the Committee on the Judiciary.

2858. Also, petition signed by 20 members of the Fraternal Order of Eagles of Chauncey, Ohio, protesting against the passage of House bill 2082, or any other prohibition measure and requesting that Members of Congress vote against any and all proposed legislation; to the Committee on the Judiciary.

2859. Also, petition signed by 19 members of the Fraternal Order of Eagles of Athens County, Ohio, protesting against the passage of House bill 2082, or any other prohibition measure and requesting that Members of Congress vote against any and all proposed legislation; to the Committee on the Judiciary.

2860. By Mr. EDWIN ARTHUR HALL: Petition of the Binghamton Grange, with 12 names, concerning House bill 2082; to the Committee on the Judiciary.

2861. Also, petition of committee of citizens of Chenango Bridge, N. Y., with 50 names, with reference to House bill 2082; to the Committee on the Judiciary.

2862. Also, petition of committee of citizens of Johnson City, N. Y., with 78 names, with reference to House bill 2082; to the Committee on the Judiciary.

2863. Also, petition of members and friends of the Free Methodist Church of Brighton, N. Y., with 24 names, referring to House bill 2082; to the Committee on the Judiciary.

2864. Also, petition of committee of citizens of Castle Creek, N. Y., with 41 names, referring to House bill 2082; to the Committee on the Judiciary.

2865. Also, petition of Port Dickinson-Hillcrest Woman's Christian Temperance Union, with 42 names, referring to House bill 2082; to the Committee on the Judiciary.

2866. Also, petition of members and friends of the Hawleyton and Conklin Forks Methodist Church, with 59 names, referring to House bill 2082; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES

WEDNESDAY, OCTOBER 13, 1943

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou who art the fairest among ten thousand and the bright and morning

star, we pray Thee to send Thy redeeming force throughout this sick and agonizing world. As countless voices and songs may be gathered and blended into one strain of music, blessed Lord God, we pray that the dreams, the hopes, the aspirations and the wills of the United Nations may stand as one for the permanent overthrow of the devastating Huns and pagans of Christian civilization.

This day, Father, draw us into the harmonies of Thy law and into the blessings of Thy grace that we may hear the whisper of truth and the appeal of duty. Along the way of difficult tasks and in severe discipline, O let us perceive that the way of real life lies here. In all the conceptions of service there can be no loftier ambition, no deeper desire, and no sublimer purpose than to know Thy will and love to follow it.

Heavenly Father our hearts are again stirred, in this solemn stillness we are reminded of the brevity and uncertainty of our earthly pilgrimage. Again the summons has come and a faithful servant has left us. We pray for the blessings of Thy comfort to rest upon the fireside.

"There is a green hill far away;

Without a city wall.

Where the dear Lord was crucified

Who died to save us all.

"We may not know, we cannot tell

What pains He had to bear.

But we believe it was for us

He hung and suffered there."

In His name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 128. An act to authorize a per capita payment of \$10 to the members of the Santa Clara Pueblo of New Mexico from funds on deposit to their credit in the Treasury of the United States;

H. R. 304. An act for the relief of J. E. Martin;

H. R. 305. An act for the relief of Howard Morgan;

H. R. 693. An act to amend the Pay Readjustment Act of 1942, approved June 16, 1942;

H. R. 938. An act for the relief of Mrs. Robert C. Anderson;

H. R. 1222. An act for the relief of Jacob Wolozin;

H. R. 1869. An act authorizing the President to present in the name of Congress a Distinguished Service Cross to George F. Thompson;

H. R. 2250. An act to extend the provisions of the Reclassification Act of February 28, 1925, to include custodial employees in the Postal Service;

H. R. 2649. An act to revive and reenact the act entitled "An act granting the consent of Congress to the State of Minnesota to construct, maintain, and operate a free highway bridge across the Mississippi River at or near the village of Brooklyn Center, Minn.," approved April 20, 1942; and

H. R. 2734. An act for the relief of Kathleen B. Maier.

The message also announced that the Senate had passed bills and a joint reso-