H. R. 5617. A bill conferring jurisdiction upon the Court of Claims to hear and determine the claims of Trent Trust Co., Ltd., a corporation of the Territory of Hawaii, and Cooke Trust Co., Ltd., a corporation of the Territory of Hawaii, as receiver for said Trent Trust Co., Ltd.; to the Committee on Claims.

By Mr. SHAFER:

H. R. 5618. A bill for the relief of W. O. Goodwin; to the Committee on Claims.

H. R. 5619. A bill for the relief of Claude A. Mutchler; to the Committee on Claims.

By Mrs. SMITH of Maine:

H. R. 5620. A bill for the relief of Roger Edgar Lapierre; to the Committee on Immigration and Naturalization.

By Mr. WEST:

H. R. 5621. A bill for the relief of Pete C. Rosales, Sr.; 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:

1636. By Mr. ARNOLD: Petition of constituents in Linneus, Mo., urging support of the Poage bill (H. R. 1742) to authorize appropriation of $5,000,000 so that the Rural Electrification Administrator might prepare comprehensive plans for electrification of rural areas, and to authorize the Reconstruction Finance Corporation to make additional loans to the REA aggregating $585,000,000 by June 30, 1948; to the Committee on Interstate and Foreign Commerce.

1637. By Mr. HART: Petition of the Polish American Congress of Jersey City, N. J., recommending the enactment of House Concurrent Resolution 109, relative to displaced persons and refugees in foreign countries; to the Committee on Foreign Affairs.

1638. By Mr. HESS: Petition of the City Council of Cincinnati, Ohio, petitioning the Congress of the United States of America to expedite action in the matter of price control over building materials; to the Committee on Banking and Currency.

1639. By Mr. RICH: Petition of the Commission on Maternal Welfare of the Pennsylvania State Medical Society, opposing any legislation which will perpetuate the present EMIC plan or any legislation which shall set up any similar plan for maternal and child welfare; to the Committee on Appropriations.

1640. By Mrs. ROGERS of Massachusetts: Petition of the General Court of the Commonwealth of Massachusetts, urging increase of aid to dependent children program; to the Committee on Appropriations.

1641. By Mr. WELCH: California Senate Joint Resolution 9, relating to establishment of national parks; to the Committee on Agriculture.

1642. Also, California Assembly Joint Resolution 25, memorializing the President of the United States to appoint a westerner Secretary of the Interior; to the Committee on the Judiciary.

1643. Also, California Legislature House Resolution 100, relating to relaxation of social-security restrictions to permit recipients of aid to the aged to assist in the production of food to meet world needs; to the Committee on Ways and Means.

1644. Also, California Senate Joint Resolution 8, relating to encouraging the resumption of gold mining; to the Committee on Mines and Mining.

1645. Also, California Senate Joint Resolution 3, relating to proposed reparations to American residents of the Philippines detained during the war in Japanese prison camps and memorializing Congress in regard thereto; to the Committee on Foreign Affairs.

1646. Also, California Legislature House Resolution 114, relating to the investigation of the United States Forest Service; to the Committee on Agriculture.

1647. Also, California Assembly Concurrent Resolution 20, relating to the creation of a joint committee on the housing emergency; to the Committee on Banking and Currency.

1648. Also, California House Resolution 111, memorializing Federal Government agencies to relinquish office space to returned lawyer-veterans in Los Angeles County; to the Committee on Public Buildings and Grounds.

1649. Also, California Assembly Joint Resolution 22, memorializing Congress to make farm machinery, implements, and housing available; to the Committee on Banking and Currency.

1650. Also, California Assembly Joint Resolution 20, relating to the surplus potato crops in California; to the Committee on Agriculture.

1651. Also, California Senate Joint Resolution 10, relating to the permanent establishment of Camp Beale; to the Committee on Military Affairs.

1652. Also, California Assembly Joint Resolution 18, memorializing Congress to provide for an increase in the national minimum wage structure; to the Committee on Labor.

1653. Also, California Assembly Joint Resolution 17, relating to the development of tuna fishing in the Pacific Ocean; to the Committee on the Merchant Marine and Fisheries.

1654. Also, California Assembly Joint Resolution 16, memorializing the Congress of the United States to provide for a survey of the fisheries of the Pacific coast; to the Committee on the Merchant Marine and Fisheries.

1655. Also, California Senate Joint Resolution 4, relating to Federal legislation granting terminal furloughs and leaves to enlisted personnel of the armed forces of the United States; to the Committee on Military Affairs.

1656. By the SPEAKER: Petition of the executive board of the Michigan Federation of Post Office Clerks, urging consideration of their resolution with reference to salaries and retirement of our national legislators; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES

THURSDAY, FEBRUARY 28, 1946

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou who art touched with the feeling of our infirmities, yet without sin, reconcile all men to Thy teaching. As we mingle today, O give us strength of self-control and patience to bear and to endure. May we not yield easily to the things which try and disturb us, or be of those who, having put their hand to the plow, turn back before the task is done. We claim no exemption from duty, but we do pray for divine guidance in all our efforts, that we may follow after things which make for peace, and things whereby we may edify one another. As servants of the public weal, make us to see the path that leads to Thee, dealing justly and loving mercy in all things. Direct us by Thy spirit, and Thine shall be the glory forever. This we ask in the name of Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 301. Joint resolution to amend Public Law 30 of the Seventy-ninth Congress, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1129. An act for the relief of Willie H. Johnson.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 63) entitled "An act to amend the Communications Act of 1934, as amended, so as to prohibit interference with the broadcasting of noncommercial cultural or educational programs"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JOHNSON of Colorado, Mr. TUNNELL, Mr. MYERS, Mr. WHITE, and Mr. AUSTIN to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2348) entitled "An act to provide for the coverage of certain drugs under the Federal narcotic laws."

AUTHORIZING PERMANENT APPOINTMENT IN THE GRADES OF GENERAL OF THE ARMY, FLEET ADMIRAL OF THE NAVY, AND GENERAL OF THE MARINE CORPS OF CERTAIN INDIVIDUALS

Mr. MAY. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1354) to authorize the permanent appointment in the grades of General of the Army, Fleet Admiral of the United States Navy, and general in the Marine Corps, respectively, of certain individuals who have served in such grades during the Second World War.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. MILLER of Nebraska. Mr. Speaker, reserving the right to object, will the gentleman from Kentucky please make a short explanation of the bill? In the last few days I have been contacted by several Members of both the War Department and the Navy Department asking whether I would object to this bill when it came up. They understood that I was the chief objector in the House. I did object at one time to a bill to give a special medal to General Marshall previous to the Pearl Harbor investigation. I thought giving a medal at that time was premature. When it came up the second time I did not object because the hearings on Pearl Harbor were completed. They tell a not too nice story of who were responsible for that crime. The American people have not been fooled by testimony that was presented to the Pearl Harbor Committee, and I am sure that General Marshall and Admiral Stark knew where they were on December 6, although they swore before the committee they did not know. The President knew the orderly knew where

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to find Admiral Stark. However, this particular bill has merit. We pension our Federal and other judges when they reach retirement age, and it does seem to me that such a bill gives men like General MacArthur, General Eisenhower, and others a deserved retirement pay. They are entitled to it just as much as retiring Federal judges. I understand under this bill the five-star generals will get retirement pay of three-fourths of their present pay; these generals have given their best and long years of service to their country. We should give this service proper recognition.

Mr. MAY. I would like to say this to the gentleman from Nebraska, that the bill came from the Senate with complete, full retirement pay without any deduction whatsoever. The House Committee on Military Affairs, in considering the measure, reduced it to the same level as other officers of the Army, to three-quarters of the regular pay of five-star generals, and it is reported in that form. However, some of the men have been retired already and some have not retired, and I will have an amendment at the proper time to take care of that situation.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Minnesota.

Mr. KNUTSON. How many five-star generals are there, all told?

Mr. MAY. There are four of them: General MacArthur, General Eisenhower, General Arnold, Chief of the Army Air Corps, and General Marshall, Chief of Staff.

Mr. KNUTSON. Does that include the Navy admirals?

Mr. MAY. There will be an amendment offered to take care of the Navy officers.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Mississippi.

Mr. RANKIN. I have introduced a bill to give the Congressional Medal of Honor posthumously to the greatest general of this war, Gen. George S. Patton; and if we are now going to confer honors, let us begin where honors are most due and confer it on the greatest general of this war.

Mr. MAY. The gentleman from Mississippi does not have any higher regard for General Patton than I have. I am his champion.

Mr. RANKIN. I understand that, and I congratulate the gentleman from Kentucky. But I want that bill reported so that we may do justice to the man who has been the most abused, most maligned, and most mistreated of any man who ever wore the uniform of an American general.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Pennsylvania.

Mr. RICH. Does this bill give recognition to General Short and Admiral Kimmel until after the Pearl Harbor investigation is completed?

Mr. MAY. No.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Illinois.

Mr. SABATH. I would like to know what the bill is. I would like to have the gentleman explain it.

Mr. MAY. I have previously made the statement that it is proposed to retire the five-star generals on three-quarters pay.

Mr. SABATH. Is that a Senate bill?

Mr. MAY. It is Senate 1354.

Mr. SABATH. Is that the bill that a rule was asked for?

Mr. MAY. No. I have not asked for a rule on it. I talked to the gentleman about it, and he said if it was not agreed to here he would give me a hearing.

Mr. SABATH. That is the bill, is it?

Mr. MAY. Yes.

Mr. SABATH. Why was not General Patton's name added to it? Is there any reason? I, too, think he was a good man.

Mr. MAY. We have another bill to take care of that.

Mr. SABATH. What is the amendment that the gentleman proposes?

Mr. MAY. Simply to take care of those who have not yet been retired.

Mr. SABATH. All right.

Mr. MILLER of Nebraska. Mr. Speaker, I withdraw any objections I might have to the bill, because I think these men who have rendered outstanding service during this war are entitled to a decent pension when they reach retirement age.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the President is hereby authorized, by and with the advice and consent of the Senate, to appoint to the permanent grade of General of the Army any individual who shall have served in such grade after December 14, 1944, and before August 14, 1945, and to appoint to the permanent grade of Fleet Admiral of the United States Navy any individual who shall have served in such grade after December 14, 1944, and before August 14, 1945. The officers appointed under the provisions of this section shall take rank in the manner provided in the act of December 14, 1944 (Public Law 482, 78th Cong.), and shall receive the pay and allowances prescribed by section 4 of such act. Any officer on the active list, or any retired officer, who is appointed under the provisions of this section and who may hereafter be retired or relieved from active duty, shall be entitled to have his name placed on the retired list with the highest grade or rank held by him on the active list or while on active duty, and shall be entitled to receive the same pay and allowances while on the retired list as officers appointed under this section are entitled to receive while on active duty.

SEC. 2. The President is hereby authorized, by and with the advice and consent of the Senate, to appoint to the permanent grade of general in the Marine Corps any individual who shall have served as Commandant of the Marine Corps, with the grade and rank of general, after March 21, 1945, and before August 14, 1945. Any officer appointed under the provisions of this section shall receive the pay and allowances prescribed by section 3 of the act of March 21, 1945 (Public Law 19, 79th Cong.); and any such officer who may hereafter be retired or relieved from active duty shall be entitled to have his name placed on the retired list with the highest grade or rank held by him on the active list or while on active duty, and shall be entitled to receive the same pay and allowances while on the retired list as officers appointed under this section are entitled to receive while on active duty.

With the following committee amendment:

Page 2, line 13, after the word "and", strike out "shall be entitled to receive the same pay and allowances while on the retired list as officers appointed under this section are entitled to receive while on active duty" and insert "while on the retired list shall be entitled to receive 75 percent of the base pay of a rear admiral of the upper half and 75 percent of the personal money allowance prescribed by section 4 of such act of December 14, 1944."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: On page 3, line 8, strike out the remainder of line 8 after the word "and", and lines 9 and 10 and 11, and insert "while on the retired list shall be entitled to receive 75 percent of the base pay of a rear admiral of the upper half and 75 percent of the personal money allowance prescribed by section 3 of such act of March 21, 1945."

Mr. KNUTSON. What would that make the retired pay amount to?

Mr. MAY. Nine thousand seven hundred and fifty dollars.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 3, line 16, at the end of the bill, insert:

"SEC. 3. The President is hereby authorized, by and with the advice and consent of the Senate, to appoint to the permanent grade of admiral in the Coast Guard any individual who shall have served as Commandant of the Coast Guard, with the grade and rank of admiral, after March 21, 1945, and before August 14, 1945. Any officer appointed under the provisions of this section shall receive the pay and allowances prescribed by section 3 of the act of March 21, 1945 (Public Law 20, 79th Cong.); and any such officer who may hereafter be retired or relieved from active duty shall be entitled to have his name placed on the retired list with the highest grade or rank held by him on the active list or while on active duty, and while on the retired list shall be entitled to receive 75 percent of the base pay of a rear admiral of the upper half and 75 percent of the personal money allowance prescribed by section 3 of such act of March 21, 1945."

Mr. MAY. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment to the committee amendment offered by Mr. MAY: On page 3, line 25, immediately after the word "who", insert "has been or."

Mr. MAY. Mr. Speaker, I would like to make this explanation of that amendment. It simply means that under Public Law No. 19 of the Seventy-ninth Congress provision was made for these retirements. Some of these officers have been retired and some of them have not been retired. This amendment would make the language read as follows:

and any such officer who has been or may hereafter be retired or relieved from active duty.

And so forth. My amendment simply adds the words "has been or."

Mr. COCHRAN. Mr. Speaker, I move to strike out the last word. I am not going to oppose the amendment or oppose the bill, but I want the RECORD to show and I want the Members to realize just exactly what we are doing. We are providing for the retirement of officers in the armed forces.

This is nothing new. The Congress has been doing this for a long period. The bill will provide for an increase in the amount that the retired officer can be paid.

Under this policy, which I say has existed for a long time, the officers are entitled to be retired and they receive a very liberal retirement allowance, every dollar of which comes out of the United States Treasury. Of course, whatever is in the United States Treasury comes out of the pockets of the taxpayers. The officer is not required to make any contribution whatsoever to any retirement fund. Under the Retirement Act providing for the retirement of Federal civilian employees those employees make a monthly contribution based upon their salary. In other words they create an annuity and when they have had a certain length of service and reach a certain age they are subject to retirement and receive the annuity for the rest of their lives.

The reason I am making this statement is that in a few days we are expected to consider a bill which will provide an amendment to the Retirement Act for civilian employees that will grant recognition to Members of Congress, provided the Members of Congress make a contribution equal to that paid by all Federal employees. Now if we can provide laws such as this certainly we should not hesitate to enable ourselves to create an annuity for ourselves, provided, as I say, that we make a monthly contribution based upon our salary. As I understand the bill that will be before us, the amount that we will receive in the event we are retired would be based upon our length of service plus the amount that we paid into the retirement fund.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Pennsylvania.

Mr. RICH. Why should we permit Army officers to retire under provisions different from those applying to any other officers of the Government? Should not they all be classified alike, to make it uniform?

Mr. COCHRAN. It has been a policy that has been in force for many years.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Kentucky.

Mr. MAY. The only reason this committee reported this bill was the fact that we know, as all of you know, that every district judge of the United States, every circuit court of appeals judge, and every judge of the Supreme Court is retired after a few years of civilian service on full pay. These men that become the beneficiaries of this bill have served their country as professional soldiers in several wars and have served it well in this war, as everybody knows. That is the only reason we make this distinction.

Mr. COCHRAN. Let me add to what the gentleman from Kentucky has said that we provide for the retirement without any contribution by those who are eligible to retire in the Army, Navy, Marine Corps, the Coast Guard, the Public Health Service, and the Coast and Geodetic Survey, as well as members of the judiciary.

GEN. GEORGE S. PATTON

Mr. RANKIN. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, may I ask the chairman of the committee if he would be willing to accept an amendment at this time to confer the Congressional Medal of Honor on Gen. George S. Patton?

Mr. MAY. I would not, for the reason that the amendment would not be germane. Further, the gentleman from Mississippi, who has the floor, has a bill pending in my committee for that purpose. I would like to be able to report that bill to the House if my committee agrees with me, in order to give General Patton the distinction the gentleman desires him to have.

Mr. RANKIN. I want that bill to come before the House at an early date and be passed without delay.

I want to show how the smear bund in Washington under the pressure of the so-called antidefamation league stirred the feeling of the American people against General Patton, the greatest general who has ever worn the uniform of this Nation, at least since the War Between the States.

I never saw General Patton until this trouble arose. But when I saw and heard over the radio how these slimemongerers attempted to destroy the greatest general we had in the war, who had swept across north Africa in a blaze of genius and whipped General Rommel for the first time, when Rommel had been burning rings around British generals; when I saw General Patton drive through Sicily, and then when we came to the invasion, when everything was ready, when the Germans were more afraid of George Patton than they were of any other man alive—then this smear bund got busy and dug up a little incident that had happened 4 or 5 months before, and started the radio and a certain element of the press to smearing General Patton in such a way that it disturbed the administration and disturbed General Eisenhower, who wanted to put him in command of a certain army; when those attacks slowed down, or delayed, if you please, the invasion and cost the lives of from 10,000 to 50,000 of the finest American soldiers who ever lived—then I came to the defense of General Patton on this floor, turned the light on and helped drive his detractors to cover.

Then when he went with his command into Bavaria he wanted to treat those people decently. Of all things a victor can afford it is to be magnanimous. George Patton was a gentleman. He would not permit the rape of the innocent women that took place in other occupied areas. He would not permit the murder of innocent individuals. He would not permit the robbing and plundering of the poor peasants of their stock and their household goods, as was done in other areas of the occupied zones.

General Patton manifested that same magnanimity that he always manifested, and that same courage that he had manifested on the battlefield; but the smear bund got busy again and had him removed from his command. Today he sleeps amidst the white crosses that mark the last resting places of those brave boys who went down fighting under him.

His name will live and his fame will grow throughout the coming centuries.

I am going to demand, if it is the last thing I do, that this Congress vote to Gen. George S. Patton a Congressional Medal of Honor. It should have been done long ago.

The SPEAKER. The time of the gentleman from Mississippi [Mr. RANKIN] has expired.

Mr. RIZLEY. Mr. Speaker, I rise in opposition to the pro forma amendment.

Mr. Speaker, certainly I would not want to withhold any word of praise from General Patton or any other high, distinguished officer in the Army or in the Navy. They have all done a very excellent job during this war and have demonstrated as generals, admirals, rear admirals, and on down that in the entire history of the world no greater leadership has existed, and they have never been surpassed as naval and military strategists.

However, I do want to say that sometimes I think we overstress the high command and underestimate the part played by those who are in the ranks and that great array of civilian officers who come up the hard way—National Guard and Reserve officers, if you please. Right now I have in mind a colonel from my own congressional district who enlisted in the First World War as a buck private, and who fought in every major engagement in that war and came out as a first lieutenant. He entered this war and came out as a full colonel, a Reserve officer. He was shot up over in India. He has given all of the best part of his life in his country's service. I seriously doubt if this officer or thousands of others in his category, men in active service, but who are disabled, will have a chance under present regulations for retirement. They may have served long, well, and regardless of what has happened to them, they cannot get much consideration from retirement boards. Some consideration should be given these men as well as admirals and generals.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. RIZLEY. I yield.

Mr. RANKIN. Under the present law, as passed in 1928, disabled emergency officers with 30-percent disability are entitled to retirement pay.

Mr. RIZLEY. I am not against retiring them, but I think the Committee on Military Affairs and the Committee on Naval Affairs should look into the whole retirement program.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. RIZLEY. I yield to the distinguished gentleman from Massachusetts.

Mr. McCORMACK. The gentleman from Oklahoma has in mind a different

retirement law than the gentleman from Mississippi. The gentleman has in mind retirement with reference to officers in active service.

Mr. RIZLEY. That is right.

Mr. McCORMACK. Not for the purpose of criticism, but in the same spirit in which the gentleman from Oklahoma approaches the subject, I think there is a great deal to what he says, and the retirement boards should be more careful in the consideration of veterans, particularly in relation to Reserve officers.

In the consideration of their receiving retirement or pension direct from the War Department, the Army, I might say, however, and I believe, in fact, the gentleman from Oklahoma appreciates it and does not want to have the record confused in relation to his own remarks, the bill we are now considering is an entirely different retirement, and that is based on longevity of the period of service. In the Army and Navy, of course, we must recognize that those men are giving their whole lives to a career of service to their country with our armed forces, and it is only just that their retirement system should be a straight one and not based upon deductions from compensation or salary.

Mr. RIZLEY. I agree wholeheartedly with everything the distinguished majority leader has said. I understand this has nothing to do with the retirement I was speaking about. I merely took this time to call the attention of the chairman of the committee to this retirement question.

Mr. KEARNEY. Mr. Speaker, will the gentleman yield?

Mr. RIZLEY. I yield.

Mr. KEARNEY. I may say to the gentleman that I have a bill now pending before the Committee on Military Affairs which provides in substance for the retirement of National Guard and Reserve officers.

Mr. Speaker, no one wants to take away anything from those men who have given their life's work to preparing for the day when all their skill and ability be directed against the common enemy. The culmination of their efforts was rewarded first on VE-day and later on VJ-day.

We must remember, however, another group of patriotic Americans. Those of the National Guard and those of the Reserve Corps. Men who, week in and week out, devoted years to the military game to the exclusion of their own business. Many of the gentlemen have served their country for many, many years and come this October some will have been in the service of their country for 6 long years. These are the men I referred to when I spoke about a retirement bill I introduced, now pending before the Military Affairs Committee of the House. In its total it is a mere pittance compared to the retirement pay of the Regular Establishment, but at least it is in a small measure some compensation for those who have returned after their years of service and find themselves unable to secure jobs, the practice of their chosen professions gone, and their businesses wrecked. It is this class of our soldiers I am asking consideration for—that vast army of citizen soldiers.

Mr. McKENZIE. Mr. Speaker, will the gentleman yield?

Mr. RIZLEY. I yield.

Mr. McKENZIE. May I point out in line with the remarks of our distinguished majority leader that, as he said, these Regular Army and Navy officers follow military service as a career and what he says of their retirement is true. Does he however realize that the man who does not follow the military service as a career is the man who makes the real sacrifice, the man who left his business, the man who left his family. He comes back many times a physical wreck, unable to pick up where he left off, his business gone, and finds he must completely rehabilitate himself. I think the National Guard and the Reserve officers and men should be given just as much consideration in retirement programs as the Regulars. These civilian soldiers pay the real price of war. During times of peace they devote their spare time, their nights, and their vacation periods to training and preparation and study, and when war comes they carry the burden of the fight in the field while the Regular is probably in some safe command post or at a desk in Washington. We give the National Guard and Reserve men recognition for this service in figuring their "faggies" or longevity pay—so we have established the principle. Why not give them, both officers and men, the same credit toward retirement, 5 percent for each 3 years served? If we do this we can again have a strong National Guard and Reserve force.

Mr. MAY. Mr. Speaker, I move the previous question on the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

Mr. MAY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MAY: Page 2, line 10, immediately after the word "who" insert the following: "has been or"; and on page 3, line 5, immediately after the word "who", insert the following: "has been or."

Mr. MAY. Mr. Speaker, I move the previous question on the amendment.

The previous question was ordered.

The amendment was agreed to.

Mr. ANDREWS of New York. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDREWS of New York: On page 2, line 3, strike out the word "August" and substitute therefor the word "December."

Mr. ANDREWS of New York. Mr. Speaker, I offer this amendment for the purpose of including within the provisions of the bill Admiral Halsey, who was created a five-star admiral after August and therefore if the date be not changed he would be precluded from the benefits of this act. When the original five-star act was passed it provided for four five-star generals and four five-star admirals. At that time President Roosevelt appointed only three five-star admirals. Subsequent to President Roosevelt's death, President Truman appointed Admiral Halsey to five-star rank.

This amendment is offered with complete approval of and at the request of the chairman of the Committee on Naval Affairs of the House, the gentleman from Georgia [Mr. VINSON].

Mr. MAY. Mr. Speaker, I move the previous question on the amendment.

Mr. MARTIN of Massachusetts. Mr. Speaker, will not the gentleman withhold his motion? Several Members on this side have been seeking an opportunity to speak on this bill.

The SPEAKER. Will the gentleman withhold the motion?

Mr. MAY. Yes; I withhold the motion, Mr. Speaker.

Mr. SCRIVNER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, we are all agreed that these great admirals and generals to whom reference has been made have given a great deal to this Nation, but too many times when some speak of these high rankers they apparently forget that without 15,000,000 or so GI's fighting under them these officers could not make the record they made. These Regular Army officers and Regular Navy officers are able to take care of themselves. These 15,000,000 men are not professional soldiers. They were civilians called into service by their Government. When these officers leave the service they have their terminal leave, 60, 90, or 120 days' pay. Why not furlough pay for these young men whose duties in the fighting kept them from enjoying their furloughs?

A bill has been prepared by the subcommittee of the Committee on Military Affairs which will right this wrong and provide for these returning GI's terminal furlough pay just as these high rankers get their terminal leave pay. I feel this bill is something to which the Military Affairs Committee should give prompt and favorable consideration.

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. Mr. Speaker, I want to compliment the distinguished gentleman from Kansas on his remarks; his concern for welfare of the veteran is well known. I have listened with a great deal of interest to the statements as to leadership of the five-star generals and the five-star admirals and I was wondering when somebody would stand up and say a word about the great record of the GI and the ordinary seaman, our boys who have gone through the cold, the heat, the filth, the fatigue, the misery, the mud, and the horrors of mechanized warfare in order to carry on the fight. I am of the opinion that like consideration should be given these boys on every occasion. And while we discuss the great leadership of our generals and admirals, give due credit to the magnificent performance turned in by our boys who carried out their orders.

Mr. SCRIVNER. Yes. These youngsters with one, two, or three stripes on their sleeves are entitled to the same honor and consideration as the five-star generals.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from Kentucky.

Mr. MAY. I do not think the gentleman wants to be critical of the House Military Affairs Committee.

Mr. SCRIVNER. No. I am merely making a suggestion of a hope of speedy action.

Mr. MAY. We have been meeting every day for weeks and we are in session today. We have had that bill reported to the whole committee for 4 weeks and we cannot get time to take it up in the House.

Mr. SCRIVNER. I hope, after 4 weeks' study, the time will come very shortly when we will get it up and that it will be considered on the floor of the House. I am glad to learn some progress has been made.

The SPEAKER. The time of the gentleman from Kansas has expired.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I move to strike out the last two words.

Mr. Speaker, I, too, am very glad that these admirals and generals, who have done such splendid work in winning the war for us and the world, are receiving some recognition. I agree with the gentleman from New York that more should be done for the Reserve officers and enlisted men. The enlisted men, too, should have terminal pay. They need it much more than the officers need it.

Mr. Speaker, I am thinking of introducing a resolution that it is the sense of the House that the examining boards for retirement of the Army and Navy shall be more careful in considering cases of Reserve officers for retirement. Those who have been watching this retirement situation for me tell me that they believe that the benefit of the doubt, if there be any, is given to the Regular men but not to the Reserve officers. That certainly should be watched and checked, and remedied.

Speaking of the GI's, there are many things that we can do for them in seeing that they get the benefits that are due them, that they get the proper supplies and good housing, not cheap houses. The GI's should have the best that we can provide them and they should certainly be allowed to purchase Government-owned houses at a reasonable rate. I have introduced a bill to bring that about.

Mr. MAY. Mr. Speaker, I move the previous question on the pending amendment.

The previous question was ordered.

The SPEAKER. The question is on the amendment offered by the gentleman from New York [Mr. ANDREWS].

The amendment was agreed to.

Mr. RANKIN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN:

On page 2, after line 10, insert a new section to read as follows:

"SEC. 3. The President of the United States is authorized and directed to award posthumously, in the name of Congress, a Medal of Honor to Gen. George S. Patton, Jr., in recognition of his leadership as a field commander of unsurpassed ability, courage, and gallantry, and his invaluable service to the Nation in hastening the day of victory and thus saving the lives of countless American fighting men."

Mr. MAY. Mr. Speaker, I make a point of order against the amendment.

Mr. RANKIN. Will the gentleman withhold that for a moment?

Mr. MAY. The gentleman has already spoken on it.

Mr. RANKIN. I just want to again speak to the gentleman from Kentucky on it. I urge him not to make a point of order.

Mr. MAY. I reserve the point of order, Mr. Speaker.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Pennsylvania.

Mr. RICH. It seems to me that the chairman of the committee a few moments ago gave the gentleman from Mississippi his assurance that he would give this matter consideration, and I do not see why we should tack it onto this bill.

Mr. RANKIN. If the chairman of the committee [Mr. MAY] constituted the whole committee, I would say to the gentleman from Pennsylvania that I would be perfectly satisfied. But I know that opposition has come and always will come from what we call the brass hats to giving these Congressional Medals of Honor under these conditions, and I know there is going to be opposition from various sources in this instance.

I am appealing to the gentleman from Kentucky now to withdraw his point of order and let this amendment go through. It cannot hurt a thing on earth. It will not cost anything, and it will not in any way injure the cause of any other man who is mentioned in this bill, but it will be doing a small measure of belated justice, as I said, to the greatest military genius of this war.

What I am afraid of is that unless we get this amendment adopted, opposition may develop and we might not get the measure out of the committee at all. So, if the gentleman will just withdraw his point of order and let the amendment go through, we will do this belated justice to this great hero who never sent a man where he was not willing to go himself, who suffered one of the hardest fates that ever befell a victorious general, and who was to be smeared out of his command by those invidious elements, some of whom hated him for his very successes, and would destroy the Government for which he fought.

I hope the gentleman from Kentucky will withdraw his point of order and let this amendment go through, because there will not be a dozen votes against it.

Mr. MAY. Mr. Speaker, for many good and sufficient reasons, I insist on my point of order.

The SPEAKER. The point of order is sustained.

The question is on the third reading of the bill.

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

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

The title was amended so as to read: "An act to authorize the permanent appointment in the grades of General of the Army, Fleet Admiral of the United States Navy, general in the Marine Corps, and admiral in the Coast Guard, respectively, of certain individuals who have served in such grades during the Second World War."

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SHAFER asked and was given permission to revise and extend his remarks.

COVERAGE OF CERTAIN DRUGS UNDER THE FEDERAL NARCOTIC LAWS

Mr. ROBERTSON of Virginia. Mr. Speaker, I call up the conference report on the bill H. R. 2348 to provide for the coverage of certain drugs under the Federal narcotic laws, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2348) to provide for the coverage of certain drugs under the Federal narcotic laws, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate; and agree to the same.

R. L. DOUGHTON,
JERE COOPER,
JOHN D. DINGELL,
A. WILLIS ROBERTSON,
HAROLD KNUTSON,
D. A. REED,
ROY O. WOODRUFF,
Managers on the Part of the House.

WALTER F. GEORGE,
D. I. WALSH,
JOS. BAILEY,
ROBERT M. LA FOLLETTE, Jr.,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2348) to provide for the coverage of certain drugs under the Federal narcotic laws, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The purpose of the Senate amendment is to make it possible for millers to produce hemp fiber from the hemp plant without incurring liability for the tax which is imposed upon transfers of marihuana. Marihuana and hemp fiber are produced from the same plants. When the Congress passed the Marihuana Tax Act of 1937 for the purpose of regulating the use of marihauna as a narcotic, it was understood that the act would not interfere with the operations of millers engaged in producing hemp fiber. However, it has now developed that the millers may be liable for the payment of the transfer tax on marihuana by reason of the transfer to them of the hemp plants. The rate of the tax is very heavy, being $1 per ounce in certain cases and $100 per ounce in other cases,

and would make it utterly impossible for the millers to continue operations if they were required to pay the tax.

Under present law the tax is imposed upon marihuana as the term is defined in the law. The term is defined to include all parts of the hemp plant except the mature stalk thereof. It appears that under the regular practice in the industry a small quantity of leaves still adhere to the stalks when they are transferred to millers for the production of fiber. It is because of these leaves, which are included within the definition of marihuana, that the liability for the transfer tax might be incurred.

The Senate amendment to this bill provides for the registration of millers producing fiber from the hemp plant and provides that transfers of marihuana may be made to millers so registered, without payment of the transfer tax. A number of special requirements relating to the registration of millers for this purpose are contained in the amendment and are set out in the text of the amendment below.

The text of the amendment is as follows:

"AMENDMENTS RELATING TO MARIHUANA

"SEC. 10. (a) Exemption for certain transfers to millers: Section 2591 of the Internal Revenue Code is amended by adding at the end thereof a new subsection (e) to read as follows:

"'(e) Exemption for certain transfers to millers: Nothing in this section shall apply to a transfer of the plant Cannabis sativa L. or any parts thereof from any person registered under section 3231 to a person who is also registered under section 3231 as a taxpayer required to pay the tax imposed by section 3230 (a) (6).'

"(b) Special tax on millers: Section 3230 of the Internal Revenue Code is hereby amended by adding at the end of subsection (a) a new subdivision (6) to read as follows:

"'(6) Millers: Any person who at a mill manufactures or produces from the plant Cannabis sativa L. any fiber or fiber products, $1 per year or fraction thereof during which he engages in such activities.'

"(c) Registration of millers: Section 3231 of the Internal Revenue Code is hereby amended by inserting at the beginning thereof, before the word 'any' the following: '(a) In general:'; and by adding at the end of such section a new subsection to read as follows:

"'(b) Special requirements for millers: The Secretary shall not permit the registration of any person under this section as a person required to pay the tax imposed by section 3230 (a) (6), unless in the opinion of the Secretary such person (or if a corporation, each officer thereof) is a person of good moral character and unless in the opinion of the Secretary such person is a person of suitable financial standing, intends to engage in good faith in the business of manufacturing or producing fiber or fiber products from the plant Cannabis sativa L. on a commercial basis, and is not seeking registration under this section for the purpose of facilitating the unlawful diversion of marihuana. Any person who is registered under this section and has paid the tax imposed by section 3230 (a) (6) shall afford agents of the Bureau of Narcotics ready access at all times to any part of the premises of the mill or other premises of such person and the right to inspect any and all books, papers, records, or documents connected with the activities of such person in dealing in, manufacturing, and processing Cannabis sativa L. and fiber or fiber products thereof, and the handling of marihuana. The Secretary may cancel or may refuse to renew, after notice and opportunity for hearing, the registration of any such person if he finds that such person has not complied or is not complying with the requirements of this subsection, or if he finds that grounds exist which would justify the refusal to permit the original registration of such person under this section.'"

R. L. DOUGHTON,
JERE COOPER,
JOHN D. DINGELL,
A. WILLIS ROBERTSON,
HAROLD KNUTSON,
D. A. REED,
ROY O. WOODRUFF,
Managers on the Part of the House.

Mr. ROBERTSON of Virginia. Mr. Speaker, the major purpose of this bill is to bring new synthetic drugs of a habit-forming character under our general narcotics acts and to treat them as we do opiates. The hemp amendment was inserted on the Senate side. Both the House and the Senate were unanimous in support of the major provisions of the bill. We had a conference on the Senate amendment and the conferees were unanimous in agreeing to accept the Senate amendment, feeling that it is necessary to protect the hemp industry without imperiling our control of dangerous narcotics.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. ROBERTSON of Virginia. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Would it be possible to include barbiturates under this bill, or is this a special provision for hemp?

Mr. ROBERTSON of Virginia. This merely provides that hemp, from some of the dead leaves of which marihuana may be taken, may be transported from the field to the factory without making the factory liable for the heavy tax that is imposed upon the handlers of marihuana which, as my distinguished colleague knows so very well, is a very dangerous drug.

Mrs. ROGERS of Massachusetts. Will the gentleman assist me in trying to secure legislation to control the abuse of barbiturates? In many States today they can be obtained without any prescription and are causing a great many suicides. They are also causing a great deal of trouble for young people who are taking them without realizing that they are dangerous.

Mr. ROBERTSON of Virginia. This bill is broad enough to cover any drug that is found to be habit forming and of an opiate character. We do not attempt to specify any particular drug. The occasion for this bill was the development of a new German synthetic drug over which we had no control at all, and which is just as dangerous as opium in its effect and in its habit-forming character.

Mrs. ROGERS of Massachusetts. The barbiturates would be included in this without any doubt?

Mr. ROBERTSON of Virginia. I feel that undoubtedly they would be included.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. ROBERTSON of Virginia. I yield to the gentleman from Minnesota.

Mr. KNUTSON. May I say to the gentlewoman from Massachusetts that after this measure has become law she might ask the Food and Drug Administration for a ruling and, if it is held that the particular drug in which the gentlewoman is interested is not covered under this law, I think I am safe in assuring the gentlewoman that the Committee on Ways and Means will be glad to take further action if necessary.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. ROBERTSON of Virginia. I yield to the gentleman from Pennsylvania.

Mr. RICH. Is there anything in this bill that will permit marihuana to come into this country and be used freely by people in any way in which it should not be used?

Mr. ROBERTSON of Virginia. No. The amendment was very carefully drawn. We feel that the use of the drug marihuana is safeguarded. We hope so. We have the cooperation of the hemp manufacturers, and we should anticipate no real trouble.

Mr. RICH. We just want that assurance.

Mr. CARLSON. Mr. Speaker, will the gentleman yield?

Mr. ROBERTSON of Virginia. I yield to the gentleman from Kansas.

Mr. CARLSON. As the gentleman from Virginia knows, we in the committee reported out a very stringent bill and it passed the House. Do I correctly understand that it comes back here with provisions that weaken it?

Mr. ROBERTSON of Virginia. No, it does not affect our bill at all. This amendment amends the Marihuana Act, which was an act we had passed previously.

It grows out of the fact that the Narcotics Division of the Treasury Department issued a new and very stringent regulation affecting the raw hemp industry in this Nation. They said they could not operate under that regulation. This amendment gives them an opportunity to operate under certain supervision and safeguards which the Treasury reported to us they hoped would be adequate. The Treasury report was kind of a yes-and-no report which in a way justified the regulation and backed off of it at the same time.

Mr. CARLSON. That brings me to my point. We have taken this away from the Treasury Department and placed it in the hands of a board. Is that correct?

Mr. ROBERTSON of Virginia. No, no, we do not do that.

Mr. CARLSON. As I heard the reading of it, it was a new board.

Mr. ROBERTSON of Virginia. No; the Treasury still has control of the hemp industry with respect to the production and use of the drug.

Mr. SMITH of Ohio. Mr. Speaker, will the gentleman yield?

Mr. ROBERTSON of Virginia. I yield.

Mr. SMITH of Ohio. I am somewhat puzzled by a statement the gentleman made that the particular drugs are not designated, which means that those who will have control of this matter may decide what drugs to keep off the market. It seems to me that is giving pretty broad powers.

Mr. ROBERTSON of Virginia. That provision has unanimously passed both the House and Senate. The conference

report only deals with this amendment offered by Senator LA FOLLETTE to take care of the hemp industry in about four Midwestern States. The drug provision was very carefully drawn and we have no objection from any doctor or any medical association or anybody else about it, but there was great support from a lot of sources to bring these habit-forming, synthetic drugs under control or else we might turn into a nation of drug addicts before we know it.

Mr. SMITH of Ohio. Of course, we do not want the Nation to turn into drug addicts. Nevertheless, there are drugs which are on the border line and to give this agency arbitrary power to decide a matter of that kind, it seems to me is giving it pretty broad powers. I should like to register my protest against that sort of a proposition.

Mr. ROBERTSON of Virginia. I assure our distinguished colleague the gentleman from Ohio, Dr. SMITH, that he is unduly alarmed about what is going to be done under this bill.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

AMENDING FIRST WAR POWERS ACT

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4571) to amend the First War Powers Act, 1941, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 7, line 11, after "proceeds", insert ": *Provided*, That except as provided in subsections (b) and (c) hereof, no person to whom a return is made pursuant to this section, nor the successor in interest of such person, shall acquire or have any claim or right of action against the United States or any department, establishment, or agency thereof, or corporation owned thereby, or against any person authorized or licensed by the United States, founded upon the retention, sale, or other disposition, or use, during the period it was vested in the Alien Property Custodian, of the returned property, interest, or proceeds."

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. SPRINGER. Mr. Speaker, reserving the right to object, may I say I do not intend to object, but am making this reservation so the gentleman from New York can make an explanation of the bill and the amendment for the benefit of the Members of the House.

Mr. CELLER. Mr. Speaker, this amendment has been approved by all departments interested, to wit, the Treasury Department, the Department of Justice, the Office of the Secretary of State, the Alien Property Custodian, and the Bureau of the Budget. The bill in the main provides that friendly aliens; that is, aliens of France, Belgium, Holland, and so forth, whose property was vested for protective purposes in the Alien Property Custodian might now get that property back. If they get their property back, for instance a patent, they should not have the right to bring action against the United States for an infringement of the patent.

In simple language, that is the purport of the Senate amendment.

Mr. SPRINGER. And that is the only provision the amendment contains?

Mr. CELLER. That is all.

Mr. SPRINGER. May I ask the gentleman if it is not true that the amendment is unanimously agreeable to the Committee on the Judiciary?

Mr. CELLER. That is correct.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. BIEMILLER asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. BRYSON asked and was given permission to extend his remarks in the RECORD and include an address he delivered at Valley Forge on Sunday.

Mr. OUTLAND asked and was given permission to extend his remarks in the RECORD and include a statement by several national organizations on the necessity for renewing price control.

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the RECORD and include an editorial from the Milwaukee Journal of February 21, 1946.

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the RECORD and include a statement he made before a subcommittee of the Foreign Relations Committee with reference to the St. Lawrence seaway.

Mr. VINSON asked and was given permission to extend his remarks on the Case bill and to incorporate a letter from the Georgia Farm Bureau president.

Mr. MADDEN asked and was given permission to extend his remarks in the RECORD and include a letter from a veteran of World War II.

Mr. MADDEN asked and was given permission to extend his remarks in the RECORD and incorporate an editorial from the Times-Herald of today.

Mr. LUDLOW asked and was given permission to extend his remarks in the RECORD in two instances—in one, to include an editorial from the Washington Post, and in another to include a statement he made before the House Committee on Post Offices and Post Roads this morning.

Mr. STEWART asked and was given permission to extend his remarks in the RECORD and include a letter from Floyd E. Kirby, a returned veteran from World War II.

Mr. ROBERTSON of Virginia asked and was given permission to extend his remarks in the RECORD and insert an article by Henry W. McLaughlin entitled "A Remedy for Strikes."

Mr ROMULO asked and was given permission to extend his remarks in the RECORD with reference to a Filipino war hero.

Mr. ROMULO asked and was given permission to insert in the RECORD a letter on the Filipino disabled veterans.

Mr. TIBBOTT asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. GAVIN asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. HENRY asked and was given permission to extend his remarks in the RECORD and include an editorial which appeared in the Wisconsin State Journal of Madison, Wis., February 22.

Mr. WOODRUFF asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. WOODRUFF asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. RIZLEY asked and was given permission to extend his remarks in the RECORD and include two newspaper articles.

SPECIAL ORDERS GRANTED

Mr. BRYSON. Mr. Speaker, I ask unanimous consent that on Monday next, after all other business and any other special orders, I may address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent that on Wednesday next, after the legislative business of the day and any other special orders, I may address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

EXTENSION OF REMARKS

Mr. LAFOLLETTE asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances and to include two addresses which he made.

Mr. AUCHINCLOSS asked and was given permission to extend his own remarks in the Appendix of the RECORD.

Mr. STEVENSON asked and was given permission to extend his remarks in the Appendix of the RECORD and include therein an Associated Press release printed in the LaCrosse Tribune, of LaCrosse, Wis., on February 24, under the title "Retail Lumber Men Blame OPA for Building Material Shortage."

Mr. BENDER (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his own remarks in the Appendix of the RECORD.

Mr. MICHENER asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. FORAND asked and was given permission to extend his remarks in the Appendix of the RECORD and include a round-table conference held under the auspices of the agricultural interests in Rhode Island.

Mr. HOFFMAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include excerpts.

CALL OF THE HOUSE

Mr. PATMAN. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 37]

Adams	Curley	Peterson, Ga.
Allen, La.	Daughton, Va.	Randolph
Almond	Dawson	Reece, Tenn.
Baldwin, Md.	Douglas, Calif.	Reed, N. Y.
Baldwin, N. Y.	Eaton	Rivers
Beall	Fernandez	Robertson, N. Dak.
Boren	Fisher	Robinson, Utah
Bradley, Mich.	Gardner	Roe, N. Y.
Brumbaugh	Gifford	Schwabe, Mo.
Burgin	Gwinn, N. Y.	Short
Byrne, N. Y.	Hart	Slaughter
Camp	Holmes, Mass.	Starkey
Cannon, Fla.	Jarman	Taylor
Cannon, Mo.	Keefe	Thomas, N. J.
Carnahan	Kerr	Tolan
Case, S. Dak.	Landis	Vursell
Chapman	McGregor	Walter
Chelf	Merrow	Weaver
Chenoweth	Murphy	White
Chiperfield	Murray, Tenn.	
Cole, Kans.	Norton	
Courtney	Patrick	

The SPEAKER. On this roll call, 364 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

HOUSING STABILIZATION

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 4761) to amend the National Housing Act by adding thereto a new title relating to the prevention of speculation and excessive profits in the sale of housing, and to insure the availability of real estate for housing purposes at fair and reasonable prices, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 4761, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read, as follows:

Committee amendment: On page 2, line 25, strike out "December 31" and insert "June 30."

Mr. PATMAN. Mr. Chairman, I desire recognition on this amendment.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

DEVASTATING AMENDMENT

Mr. PATMAN. Mr. Chairman, this amendment goes to the heart of the bill. To my mind, it is a devastating amendment and will scuttle the Truman-Wyatt housing program.

If you will take the bill as reported by the committee, at the end of page 2 you will notice "December 31, 1947," was stricken out, and the words and figures "June 30, 1947," inserted instead. That means that this will end on June 30, next year.

We know it is going to take some time to get this bill passed—if it is passed—probably 60 days. That means that the law will be effective only about 1 year. On some things 1 year would probably be enough, but on house building it is not enough. It takes time to build houses. If you put a termination date in here, June 30, 1947, it means that all these contractors will get priorities on their materials, they can be building on their houses, and they can see the end of the law coming in a few weeks from the time the houses will be finished. What is the natural thing for them to do? The natural thing for them to do is to slow up and wait until the law has expired so they can sell the house for which they have had priorities to build at any price on earth they are able to get. They will be able to get two or three times what the houses are worth.

So a vote for this amendment, to my mind, is a vote to scuttle the proposal by President Truman at the request of Mr. Wilson Wyatt. They cannot do this job in 1 year or 18 months' time. The program is predicated upon 2 years. It is scheduled, it is planned, all plans are formulated for a 2-year period, to build 2,700,000 houses. If you adopt this amendment you will scuttle the Truman-Wyatt proposal to build houses for veterans of World War II.

EVERY MEMBER INTERESTED IN VETERANS

I am assuming, and I know it is right—there is no doubt in my mind about it—every Member of this House is interested in veterans. No one has a monopoly on doing things for veterans; we are all for the veterans. The veterans assume that. They are not writing and wiring Members of Congress because they assume that we are familiar with the critical housing shortages that are existing over this Nation, and they expect us to do what is necessary to alleviate that housing shortage. We are all for the veterans equally, every one of us.

PRESIDENT TRUMAN'S PLAN

All we want to do is to pass a law that will come nearer getting the job done. Now we have this plan. Weeks of time were spent on formulating this plan. It is a plan of the President of the United States. He says that he wants 2 years, and he says that anything less than that is not sufficient; anything less than that will scuttle this legislation. So a vote for this amendment, in all seriousness, is a vote against an effective housing bill. For this reason I hope the amendment is voted down.

Mr. BROWN of Georgia. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am afraid the statement of the gentleman from Texas is a little confusing. He said this was a committee amendment. It is true that this amendment was in the original Patman bill, but by an amendment offered by me we defeated it and we struck out the provision that this bill should expire on December 31, 1947. My amendment limited the bill to the 30th of June 1947.

The reason for this limitation is that OPA has been extended only for 1 year. The present bill before my committee today proposes to extend OPA until June 30, 1947.

What is in this housing bill? It contains controls similar to certain controls in the OPA bill. A new Congress will be here on January 1, and can take a look at the housing situation early next year.

Let me say that the committee voted for my amendment and I am still supporting the bill as reported by the committee. I want to say to my friends that two other amendments will be offered as committee amendments, but in reality they are not committee amendments. They were stricken out by our committee. One deals with subsidies and the other with ceilings on old houses.

Mr. Chairman, if you do not stand by the Patman bill as reported by our committee and vote down the amendments now offered by some members of the committee who voted for the bill as reported, then you are likely to have your bill defeated.

I ask you: Why should we extend the operation of this housing bill longer than we extend the operation of OPA? It is part and parcel of the same thing, and you are only transferring some of the authority relative to ceilings to the Housing Authority from OPA. I feel therefore that both should expire at the same time, and neither should be extended for more than 12 months.

Miss SUMNER of Illinois. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I wish to call the attention of the House regarding this bill which the gentleman from Texas is trying to disclaim and call the Truman bill. The gentleman from Texas is always trying to say that industry will hold back and not produce in the hope of having the controls removed. Industry, of course, does hope controls will be removed.

I call your attention to the statement made by the gentleman from Texas on page 366 of the hearings. He accused the lumber mills of the South of producing at only 50 percent of capacity for the same reason he has stated here, that they were trying to hold back part of their production until control is removed. The gentleman from Texas said:

> They only produce so much timber a year, anyway, and I can see how one would possibly reason that "I now have just so much timber to cut, and the less I cut now the more I will have to cut when price controls and restrictions are removed, and if I cut it now, I will get so much for it, whereas if I wait, I will get a much higher price for it."

You see, it is the same argument. He said to Judge Collet, the stabilizer:

> I wonder if that is entering into this picture in a very large way?

What do you think the stabilizer said? He answered, and you will find this in the

hearings right here, that he had investigated that situation thoroughly and he concluded:

The estimates varied in different mills, of course, very largely, but answering your question specifically I did not reach the conclusion that there was any deliberate withholding on any appreciable scale of production for the reason that you mentioned.

Mr. MONRONEY. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, this amendment of the committee to reduce the term of this bill to a mere 1 year's effectiveness goes to the very core of this bill. I think we would be playing perhaps the worst trick in the name of the veterans that this Congress could play to advertise throughout the length and breadth of this Nation of ours that we are going to give preference in materials, preference in expediting the construction of veterans' houses, and in exchange for that help to be given to private builders to build these houses, we keep controls on just long enough for these houses to be ready for sale. Then we would remove all the price ceilings and veterans purchase preference that were intended to protect the veterans right when the homes became ready for sale. The builders will get a great deal of help and benefit out of the priority for veterans' houses. They are building them on a close margin. They are trying to put these houses out under HH priorities to keep the ceilings down to a cost that the veteran can pay. Now comes the committee amendment which would take off all controls on prices, all controls even for those houses that are to be sold to the veterans for which priorities were given for the construction, taking all these controls off on June 30, 1947, about the time that most of the houses will come to the market for sale.

If this committee, if the Congress, wants to work a trick like that in the name of the veteran, take scarce materials and channel them to builders, then not even require the homes to be sold to veterans or require them to be sold at a reasonable price to veterans, then pass this committee amendment and you will do that.

Any reasonable man knows this bill cannot get through and be signed by the President under about 60 days. You know the difficulties and the delays that will be occasioned in getting the mass of housing for veterans ready. You also know that by fixing the date for the end of all powers in this act as June 30, 1947, you will be taking away the very protection to the veteran for which you have given special priority and special treatment to help solve their problems. Shorten the life of this bill and you help the builders but not the veterans.

Mr. CRAWFORD. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Kentucky.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 35 minutes, the last 5 minutes to be reserved to the chairman of the Committee on Banking and Currency.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. CRAWFORD. Mr. Chairman, I think it is again necessary for us to point out that H. R. 4761 as here presented is not the administration's housing program. I bear correction in this if I am in error. So far as I know, this bill was reported on the noon of a day when the President announced his housing program that evening. At the time the bill was reported, which was after 12 o'clock noon, I interrogated our chairman and asked if it would be in order to make a point of order against reporting the bill, in view of the fact that the House was in session. The chairman sustained that. I said, "Well, I am not going to make a point of order against reporting the bill." But I felt then, as I have found out since, that the committee was in error in reporting the bill at that time before the administration announced its housing program. I wanted to get that into the RECORD. This is not the administration's housing program as set forth in this bill, so far as I know, and I hope that will stick now.

With respect to the expiration date which the gentleman from Texas [Mr. PATMAN] has asked to be placed as of December 31, 1947, I am opposed to extending the date to that time. I am in favor of the committee amendment which lets it expire as of June 30, 1947. I hope and I still believe that there will be a Congress in session here the first 6 months of 1947. Certainly, it will be a new Congress.

Now, there will be an effort made to extend the OPA until June 30, 1947, and there is every reason on earth, in my opinion, why these two propositions should run jointly, if they are going to run. Therefore, I hope that the amendment to extend the time to December 31, 1947, will be defeated. As I have said before, this proposition is part of the web and woof of the fabric of all of these economic controls. There is no way that you can separate the OPA from this bill that we are considering. It is a part of the same approach.

The argument is continually made here, "What have you Republicans to offer besides subsidies?" Now, just this morning we had before us the president of the Federal Reserve Bank of Boston, Mr. Ralph Flanders, head of the Committee for Economic Development. And, do not misjudge the proposition; that committee has some standing in this Congress and in this country. Mr. Flanders recommends that OPA be extended only until next March 31, 1947. Quoting him directly, he says:

I do not think that business can live with price control in its present form for another year. We must modify it so that it can live and be lived with. It should be liberalized and streamlined to reduce delays, inequities, and obstacles to production. Four changes are needed:

(1) Extend the area of automatic, self-assigned pricing with OPA review.

(2) Base prices on actual costs, not forecasts.

(3) Vigorously and positively seek out the areas in which ceilings may be suspended.

(4) Raise the standards for price relief to prevent profit squeezes which deter production and discriminate against enterprise.

Then he proceeds to point out that we have got to do some other things besides setting up these controls to control inflation. He points out that we have got to correct this fiscal policy if we are going to get anywhere, and that OPA cannot do this job alone. Now, that is something in opposition to just subsidies.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. Mr. Flanders also said that in extending the act we should specifically write into it a provision for permanently terminating OPA March 1947.

Mr. CRAWFORD. He takes the position that now is the time to serve notice that control must be done away with, so let us have these controls run concurrently if we are going to let them run at all.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. JENNINGS].

Mr. JENNINGS. Mr. Chairman, I desire to discuss H. R. 4761, the bill introduced by the gentleman from Texas [Mr. PATMAN] and reported to the House by the Committee on Banking and Currency. This bill adds a new section to the National Housing Act and its professed purpose, as expressed in the caption, is to prevent speculation and excessive profits in the sale of housing, and to insure the availability of real estate for housing purposes at fair and reasonable prices, and for other purposes. The bill has been severely criticized by members of the committee which reported it to the House. The gentleman from Michigan, Representative JESSE WOLCOTT, ranking Republican member of the committee, and Democratic Members of the House are outspoken in their denunciation of the bill. In effect, they have said that its provisions, if they were not a tragic assault on the liberties of the citizens of this country, do not arise to the dignity of respectable nonsense. Many Members of the House feel that it should be sent back to the committee and that the real-estate dealers of the country, the builders of the country, and various veterans' organizations and men of long and practical experience in the production of building materials and the building of houses should be heard by the committee, to the end that a bill may be reported to the House that will enable the manufacturers of lumber, brick, cement, steel, and other housing materials to produce and sell at lawful, living prices the materials that are absolutely essential to the building of a house. The first section of the bill starts out by declaring that an emergency exists; that the facilities for housing large numbers of the population are lacking and that large numbers of veterans of this war are returning to civilian life in need of housing accommodations; that houses are not available for the veterans; and that it is necessary for the health and safety of the people that all facilities of the United States Government be

made available and coordinated to obtain a maximum amount of housing.

We all know that there is a shortage of houses in this country and that not only civilians but thousands of returning veterans are anxious to buy or rent homes. The fallacy and weakness of the proposed measure is expressed in its own words. The bill proposes that all facilities of the United States Government be made available and coordinated to obtain a maximum amount of housing. The United States Government is top-heavy with governmental facilities. The Federal Government has established the National Housing Agency, the Federal Savings and Loan Insurance Corporation, the Home Owners' Loan Corporation, the Federal Housing Administration, the Federal Public Housing Authority, the Civilian Production Administration, the guaranty of home and farm real-estate loans to veterans of the Second World War, under the terms of which a veteran may obtain a loan on a home or a farm guaranteed by the Government up to a maximum of $4,000. And last, but not least, we have the OPA, heretofore headed by Mr. Chester Bowles and now headed by Mr. Paul Porter. It has been pointed out in the debate on this bill on Wednesday of this week by the able Representative from Iowa, Mr. PAUL CUNNINGHAM, a veteran of the First World War, that the passage of the Patman bill as reported to the House will in effect repeal title 3 of the GI bill of rights which is the title authorizing the above guarantee loans to veterans up to $4,000. Representative CUNNINGHAM then charged, and no one offered or could offer a successful contradiction of his charge, and I quote him: "This is not a bill to aid the veterans, but, on the contrary a bill that will hinder the veterans." The fact is that under the amended bill of rights loans are now being made to veterans without the hindering, confusion, and delay that will be brought about by the enactment of the Patman measure. We have had all of these Federal agencies with their tens of thousands of confusing and unworkable directives, orders, interpretations, and attempted explanations of the bewildering red tape with which they have bound and strangled the industries in this country which produce lumber, brick, cement, and all other building materials since the war began in 1941. The incompetency and bullheaded stubbornness of these governmental agencies have produced in this country "confusion worse confounded." What justification is there for anyone thinking that the bureaus and the bureaucrats who have dried up the source of building materials in this country can or intend to cure the intolerable situation with which they have crushed and destroyed the building of homes in this country? This bill, if it becomes a law, will be a humilitative expression by Congress of its lack of faith in itself and in the people of the Nation.

Even making all due allowances for the fact that lumber in unprecedented quantities was required in the war effort, the fact remains that throughout the length and breadth of the land sawmills have been put out of business, foundries which produce soil pipe, plants that make plumbing materials have been reduced in number and output. The production of all building materials has been curtailed by the unworkable rules and regulations of the Office of Price Administration and other kindred governmental bureaus and agencies.

The deck has been reshuffled and Chester Bowles has been kicked upstairs to the Office of Economic Stabilizer and Paul Porter has been made head of the OPA. And it is now proposed, through the provisions of the Patman measure to create the office of Housing Stabilization, to be headed by a Director of Housing Stabilization. This new director is to be appointed by the President by and with the advice and consent of the Senate, at a salary of $12,000 per year. This director is well named. He is to be called the Director of Housing Stabilization. If he functions according to his name he will make permanent and add to the present confusion in the building industry, and the present inability of anyone to build who desires to build a home in which to live or rent.

This housing stabilizer is given the power to appoint an unlimited number of employees and to fix their salaries. He is given the power to undertake to formulate a program. By this bill the Congress surrenders to the super-bureaucrat sought to be created by the bill the power of Congress to legislate not only for this proposed new department but for all Federal departments and agencies which have power relating to housing. He is given the unprecedented power to require a citizen of this republic who deals in, sells, rents, buys, offers to sell, rent or buy, any house, to furnish to him information under oath or affirmation, to make and keep records and to make reports with respect to every deal, sale, rental, purchase, or offer to sell any housing accommodation. He is given the power to invade and ransack the privacy of such person's papers, their records, and to invade the home of any such person. He is given the power to issue subpenas to require any citizen in the land engaged in any deal with respect to a house which he proposes to build, or which he owns and desires to sell or rent to appear and testify in some kangaroo court and to produce all of his papers at any designated place. In other words, under this unprecedented delegation of legislative power, this czar it is proposed to set up by this measure, may yank a citizen from New York to San Francisco, or from Detroit to Miami, or to any other remote place in the country where such citizen is to be put through the third degree authorized by this measure. For any refusal of any citizen to obey such subpena the autocrat set up by this measure is authorized to go into any district in which such person is found or resides, or transacts business, and to compel his compliance with such subpena. Under the drastic and unprecedented provisions of this measure such citizen may be required to testify even though such testimony would incriminate him. And the despot created by this bill if he sees fit may disclose such information wrung from his victim.

Under section 704 of this bill the housing czar may set and freeze prices or rental on any citizen's home that he now owns or that he may build for the purpose of sale or rent.

The provision that the dictator thus created shall advise and consult with representative members of industries affected by any regulation or order he may make is innocuous and meaningless because it is left to his discretion whether he shall so consult with people who know about the building industry, or about the value of lands and the value of houses or what are just and equitable rental charges. Under this section of the bill the Director created by it may forbid the citizen to sell and rent his property without the dictator's permission and a certificate that the proposed sale price or rental conforms with the whim and caprice of the man clothed with these unlimited powers. And it places intolerable further restrictions upon any subsequent sale of the property. The czar proposed to be created by this bill is given the power over all of the housing industries of this country to say to whom and for what price they shall be permitted to sell their product. This section gives the dictator further power to issue orders, directives, and decrees having all the force and validity of laws enacted by the Congress, and to make these orders, decrees, and regulations promulgated by him and his subordinates applicable to all other agencies and departments of the Government which have anything in the world to do with the production and selling of building materials. Under the powers conferred upon the dictator, he can prevent a veteran who has bought a home and who wishes to sell it from selling it for a profit. He has the power to fix or freeze the price of building lots as well as building materials. Under section 705 of the measure he may force every producer of, and dealer in, building materials to sell his materials to any person or persons designated by the dictator. A provision in this section that veterans shall have preference is meaningless because a reading of the proposed measure discloses that there is not a syllable or a provision in it that provides for the increase of production of building materials.

Section 706 makes it unlawful for any citizen to violate the terms of any regulation or order issued by the dictator. And it is further provided that even after the expiration of this proposed law a citizen who it is claimed has violated any of the rules or regulations promulgated by the czar may be pursued, harassed, prosecuted, and condemned in the courts of the country.

Section 707 permits any person aggrieved by any action of the dictator to hire a lawyer and go into court to protect himself against any injustice that may be inflicted upon him. This is small consolation to the citizen who has been deprived of his rights to dispose of his property at a price which any other citizen is willing and able to pay for it.

The provisions of this act are violative of the fifth amendment to the Constitution which provides that no person shall be deprived of life, liberty, or property without due process of law; and that private property shall not be taken for public use without just compensation.

This proposed measure by one fell swoop pushes aside all the provisions of the law providing for the taking of private property for public use and giving the citizen whose property is to be taken from him the right to a trial with respect to its value before a court and a jury of his peers.

Section 708 of the act gives the dictator power to go into court and enjoin the free and lawful disposal of his property and the rental of it by a citizen for a price which he deems just and fair and which another citizen is willing to pay. For a violation of any rule, or regulation that the dictator may promulgate a citizen shall, upon conviction, be subject to a fine of not more than $5,000 or to imprisonment of not more than 1 year, or to both such fine and imprisonment.

By section 708 of the measure it is provided that any citizen who violates any regulation or order of the czar in the selling or renting of his property may be sued in an action for three times the amount of the consideration for which he sells or rents his home. And if the purchaser or renter of the citizen's property does not bring this action the czar may bring it on behalf of the United States. It is thus seen that the czar created by this measure has more than the power of the Gestapo and that he may put to the sword any citizen of this country who has been guilty of the crime of success or who undertakes to improve his condition by the legitimate construction of houses and the rental and sale thereof. This bill is outstanding in its lack of faith in the people of this country and in its expression of disbelief in our system of free enterprise by free men and free women in a free country under the law of the land. The vast majority of the houses and the homes of this country have been built under our system of free enterprise. It is time that the people of good sense realized that production is the key which has unlocked the vast natural resources of this country and fashioned them into the materials out of which houses are built.

In the name of countless emergencies created by bureaucrats themselves Congress has heretofore been induced to surrender the vast powers with which the far-flung bureaucracy in Washington has hamstrung and bound with red tape the productive ability of the people of the Nation. We may well exclaim "Oh, emergency, what crimes have been committed in thy name."

And then the sponsors of this bill are attempting to use the veterans as a stalking horse to accomplish this assault on free enterprise. Since when did our returning veterans become the wards of those who are seeking to saddle from now on upon the backs of the American people the intolerable restrictions that have stopped the production of building materials in this country? These returning veterans are not children and they do not wish to live within the suffocating confines of a bureaucratic straitjacket. They did not come home from the war which they fought and won to preserve American freedom to be put in leading strings by self-appointed guardians in Washington. They are men, full grown, trained and battle hardened, who have come home to take their places in the rebuilding of America and to participate in the re-creation and revitalization of free enterprise and constitutional government in this country. Be it said to the everlasting credit of the American soldiers who have fought and won all our wars that when they have come back from the camp and the battlefield they have taken their place as citizens of this country like the waves melt back into the sea.

The proposal to subsidize the building of homes means that homes shall be built for the few at the expense of the many. The proposal of this measure forcibly calls to the minds of the people of this country that "eternal vigilance is the price of liberty." Our Government was set up by our forefathers and has been maintained by their offspring for the protection of the people of the Nation against foreign aggression and for the protection of the citizens against the fraud and violence of the lawless elements of society. Yet from the beginning the citizen has been forced to defend his liberties against the creeping paralysis of unlawful governmental control of his daily life.

The President has named Mr. Wilson W. Wyatt, of Louisville, Ky., a lawyer and a former mayor of Louisville, as Housing Expediter and head of the National Housing Agency. He is without any experience whatever in the manufacture of building materials or in the building industry. And yet he has been telling everyone since he was clothed with his unprecedented powers that he approaches the performance of his gigantic task with optimism and with enthusiasm and he is going about the country speaking pieces that have been written for him by bureaucrats in Washington who do not believe in our system of free enterprise. The thirst for power and for its unbridled exercise by men clothed with a little brief authority has plagued the human race from the dawn of history to this good day. Once they get it, they never want to surrender it. Power feeds upon itself and when those who seize it or to whom it is delegated get it in their hands, they, like Oliver Twist and the fisherman's wife, cry for more and more and more.

I know from constant contact with the producers of building materials and the builders of houses in my district that the OPA, through its senseless rules and regulations and exercise of price control, have set a ceiling price on lumber that makes it impossible for lumber producers and lumber dealers to comply with the law and produce and sell lumber at the prices fixed by bureaucrats here in Washington.

The man has never been born of woman who can come to Washington and surround himself with a board of theorists and run and regulate the diverse and complex business of this country carried on throughout its vast reaches, by different men at different costs, and under different conditions. These bureaucrats cannot agree among themselves. Bowles and Snyder testified that living costs will not rise and yet Mr. Marriner Eccles, Chairman of the Federal Reserve Board, testified a few days ago that the administration's new wage-price policy would in all probability force an increase of 10 percent, resulting in an over-all increase of 40 percent above prewar levels. The men who thus have a strangle hold upon the industry of this country, and who unblushingly proclaim themselves prophets, were never heard of until they were clothed with the vast powers they are now exercising. Chester Bowles was in the advertising business in Connecticut. Paul Porter received his industrial and business training in a Federal office in Washington, and Mr. Wyatt proudly prophesies that, if he is clothed with and can exercise the vast powers he is seeking to exercise over the building industry, he can bring about the construction of 2,700,000 houses—low-cost homes for veterans—within the next 22 months. Just how did he arrive at this round and stupendous figure? Can he call up houses from the "vasty deep," and if he calls, will they come? He further claims that failure to enact this proposed measure will cost veterans 3,000 homes per day. Why 3,000 instead of 3,001 or 2,999? The truth of it is these men are talking through their hats. Not one is a prophet. No one of them has ever shown his credentials. Not one of them is even adorned with a beard. All of them are smooth shaven.

No one of them has ever proposed a constructive, workable plan for increasing the production of building materials without which houses cannot be built.

Let us bring in and pass a measure that will free the industries producing building materials. Let us recapture the vast powers delegated to the President and the executive agencies that have been and are being used to throttle free enterprise. When we do this the veterans and all others who are without homes will sooner get them than under the stumbling, fumbling bureaucrats who are grabbing for a perpetuation of their misused powers.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, first of all let me restate the proposition which is before the House. The committee, by a majority vote, suggests that the power which is afforded under this bill terminates on June 30, 1947. The gentleman from Texas, and I think the gentleman from Oklahoma, my friend Mr. MONRONEY, feel that the power ought to be extended. The burden of the argument is that there is not time enough to bring this program into effect. In that connection the gentleman from Oklahoma [Mr. MONRONEY] pointed out it may be 60 days before this bill can be engrossed and become law. Let us see what the gentleman from Texas said to us yesterday. In response to a question propounded by the gentleman from North Carolina [Mr. BARDEN] the gentleman from Texas [Mr. PATMAN] said:

> In the Second War Powers Act I think the President has practically all the powers which he has delegated to the present expediter, Mr. Wyatt, contained in this particular bill, but those powers expire on June 30, that is, of this year.

But he has the power, and whether this bill is ever enacted into law does not

make any difference so far as the next 4 months are concerned. He can still proceed until June 30 under the power that the President has already delegated. In fact, Mr. Wyatt is proceeding. In fact, Mr. Wyatt is probably in Chicago right now addressing the builders' convention. In fact, priorities are being issued. You may have noticed on your desk this morning the monthly report of the Administrator of Civilian Production Administration. I suggest that you read it. It is a very heady and very informative document. On page 18 of that document, he says:

> Since January 15 when P. R. 33 became effective applications for H. H. preference ratings have been filed covering more than 125,000 housing units.

That is in the last 30 days. Do not let anyone delude you as to whether these powers are being articulated. Already for all practical purposes, the Expediter is on the job. So we can figure the time from now until June 30, 1947. That should be enough. The proposal, of course, to carry these powers until the 1st of January 1948 indicates only too clearly what is in the wind; the War Powers Act must remain on the books. The war has come to an end or at least hostilities ended in August 1945 but there will be an effort to continue and perpetuate these powers and to continue the emergency in this country. Then what will happen to freedom and the free enterprise system, to free markets, and the free method of doing business in our country? Let that control harden for another couple of years and then you will be at pains to ever get rid of them and to shake it out of the economy of the country. It seems to me my two good friends on the other side make the best case against this kind of a bill in its present form better than anyone else. They stand here and freely confess that you cannot articulate this program in that space of time and that is a confession that it is not going to work. If I had faith in the pending bill as commensurate with the high and abiding faith that they ought to have, I would feel certainly that by June 30, 1947, which is 14 or 15 months from now, that there would be a flow of material. There would be a flow of houses; and in proportion as the production is finally placed in full swing, it should have its impact upon ceilings, upon controls, upon regulations, and upon directives so that it would not become necessary. It is in effect now.

There is nothing in this argument that it is going to take time to get this bill on the statute books because these powers are on the books at the present time, in the hands of the Commander in Chief.

Mr. MONRONEY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. MONRONEY. If this amendment is agreed to and a house is completed in August 1947 will a veteran, under your plan and under the committee amendment, have any priority to obtain that house?

Mr. DIRKSEN. Let me ask the gentleman from Oklahoma whether by June 1947 or August 1947 in your judgment, you will not have made sufficient progress in order to get rid of these controls and bring this to a conclusion? Then, if not, why have a bill at all? We might just as well forget the debate and the argument first as last.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The gentleman from Michigan [Mr. JONKMAN] is recognized.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. JONKMAN. I yield.

Mr. CRAWFORD. It might be well to ask the gentleman from Oklahoma [Mr. MONRONEY] what the situation would be as of June 30, 1964, if the program is still in operation and houses are under construction that have not been completed. It would apply just as well then as June 30, 1947.

Mr. MONRONEY. Mr. Chairman, will the gentleman yield?

Mr. JONKMAN. I yield.

Mr. MONRONEY. I think if we have priorities and the assistance hereafter provided in this bill, and amendment, we will do something to solve this in 2 years. But if we follow the program advocated by some Members of this House, it will be 1967 before we have any veterans' housing.

Mr. JONKMAN. Mr. Chairman, last Saturday night Paul A. Porter, the new Administrator of OPA succeeding Chester A. Bowles, made a speech which was referred to and quoted in the newspapers as his opening address as Administrator and may, therefore, be called his declaration of policy.

The newspapers quoted Mr. Porter as making the following significant statement:

> Permit me to emphasize that in spite of what you may hear to the contrary, OPA is not in receivership. I have not assumed the job of a liquidator. OPA is a going concern with a faithful and loyal staff that has done much for America and is going to do more.

In this statement Mr. Porter seems to take the position of the successor of Solomon who, when the people came to him to ask that he ease the burdens that had been placed upon them by Solomon, replied:

> I will add thereto, and you will find that my little finger will be as big as my father's loins.

If this is to be the policy of the OPA under Mr. Porter, and it seems to have been under Mr. Bowles, then it is contrary to every expectation of the Congress and the American people, to my way of thinking. The objective of OPA at the present time is generally expected to be the reestablishment of a free economy. OPA's status at the present time, therefore, is a receivership.

Shortly after Japan's agreement to surrender, President Truman made the following statement:

> The Government has a major responsibility to assist in the achievement of an orderly transition from war production to civilian production.

Now, while there might be violent disagreement on whether this orderly transition can be best accomplished by a direct return to a free economy as against a controlled economy, there can be no question that the price-control economy is certainly, under the statement of President Truman, not to mention the intent of Congress, temporary and a receivership for the return to a free economy.

Further, if OPA is a receivership, then it must also follow that Mr. Porter is a liquidator; whether the liquidation takes 6 months or 18 months is immaterial. He is and must be a liquidator. As such he must be seeking as rapidly as possible the return of industry and production to a free economy, piecemeal or otherwise.

However, the third statement of policy by Mr. Porter that OPA is "a going concern with a faithful and loyal staff that has done much for America and is going to do more," goes very much further than a mere denial of the fact that OPA is a receivership, and that he, Porter, is a liquidator. It boldly states that OPA and its personnel is a going concern. It must follow, therefore, that OPA seeks continuous and perpetual existence. Now, on what basis can OPA seek and expect continuous and perpetual existence? Certainly, not for the temporary expedient of bringing us from a wartime-controlled economy back to a peacetime free economy. As a going concern OPA can have no other objective than the perpetuation of price control and a controlled economy, or, to put it bluntly, to change the free economy in peacetime which we have enjoyed for 150 years to the controlled, collectivist economy which is foreign to the American way of life and to all our free institutions. Here we have, then, in one short paragraph, an ultimatum as to the destiny of this Nation under the New Deal.

It is true that each time proponents seek new or extended favors from Congress to further rivet their shackles on the American people they pretend to seek eventual restoration of free enterprise at such time, they say, as supply shall equal demand in the market.

But the above paragraph of Mr. Porter, as well as their actions, do belie their tongue. We have only to remember the citrus-fruit fiasco of last November. Although the citrus-fruit industry asked OPA to take price control off citrus fruits in July, when supply was equal to demand, OPA steadfastly ignored them until when?—the 17th day of November, when the Valencia orange crop was about consumed and the navels would be a few weeks coming in. This, of course, is an annual occurrence, and causes an annual tightening of the market and prices at that time. So OPA chose that time of all times of the year to lift control of prices on citrus fruit. Even then the result was increased prices above the ceiling only for the choicest fruit in certain localities, while the general market remained away below ceiling prices. But the Bowles-Hitler propaganda mill was all set for publicizing all over the country what they knew must follow, even though it was very negligible. All the press was fed simultaneously with a flood of propaganda about the outrageous increase in the price of citrus fruits, the thorough failure of lifting price control, and the dire need of immediately slapping price controls back on, which, of course, was done automatically.

OPA never gave it a chance to work. They were afraid to, for we are told that adjustment would have been automatic with the passing of the strong holiday trade demand for the choice fruit. Supposing that OPA had given it a fair trial, would anybody have been hurt considering the fact that that risk involved the first step back to economic freedom? Couldn't the people who made their great sacrifices to win a war take the risk of this first step also for the achievement of what we fought for?

But when is supply going to equal demand in our present economy if, as Porter says, he is going to hold the "present price line in spite of 'terrific pressure' to break it"? What causes that "terrific pressure" against his price line? It is the American public with a purchasing power of two hundred and seventy-five billions, hitting that line for consumer and durable goods, while the price line itself is stifling and starving production of those very things, thereby intensifying the pressure.

Everybody who thinks at all knows that the two elements which threaten us with inflation—and have already brought a serious inflation upon us—are printing press money and lack of production. I do not want to go in the administration's fallacious financial policy creating the first part of this inflationary situation. But, as I said above, the American people have one hundred and twenty-five billions of demand deposits and currency, three times the amount of 1940, one hundred billions of Government bonds, eight times the amount of 1940, and fifty billions of savings, or twice the amount of 1940, and they want to spend a goodly part of these sums for goods.

But before they can do this, the goods must, of course, be produced. And there will be no production to speak of if it must be produced at a loss to the producer. And the less we produce the greater will be the "terriffic pressure" of this tremendous purchasing power for this reduced volume of goods. And yet, in spite of increased cost of raw materials and wages, as well as overhead, OPA has been telling thousands of small industries, "you produce at 1941 prices or you can go out of business." OPA stifles the only answer and remedy it has against inflation when it thus stifles production, all the while scaring us to death with its loud howling that its status as a going concern is necessary to ward off future inflation. How does OPA, how does the administration get away with it? The answer is as I said above, the power of propaganda. The gentleman from California [Mr. PHILLIPS] referred to it a few weeks ago as "the Hitler-Bowles method," and taken from Mein Kampf, page 108:

> What we mean by the word "public opinion" depends only to the smallest extent on the individual's own experience or knowledge, and largely on an image, frequently created by a penetrating and persistent sort of so-called "enlightenment."

The "enlightenment" of the American people under this method has been OPA propaganda thunder about the terrific danger of threatened inflation while actually creating that very inflation.

Just take the housing bill, under consideration today, which is misleading the GI's and the general public with an apparent attempt to create housing, to allocate materials, and even to provide subsidies, as well as to keep down prices for this purpose. But what is the good of allocating, of subsidizing, and keeping down prices if the building materials are not in existence or produced? What we need is thousands of sawmills now idle, thousands of manufacturers of hardware now closed, thousands of manufacturers of plumbing fixtures now nonproducing, get into production so there will be building materials wherewith to build, and to allocate, if allocation be necessary.

And who is closing these sawmills, hardware manufacturers, and plumbing supply producers? Nobody other than OPA with its asinine "hold the line" stone wall; OPA, which can thrive and survive as a going concern only in a price-control collectivist economy as against these hundreds of thousands of small producers. They can thrive and survive only in a free economy, as they have for a hundred and fifty years, in a demonstration of the greatest economic success in the history of the world.

The American people, by this Hitler-Bowles planned propaganda, are being misled into the most collossal fraud and the most colossal collapse in the history of nations.

Let us examine another phase of this propaganda.

When, about 2 weeks ago, the news broke about the new wage-price policy or stabilization policy that purported to settle the steel strike, the newspapers in streamer headlines announced "Chester Bowles Wins Smashing Victory." Now, the truth was that Chester Bowles, and the entire administration leadership which had preached warranted wage increases without price increases, had suffered a smashing defeat. Irresistible Bowles had met the immovable basic steel industry—and all industries are immovable without profit incentives—and was himself smashed.

But such is the power of propaganda, the power of those who control that propaganda, and therefore the power to rule the thinking of the people, that in the public mind they can propagandize defeat as victory.

Chester Bowles had decreed that there would be no increase of prices for steel, neither $4 a ton nor $2.50 a ton, nor anything. "We're going to hold the line." Yet the price of steel was allegedly raised $5 a ton. I say "allegedly" for the news of this was so soft-pedaled that few people know the fact. This was, of course, to more easily put over the "smashing victory" propaganda.

There followed the time-honored New Deal shuffling of masks, but the offices and personalities and ideologies went right on without a ripple.

Like all dictators, they could not afford to let the public know of this smashing defeat. Chester Bowles had held the line against smaller units of the economic body, destroying them, cutting off ears, toes, and fingers, and even feet and hands, and what have you. To them he had said, "We can do without you and if you cannot produce at 1941 prices, we will just cut you off and leave you to die."

In other words, the hundreds of thousands of smaller concerns, each standing alone, or at best in insignificant groups, could not withstand the terrific, deafening and devastating barrage of OPA and other administration propaganda artillery that was directed against them. They just folded up when attacked.

But the steel industry, the basic industry spread over the entire country, and woven into the warp and woof of our entire economy, was too much for the OPA propaganda machine to shell and destroy. And so, when it met defeat, OPA uses its barrage to cover a retreat without disclosing its smashing defeat.

Public opinion must not have a chance to lose faith in the Bowles ideologies. So what actually happened was smoke screened with a lot of "it is said" and "Government officials believed" news, and "Chester Bowles has won a smashing victory," instead of "Chester Bowles was defeated on all fronts." So Chester Bowles pulls himself, his associates, and his ideologies together and proceeds with his destructive program, through a new WSB, a revived OES, and new OPA Administrator, and still in full control of the propaganda mill. Chester Bowles knows the secret of power. As one of my constituents wrote me this week, "Power now lies in the control and dissemination of publicity, the control of newspapers, periodicals, radio stations, filmmaking concerns, the movies. Power is with those who control the press, the movies, and the radio. They are the ones who rule."

Mr. Chairman, that power controls even Presidents. That power controlled President Truman when, more than a month in advance of the General Motors strike, and several months in advance of the steel strike, he reluctantly joined the Bowles-Davis-Snyder-Wallace propaganda mill in proclaiming the doctrine that wages, which according to the National Economic Conference Board, constitutes 85 percent of prices, could be raised substantially without increasing the prices themselves, a doctrine which has now been factually smashed by the increased price of steel.

And then think of this one after the increase in the price of steel. Quoting Edward T. Folliard in last Sunday's Washington Post:

> President Truman, asked if a new price line had been established, said that, no, it was simply a bulge in the old one. If everybody cooperated, he said, it would be possible to prevent a break-through.

How simple, how naive. A price increase to the basic industry that must be passed all along the line and affects all the rest of the line, is not going to affect that line, but will simply remain a bulge in the line. Figure that one out if you can. All the processors of steel and users of steel in manufactured goods are expected to cooperate and do what the basic industry could not do, and the bureaucrats did not dare to compel them to do. They did not dare to compel Steel to operate at a loss. They knew it would be fatal, and fatal to all industry. And

OPA is not quite ready to take over the whole economy, although it did reach the discussion stage.

I suppose OPA will now again begin to lop off limbs, toes, and fingers from the body of our economy, for the OPA must continue to operate as a going concern, whatever may happen to the smaller free enterprises as going concerns.

Mr. Chairman, if we could have an administrator functioning with due regard for the earliest possible return of a free economy; one who would realize that OPA is a receivership, and that he is a liquidator of war-necessitated controls, I think the informed American people would go along with him.

Such an administrator would eliminate all controls, including the maximum average price program, that stand in the way of legitimate production. He would grant producers a price sufficient to manufacture prewar quality goods at current costs with an opportunity for profit.

Without these minimum requirements, OPA is a menace to our economy, and to the country. With Paul A. Porter at the head of OPA, under his aforenamed declaration of policy, we are heading for confusion, chaos, and collapse.

The veterans as well as the public are willing to pay what their purchases, of whatever nature, cost, and they should not be misled into a belief of allocation and price control of things that simply do not exist, and are not in production.

The CHAIRMAN. The gentleman from Michigan [Mr. WOLCOTT] is recognized for 5 minutes.

Mr. WOLCOTT. Mr. Chairman, if I remember correctly, I offered this amendment in the Committee to reduce the time from December 31, 1947, to June 30, 1947; and it was done for the purpose of giving the Congress as much control as it could possibly get under the circumstances of all these so-called emergency programs.

You must bear in mind that for some years now many of us have been opposed to making permanent these emergency controls, and I believe the House recognizes now that if the amendment which was offered and defeated by only a few votes on the extension of OPA to cut the continuance of OPA down to December 31, 1945, instead of June 30, 1946, had passed, this House would have been assured of an opportunity last fall to have rewritten the bill to fit OPA into the reconversion program. We do not want to make the mistake again of losing jurisdiction over this emergency legislation to the extent that we are not assured of periodic reviews.

I am a little disappointed in the speech that Mr. Wyatt made in Chicago yesterday. Mr. Wyatt used about the same language in respect to much of the program that the gentleman from Texas used this morning with respect to this particular amendment. The gentleman from Texas said that we would be scuttling the housing program if this amendment were adopted. Mr. Wyatt said in Chicago, as reported in the press this morning, that every day of delay in the Congress was preventing the construction of 3,000 homes. I believe he also said that if we did not subsidize the acquisition of building materials that that would scuttle his program. It seems that every part and parcel of the Wyatt program is going to be scuttled unless we give him every iota of the program which, of course, anticipates the passage of the Wagner-Ellender-Taft bill which is not before the committee, not before the House, and will not be for some weeks to come.

There is absolutely no authority contained in the bill as reported out which Mr. Wyatt does not have at the present moment except veterans' preferences; and he has had this authority ever since the directive of January 28.

The President has had the authority to delegate this authority to somebody for years. So Mr. Wyatt makes the mistake of blaming the Congress for delaying the program. If through inaction there is a failure to build 3,000 homes a day the responsibility today is that of the Expediter, the fault is his in not using the broad powers which have been delegated to him. He has the power under the directive to raise the prices of building materials to get the maximum amount of production. The President had had the authority since 1942 to pay subsidies to acquire a maximum amount of material. Since the passage of the War Powers Act the President, and now Mr. Wyatt, has had the authority to direct every department and agency of the Government to effectuate Mr. Wyatt's or the President's program. So we cannot be blamed, of course, for any delays in connection with this program, and I hope Mr. Wyatt will not make the mistake of blaming the Congress for any failures which appear up to the present moment to be the result of his own inaction. Mr. Chairman, why are we not getting building materials? It is not the fault of the Congress that we are not getting building materials. We have vested in the President and the President has vested in Mr. Wyatt now all of the authority contained in the emergency acts or in any of the war acts and Mr. Truman, the President, and Mr. Wyatt now, has all of the authority which has ever been delegated to the President to carry on the war in order to break the bottlenecks.

I hope Mr. Wyatt will not again make the mistake of blaming the delay in this program on the Congress of the United States.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. McCORMACK] for 5 minutes.

Mr. McCORMACK. Mr. Chairman, I do not think any criticism of Mr. Wyatt is justified or that there has been any inaction on his part. If I have ever met a dynamic figure it is Mr. Wyatt. I can remember about 2 weeks ago a conference held in the Speaker's office, which was attended by Mr. Wyatt in order to see representatives of both parties. It was my impression after that meeting that there was only one real issue in dispute and that was the question of ceilings on the sale and resale of property. Certainly Mr. Wyatt has been very active. I do not think there is any justifiable criticism of the Congress to date; but the criticism will be justified from now on if we do not pass an effective act to meet the acute emergency situation that now exists.

The amendment now before us was adopted, as I read from the newspapers, and I therefore quote the newspapers, by a solid Republican vote and by a few of our Democratic Members who I am sure misunderstood, temporarily, I hope, the situation.

Mr. Chairman, we are confronted with a 2-year program. Why give a man power for 1 year when we have a 2-year program confronting us? The first year there are 1,200,000 units and the second year 1,500,000 units to be built.

It seems to me that the amendment put in by the committee should be defeated in the Committee of the Whole or by a roll-call vote in the House, and I hope that such action will be taken, because to continue this bill for 1 year to June 30, 1947, with a 2-year program in mind, would be in a sense a limited mockery on the veterans of the country and the other deserving nonveterans who will benefit by this bill and the results that flow therefrom if the bill passes.

I am sorry to see in a news item which today appeared in the Washington Post the statement made by the gentleman who wrote the article, and I think he was justified, as follows:

> In yesterday's debate it was obvious that the housing measure has developed into a partisan issue.

If this develops, and the vote will soon show, it will be most unfortunate to have partisan politics prevent the passage of a real, workable bill that means so much to our veterans; those who have returned and those who are returning. There are over 16,000,000 persons who have served during the recent war, and they come from every community of our country and from almost every family.

There is a keen interest in this bill, and it is being watched closely, as it should. For some years, some of the Members of Congress, like myself, have fought for appropriations providing for low-cost housing. We were attacked and attacked because we looked ahead and saw the appropriations sharply cut to a mere dribble and we opposed such reductions. We are now suffering from such reduced appropriations. The Members who opposed those appropriations seem to be opposing the program of the administration as set forth in this bill. They are for housing for veterans and others "but"—and that is the trouble, that "but"—which is the difference between success and failure of this bill.

I might also say that I have seen many lobbyists operate in this Chamber and in this body during my 17 years as a Member. Oh, I have seen that old invisible hand operate so effectively; that old voice coming from some place that is indiscernible. But we detect it here, today. One of the most powerful groups that has ever operated in my time is the lobby that is operating against the passage of a workable bill. The very people we are fighting for do not seem to know what is happening and what the lobby is doing. It has worked secretly for several weeks. I saw it coming. But it has worked so secretly that it was only within the past

2 or 3 days that it has come to the surface with full force.

Yes; I hope that partisan politics will not be injected into this matter, and I sincerely hope that this lobby, one of the most powerful lobbies that I have ever seen, with its pocketbook appeal against the best interest of the veterans, will not be successful.

I hope this amendment will be defeated and that the committee provision will be adopted. I also hope that premium payments will be included in this bill because that is also necessary for the successful operation of this law.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE] to close debate.

Mr. SPENCE. Mr. Chairman, we are considering this bill under an open rule. The Banking and Currency Committee asked for an open rule. Any germane amendment can be offered and considered. Are we going to say at the very opening of the consideration of this bill that we want to deny to the people for whom we are attempting to get the housing that is necessary, any opportunity to obtain that privilege after a year from June 30, 1946? There has been comparison made between the contemplated housing organization and the OPA, but no analogy can be drawn between those two organizations. I have no doubt that before long consumers' goods will become adequate to meet the demand. When that is done probably the controls can be removed on a great many articles, and eventually on all of the consumers' goods. But it is generally recognized that the shortage in housing cannot be supplied for years to come. No one contends that next year or the year after there will be adequate housing in the United States.

I assume we are all for the objectives sought to be achieved by this bill. Are the gentlemen to my left merely the opposition party? Are you opposed to consideration under reasonable conditions of a bill that is meant to give relief to the American people? Are you at the outset going to say that you dc not want this agency to continue longer than a year? Will not that be a confession that you not only are opposed to the bill but have no constructive measures of your own to submit for a condition that exists, a frightful condition, the settlement of which means so much to the American people, to the returning veterans, and others? The lack of housing in the United States is acute, and everyone knows it. It will be more acute when our returning veterans get home. What are we going to do? Are we going to take no action? Where are the materials going unless some restrictive measures are passed? Those engaged in the building materials business will seek the profit field. No money profit comes to the owner from a home. While the home is the most necessary thing in America, it does not bring a man a profit. It is a source of expense. The amusement field, the theaters, the moving picture shows, the billiard halls, and other buildings of that type will get all the material, because they are built for profit, and those who build them can pay the highest prices.

It will be some time before this program gets under way. It will be 2 or 3 months, probably, before it gets well under way. Then before the conclusion that is definitely set in the bill there will be a period of weakening and disintegration of the organization because those who are employed by it and those who are subject to it will know that it will be discontinued at a definite time.

Why is the Congress so afraid of giving this expediter power that will last a year and a half? By the very terms of the bill the Congress can take away that power by a concurrent resolution. It can be done by the act of the Congress itself. It is not subject to veto.

I implore you not to weaken the bill, not to say at the very commencement of the consideration that you do not want to consider it in fairness and in a desire to achieve the objective sought.

The CHAIRMAN. The time of the gentleman from Kentucky has expired. All time has expired.

Mr. ROE of Maryland. Mr. Chairman, I ask unanimous consent that the committee amendment again be read.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk again reported the committee amendment.

The CHAIRMAN. The question is on the committee amendment.

The question was taken; and on a division (demanded by Mr. PATMAN and Mr. GALLAGHER) there were—ayes 109, noes 76.

Mr. SPENCE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. SPENCE and Mr. WOLCOTT.

The Committee again divided; and the tellers reported there were—ayes 145, noes 88.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 3, line 3, strike out the word "act" and insert "title."

Mr. PATMAN. Mr. Chairman, this is just a corrective amendment. I do not think there is any opposition to it.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. O'NEAL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, no law is better than those who are to administer it. All of us in our experience in business know that unless a business is handled properly it is of little avail.

I rise at this time to pay a brief personal tribute to a citizen of my city and my State, a close personal friend, a man for whom I have the greatest respect and confidence, Mr. Wilson Wyatt. I rise to tell the membership of this House something of this man, because his administration is highly important. No matter what kind of law you pass, if he is not sound, able, intelligent, and honest, the law will accomplish little good.

Wilson Wyatt came to my home city from the rural districts of Kentucky. His life was not dissimilar to that of many other great men in American history. He came there and, through his own efforts, went to college and equipped himself with a splendid education. He was taken into a leading law firm. The business of this firm was largely corporation law. He went into that firm without friends, influence, or anything except that which was in Wilson Wyatt. He became a member of the firm and one of the most trusted members in that firm, and one of the most able and prominent lawyers in my community.

Like a good citizen he always took interest in public affairs. He made but one mistake. When I made my first race for Congress I wanted him to manage my campaign, and he agreed to become my campaign manager. That is the only serious mistake he has made that I know of; and he was so competent that even with the handicap of the candidate he had he managed to bring victory to the Democratic Party.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield.

Mr. VOORHIS of California. I am sure there are 434 other Members in this House who would disagree with the gentleman from Kentucky that Mr. Wyatt made a mistake in that instance.

Mr. O'NEAL. I appreciate that very much.

Wilson Wyatt, from a monetary standpoint, left the practice of law under a great hardship to accept the mayoralty of my home city at a salary of $5,000 a year. There is not a man of either political faith in my home city who will not testify that we have not had an abler executive in the mayor's chair and perhaps any place else in my home city than Wilson Wyatt. No one has ever taken over a job with more zeal, nor applied himself with more energy and ability than did he: and he has left the city of Louisville with the respect and admiration of the people of my home city. He did not care to come to Washington, he wanted to retire to his own business and take better care of his personal affairs; but he has a high sense of public service, and he came to Washington as a matter of duty although he well knew from long experience that a man who takes over such a job is in for a hard time when it comes to unjust criticism. My sympathy has gone out so many times to the so-called bureaucrat. As a Congressman I have had criticism, as have all of you, but for a bureau executive, a man who holds a job in Washington, it is next to impossible to escape unfair and unjust treatment.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. O'NEAL. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. O'NEAL. I would assure my friends in the House that if a job like this can be done it will be done by this man Wilson Wyatt. I assure you that if

you are seeking a public servant who will be honest, faithful, energetic, intelligent, and fearless that no mistake has been made in choosing this young man from my home city, Wilson Wyatt.

Mr. DIRKSEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DIRKSEN. Under the rule are we considering the bill as one section?

The CHAIRMAN. There is just one section in the bill.

Mr. DIRKSEN. That means that all the committee amendments will be considered before any other amendment may be offered?

The CHAIRMAN. The gentleman is correct.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, when I noticed some time ago that the President had appointed a lawyer, Mr. Wyatt, to build houses on a national scale I was reminded of a little incident that happened last year when I walked into a room where there was a hearing being held in connection with the manufacture of paper. They had there a man who was in charge of the national paper program and he had been cutting logs, getting them into the paper factory and turning out paper. When he could not answer questions he just cracked up and said, "Well, gentlemen, I do not know. I am a glass blower."

That is about what we can expect of this lawyer when it comes to building houses.

This bill should be defeated. The only thing this bill will do is set up another Government bureau with offices in every community with thousands of Government employees. It will never produce houses. There is just a certain amount of material available, and that is what it takes to build houses. There is just so much material available to build those houses, and the builders that have always been doing that work should be permitted to build them and the Government should confine itself to making it possible for that material to be made available. Many houses would be reconverted right now, yes, thousands and thousands of houses would be reconverted right now if only the various bureaus of government could agree and let the people reconvert their houses, and that could be done quickly in a few weeks' time. Now they talk about training carpenters. Why, they do not need to train any carpenters. Just give us the material to work with, and the carpenters we have will soon have a lot of houses built. This is just some more regimentation, more red tape wrapped around one of our great industries.

The best evidence that I have that the Government does not need to go into the building business and that our local builders are capable of building houses is the information I received today about a small contractor in York, Pa., who, with meager supplies, is completing houses at the rate of four per week. There are 24 in this project and will sell at $5,000 per home.

Yesterday we heard the story about the Gateway Manufacturing Co., a company that wanted to manufacture door knobs. After going through Government red tape for 6 months trying to get the green light, they decided that they were not going to make door knobs, and that is just the thing that is going to happen to our whole building program. There will be just more red tape wrapped around it, and the houses that will be built will be wrapped with red tape, if they are ever constructed.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. Has the gentleman read the Wolcott amendment?

Mr. GROSS. No; I have not.

Mr. SMITH of Ohio. The gentleman is not able to tell us then whether the Wolcott amendment does anything more than to set up a new Government agency?

Mr. GROSS. I cannot say but I am going to vote against this bill, because the industry throughout the country that has built the homes in days gone by can build these houses, and is capable of building the houses that we need today. The sooner we get it into our heads that it is necessary to get rid of some of these bureaus here in Washington, the sooner we are going to get down to normalcy. We must push the Government back into Washington where it belongs and we have to make up our minds in this country pretty soon that we have to work and work together. That is one of our greatest jobs in this country, not alone building houses but getting this Nation back to where it belongs. The answer to our problems is production and more production. We must build houses, not Government agencies.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Chairman, I have asked for this time in order to tell the House something which should have been told in a 1-minute speech at the beginning of the day, but for quite proper reasons the Speaker did not recognize anyone for that purpose today. But there are some boxes of very excellent oranges back in the cloak rooms. I want to tell the House that they were sent to the Congress with the compliments of Mr. Harry Damerel, one of the finest citizens in the Twelfth California District, and therefore of the United States, who hopes, as I do, and as all other orange growers in our section do, that the Members will enjoy them. We also hope that the time will come when every single child in America will be able to have either a fresh orange or a glass of fresh orange juice every day for we know what that would mean for the health of the Nation. I also want to tell the House that I am quite sure that after you have had a chance to eat these oranges you will agree that we have the very best oranges that are grown any place in the world.

Mr. ROBSION of Kentucky. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ROBSION of Kentucky. Mr. Chairman, none of us has a monopoly on sincere interest in our veterans. Many of us who do not agree with the Patman bill have sons and daughters who have been serving our country that have returned and are returning. My only son returned last Sunday after 4 years' service. I do not yield to any man in my interest in behalf of the defenders of this country and their dependents; in fact, I have never voted against any measure that was helpful to our defenders and their dependents.

Of course we desire that our veterans have adequate housing. We differ as to the best plan to secure these houses. We are told there is an emergency. We have heard nothing but emergencies for the last 13 or 14 years. We have had one emergency after the other. Under the Roosevelt and Truman administrations there has been no time that we have not had some great emergency. We are never out of one emergency until we are in two or three more.

In their first great emergency we had too many pigs and mother sows and therefore we would have to burn and kill many millions of these. We had too much wheat, meat, corn, and cotton, and other agricultural products and therefore they said it was necessary to pay the people to plow up and destroy their crops and cut out thirty or forty million productive acres. I did keep count of the emergencies until we had more than 50 so-called emergencies.

We have had several since that time and now they say we are threatened with other emergencies in housing, food, clothing, butter, and so forth.

Unfortunately every time the administration has undertaken to deal with one of these emergencies they have hurt and not helped the situation; they have not relieved conditions; they have increased the debt and tax load of the American people, have further regimented and further upset the economic life of the Nation.

The housing shortage is not due to lack of laws or powers or to lack of authority to expend money. It is due to the scarcity of building materials, and this scarcity has been brought about by the blighting influence of the bureaucracy here in Washington. We have prevented production. We have through the years traced our scarcity of meats and lard, butter, sugar, clothing, and many other commodities, largely to the unwise New Deal policies of the Roosevelt and Truman administrations. We have prevented production of building materials. The records are full of facts showing that thousands of producers of lumber are now idle, not because they desire to be idle but because of the regulations and directives of men sitting here in Washington, many of whom do not understand and are not fitted for the jobs they are undertaking to do.

Our good friend from Louisville, Mr. O'NEAL, expresses great admiration for the man he terms his "dear friend, supporter, and constituent, Hon. Wilson

Wyatt," who has been appointed expediter for the housing program.

It is only natural that the gentleman from Kentucky [Mr. O'NEAL] should speak in that vein, and no doubt he speaks sincerely. I am not quarreling with our colleague the gentleman from Kentucky [Mr. O'NEAL] for that. He states that Mr. Wyatt came up, as many other great men have. I know of no achievement of Mr. Wyatt that would properly class him as one of the great men of the Nation. They do claim that Mr. Wyatt is a good lawyer, and I have no quarrel with that. Mr. Wyatt's friends claim he is a good lawyer and that he represented corporations, including the Louisville Street Railway Co., and he was elected mayor of the fine city of Louisville.

Does that qualify him to put a ceiling on 28,000,000 homes in the United States that have already been built? Does it qualify him to build 2,700,000 more homes, or to direct the expenditure of billions of dollars including six hundred million in subsidies to start with, or to be a czar over the allocating of billions of dollars, of thousands of different kinds of materials and to exercise autocratic control over all the homes built and that may be built and the many thousands of producers of these materials and equipment?

I am looking into the faces of many Members sitting before me today who have reached distinction in the legal profession in this country and who are recognized as great lawyers throughout the Nation—men who have won much more fame as lawyers and in executive positions than Mr. Wyatt. It does not necessarily follow that they have the training, experience, and executive ability, to become the autocrat and czar of the entire material and housing businesses, which includes the production and allocation of materials and the construction of 2,700,000 homes and placing ceilings on 28,000,000 homes already built.

I do not agree with my distinguished colleague the gentleman from Kentucky [Mr. SPENCE], who is chairman of the Banking and Currency Committee and has charge of this bill. In the course of his remarks the other day he referred to Mr. Wyatt as an able lawyer. The gentleman from Iowa [Mr. JENSEN] inquired if that qualified Mr. Wyatt for this position as expediter of this great program and the gentleman from Kentucky [Mr. SPENCE] stated that it did; and even expressed in general terms that he would prefer that type of man for this position to someone who had had experience in the housing field.

Mr. JENSEN. Does Mr. Wyatt know anything about the building industry? Has he ever had any experience in building homes?

Mr. SPENCE. I do not know.

Mr. JENSEN. It takes one with experience more than an attorney to build homes.

Mr. SPENCE. I do not think so.

Mr. JENSEN. Doesn't the gentleman think it would help?

Mr. SPENCE. No.

It is my information that Mr. Wyatt has never built a house for himself or anybody else. If there is anyone here who knows of his building a house for himself or anybody else I wish he would speak up.

It is urged that Mr. Wyatt was elected mayor of Louisville and that he made a good mayor. He was elected mayor and served from 1941 to 1945. It is not my purpose to question whether he made a good mayor or did not make a good mayor. I understand the facts to be that Mr. Wyatt, after he had been mayor 4 years and had become the most powerful man politically in his party in Louisville, could not run himself for reelection; but with his influence in his party he was able to select the Democrat candidate for mayor—I understand a very able and splendid man—and he was able to help select the 12 Democratic candidates for aldermen and the candidates for city offices and for the county of Jefferson.

The Democrats carried Louisville in 1944 by more than 20,000 majority. The Republicans elected all 12 of the aldermen—including 1 colored man—in 1945, and elected practically all of the city and county officials. Mr. Wyatt was elected mayor by a big majority in 1941.

As we have heard, Mr. Wyatt was the attorney for the street railway company in Louisville before and at the time he was elected mayor; but he resigned his connection with the street railway company. He urged and did what he could, as I understand it, to have the Board of Aldermen of Louisville pass an ordinance for the city of Louisville to buy up the street railway system. He was unable to get the ordinance passed. This was one of the issues in the campaign of 1945.

Of course, he had the aid of thousands of Democrat city, Federal, county officials, and Democratic workers in the city of Louisville, and he had the backing of the leaders of the Democrat Party of Kentucky, and he had the benefit of all the millions of dollars that had been spent in Louisville, and he had the two great daily newspapers—the Courier-Journal and the Louisville Times—backing his candidates. Yet the election resulted, as I have stated, in electing 12 Republican nominees for aldermen, and an overwhelming majority of city and county officials. Mr. Wyatt's candidate for mayor did go through with a majority of fewer than 230 votes.

Of course, the voters of Louisville knew Mr. Wyatt and his record as an executive, and they passed on the question.

I merely call attention to these facts for whatever bearing they may have on Mr. Wyatt's executive ability and his ability to undertake the execution of the tremendous powers and the expenditure of billions of dollars that will be involved, the production and allocation of billions of dollars of every kind of material that enters into the construction of buildings, and the equipping of buildings. We must take it as true that Mr. Wyatt has had no experience in this particular field. I am not here and it is not my purpose to in any way reflect upon the character of Mr. Wyatt. I concede that he is now, and has been since he became mayor of Louisville, in full sympathy with the policies of the New Deal.

Mr. RANKIN. Do you mean he drove the Republicans into the black market in Louisville?

Mr. ROBSION of Kentucky. He must have done something. It was a disastrous upset for Mr. Wyatt and his Democratic friends in Louisville, and a very unusual victory for the Republicans.

You know the gentleman from Kentucky [Mr. SPENCE], the chairman of this great committee, as I have stated, on being asked what the qualifications of this man were to build houses, stated that he was a good lawyer.

Mr. SPENCE. The gentleman was a very distinguished lawyer and I understand he had one client who paid him $25,000 which would indicate that he was a man of some intelligence and judgment.

Mr. ROBSION of Kentucky. I have said nothing, and it is not my purpose to say anything, that will reflect on Mr. Wyatt. He may have had this client which, I understand, was a street railway company. They were not engaged in the building of houses or in the production of building materials or equipment. His services as an attorney had nothing to do with bringing together tens of thousands of large and small producers of lumber and other materials for constructing houses, or in bringing together the millions of person who would be involved in one way or another in the construction of 2,700,000 homes, and in putting a ceiling on 28,000,000 homes already constructed.

I challenge anyone to show that Mr. Wyatt ever built a house for himself or anybody else. The press carries a statement from Mr. Wyatt indicating that he has in mind to train 1,500,000 people to put over this job. Yes, if we give him all this power handling billions of dollars' worth of materials and equipment and give him six hundred millions for subsidies to start with, as provided in the Patman bill, he may put this number on the Government pay roll; but I predict now that he will have several times more people on the pay roll than he will have houses built.

According to the telegrams and letters and the statements of various building organizations of the country, we have thousands of sawmills shut down, we have thousands of processors of lumber idle, contractors are idle, and so are carpenters. We must get these thousands of sawmills and processors and contractors and carpenters and mechanics into action and get all these people back into production. That is the answer which will build houses and bring about prosperity. It cannot be done if the blighting hand of bureaucracy continues to harass and throttle private enterprise and have these activities carried on by inexperienced men like Mr. Wyatt here in the city of Washington.

THE POWER AND THE MONEY

Under the Second War Powers Act, the Price Control Act, and other legislative enactments, the President, and through him, his Expediter, Mr. Wyatt, and Mr. Bowles, OPA Administrator, have all the powers and more than would be granted

in the Patman bill to secure materials and equipment and allocate them; build houses, equip them and put a price ceiling on them. The President has had this power which he could and can delegate to Mr. Wyatt, Mr. Bowles, or any other person or agency of the Government since 1942. All hostilities ceased in Europe almost a year ago and hostilities ceased in the Pacific 6 months ago. This emergency housing shortage existed more than a year ago and has ever since but no real action has been taken by the administration to meet these conditions, and now Mr. Wyatt and some of his associates are meeting and saying that in a short time they are going to begin discussions about housing shortage and how to meet it. But for the fumbling of the administration, the housing program would be well on in production. Now Mr. Wyatt tells a group in Chicago, according to the press on yesterday, that every day the Congress delays in passing this Patman bill we lose the building of 3,000 houses. Congress has not delayed action. This statement is amazing in view of the fact that Mr. Truman, Mr. Bowles, and Mr. Wyatt have all the powers and more than this bill proposes to give to them in the way of allocation of materials and equipment, payment of subsidies and fixing of ceiling prices. Why have they not been active? This Patman bill will be a great disappointment and Mr. Wyatt is already looking for alibis.

Why is there a shortage of lumber and other building materials? It can be laid to the OPA and the administration as well as Mr. Wyatt. It has been proved beyond the question of doubt that in many instances the OPA has fixed the prices on finished lumber lower than the rough lumber itself cost. They have fixed such prices and such onerous conditions on the producers of lumber as to close down, not hundreds but literally thousands, of sawmills and other producers of lumber and plants that are processing lumber and other equipment for housing construction. They refuse to fix a price that will enable these thousands of large and small concerns to continue in business. They had to close down, and this stopped construction. It had even a more disastrous affect on building-materials equipment than the OPA prices had on meat, clothing, butter, and other products. They refused to permit those who understand the production of lumber and materials to carry on their work. They insist on running the business of this country, both large and small, through this powerful bureaucracy here in Washington. They claim to be the friends of free enterprise, but their policies day by day are strangling private enterprise to death. The attempt made in this bill is to give Mr. Wyatt authority to fix prices and allocate materials and price ceilings which he already has. Mr. Bowles of the OPA has the authority, and we are just setting up another great and powerful bureaucratic OPA.

If this would start the wheels of industries, put to work contractors, carpenters, and mechanics, and build houses, I would be willing to try it, but it will have the opposite effect in the house-building program as it has had on everything else in this country. This crowd of bureaucrats, who are in control, want to extend this authority to December 31, 1947. They are mad for power and more power. They are unwilling to surrender the powers they already have. The war is over, but they want more power and the war powers they have extended.

The question arises, When will the American people be permitted to carry on their affairs under the Constitution and in the American way? With few exceptions, the 28,000,000 homes and other buildings have been constructed under private enterprise, and if we ever have a real building program it will have to be done by experienced men and women under free enterprise and not under the heavy and blighting hand of bureaucracy. These Government agencies have created a black market in everything, and their policies have created a black market in lumber materials and equipment.

THE VETERANS

I was here following the last war in the administration of President Wilson, and many projects and programs were proposed in the name of the veterans and patriotism. Our veterans must have homes at reasonable prices. They are entitled to preference, and there is plenty of law without this autocratic measure to provide for such homes, and the American people will provide such homes if they are given a fair opportunity to do so. Whoever heard of the Government being able to produce a home or any other article at a cost as low as the cost would be if such home or article was produced by private enterprise? These homes that will be produced by the Government will not measure up in quality or in price with those produced by private enterprise. The soldiers and everybody else will pay more and get less value.

We now have a great army of civilian officeholders of 3,500,000 or more here and abroad. This bill creates another new and powerful bureaucracy, duplicating the work of other agencies of the Government, and no one can tell how many tens of thousands of officeholders will be added onto the backs of the veterans and the American people. I am in favor of giving preference in the way of allocation for homes for veterans and in giving them opportunities to build their homes. There are literally thousands of veterans who have been and will be engaged in the lumber and equipment business, and tens of thousands who are contractors, mechanics, and carpenters and who understand the house-building game much better than Mr. Wyatt and other bureaucrats here in Washington.

I was very much impressed by the speech of our colleague Mr. CUNNINGHAM, of Iowa, a World War veteran and a man who has taken special interest in legislation helpful to the veterans, and also the speech of our colleague the gentleman from Mississippi [Mr. RANKIN], chairman of the Veterans' Committee of the House. No men in the House have been more sincere and devotedly interested in the welfare of the veterans and their dependents than these two distinguished veterans. They are opposed to this Patman bill. They say that it would not help the veterans but on the other hand would do them very great harm. They point out that it would take away the benefits of the GI bill of rights to the veterans in the way of securing loans and securing homes. There are other veterans of World War I and World War II who are opposed to this Patman bill. We must not permit ourselves to be stampeded into giving these bureaucrats this tremendous power over all the building material and equipment industries and the construction of these homes and place ceilings on 28,000,000 other homes already built in the name of the veterans and, at the same time, set up another powerful bureaucracy in Washington that would cost billions of dollars of the taxpayers money and in the end be paid at least in part by the veterans themselves.

Mr. Bowles and Mr. Wyatt, if they desired, they could fix a fair price on lumber and a fair price on these houses that are built for the veterans and others. They do not have to have the Patman bill do that, and they even could extend subsidies. Unless the Patman bill is very substantially amended so that we may have assurances that they are going to build houses with these tremendous powers and these billions of dollars instead of building up a great bureaucracy and political machine, I shall be compelled to cast my vote against the bill. It now looks as if the Patman bill will be overwhelmingly defeated. It is such measures as this that has prevented production in this country of the things that the American people need and has encouraged increase of prices and inflation.

Mr. RANKIN. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. RANKIN moves that the Committee do now rise and report the bill back to the House, with the recommendation that the enacting clause be stricken out.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that I may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Chairman, there is no use carrying on this shadow-boxing over unimportant amendments to this so-called housing bill.

In my opinion, all the perfumes of Arabia would not sweeten it in its present form.

In my opinion it will drive the building industry either out of business or into the black market.

In my opinion, it will drive every small sawmill man out of business or into the black market.

In my opinion, it will destroy the business of every man who is in the building supply business, or drive him into the black market.

When they go into the black market, then they lay themselves liable to being dragged to Washington, or elsewhere, and punished as a common criminal—or worse.

Now, Mr. Chairman, let us see what this measure means. What the American people want today is to be let alone, so they can build their own houses.

I know every once in a while when I get up here to speak some little pink fellow with a hand about as wide as your three fingers refers to me as a Bourbon, reactionary, a southern aristocrat, who does not know anything about work.

There is probably not a man in this House who has done more hard work at a sawmill than I have. I have been everything from the dust-monkey to the sawyer. I know what a sawmill man is up against. If I were running a sawmill or a building material firm and this bill were passed, I would go out of business. It is bad enough for a man who runs a little sawmill down on the creek to try to make buckle and tongue meet, it is bad enough for a man who buys materials and employs labor and supplies them, to try to make buckle and tongue meet, without being harassed by a lot of bureaucrats, if you please, or "commissars," if you want to express it that way, to dictate to him and to punish him and threaten him and browbeat him at every turn of the road.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield for a question.

Mr. MAY. I happen to have a sawmill of my own that has been shut down for 4 months because I could not understand the regulations of OPA.

Mr. RANKIN. When I worked at a sawmill we used Davies' old arithmetic, and the boys used to say that it "took 10 mills to make a cent." If this measure passes, they may not even make a cent. The little sawmill man will probably be driven out of business entirely.

If the Committee on Banking and Currency wants to cure something, let them go at it in the right way. They talk about preventing inflation. What is inflation? Inflation is an expansion of the circulating medium. I want to show you where we have gone in expanding the currency, right under the noses of the members of the Committee on Banking and Currency. You men who are trying to reverse the laws of nature by acts of Congress or edicts of the OPA or the Housing Authority make me think of old Lightning when he said they sent him out to take a swarm of bees to Arizona. He undertook to walk and drive them instead of taking the queen and putting her in a hive.

When you go out to try to control this country by fixing the prices of thousands and thousands of articles instead of controlling the money supply at the root, to me it sounds perfectly silly. I certainly am astonished to hear men—intelligent men—argue that this bill is a veterans' bill. Do you not think the veterans did enough to win the war without having all this responsibility piled up on them?

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I will yield for a question; but make it brief, for I cannot get any more time.

Mr. HOFFMAN. I will. I hope the gentleman from Mississippi will not feel badly when some of us on this side who want to recommit the bill vote against his motion.

Mr. RANKIN. Now, if you want to run out and hunt a storm cellar, all right; if you are hunting a political black market, that is the way to find it. But I suggest that you stand up and be counted.

Mr. HOFFMAN. Just a minute, now.

Mr. RANKIN. No; I cannot yield further.

Mr. HOFFMAN. If the gentleman will yield, I want to tell him why.

Mr. RANKIN. Mr. Chairman, I cannot yield any further. Why do you not stand up now and be counted rather than running out on the theory they are going to get a motion to recommit? If you want to do that, all right.

Mr. HOFFMAN. Mr. Chairman, I ask that those words be taken down, that we are running out.

Mr. RANKIN. Now, Mr. Chairman, I do not yield.

Mr. HOFFMAN. The gentleman does not yield to have his words taken down?

Mr. RANKIN. No.

Now, Mr. Chairman let me show you what is going on. Prices in a free country are governed by two things, the volume of a Nation's currency and the velocity of its circulation.

Today the volume of your currency is going up at the rate of $200,000,000 a month. In 1930 we had $4,426,000,000 in circulation. Do you know how much we have now? Do the members of the Banking and Currency Committee know how much we have in circulation now? I will tell you what we had on November 30, 1945.

The last statement that came from the Treasury, on November 30, 1945, shows that instead of having $4,426,000,000 in circulation we had $28,210,000,000 in circulation; and by now, the amount has probably reached $29,000,000,000.

Now, you undertake to hold prices down vicariously, and this great volume of printing-press money, if you please, continues to swell. If you do not change the program and go to the root of the trouble you are going to wreck the country.

Mr. HENDRICKS. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. For a question.

Mr. HENDRICKS. I would like for the gentleman to discuss how this bill will affect the veterans. That is what I am interested in. Will the gentleman get to that?

Mr. RANKIN. Yes; it will affect him just as it will affect others. It will probably drive him out of business or into the black market.

One of the most ridiculous propositions I have ever heard is the claim that this is a veterans' bill, a soldiers' bill. I challenge any man in this House or out of it to show where he has worked harder or taken more abuse for the veterans of this country than I have.

Here is what you are going to have to do if you want to cure this situation. Do not make it any worse. It will spread the black market all over the country and put building-material men out of business. Do not put every sawmill man out of business.

You can bring in a law here to take over the Federal Reserve System and stabilize the currency at a given volume and require that when it sinks below that volume the Government shall issue United States notes with gold reserves behind it to keep it stabilized at that point, and permit the American people to live and work out their own salvation.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. SCRIVNER. Does the gentleman not feel that if this is a veterans' bill it might well have been referred to the Committee on Veterans' Legislation to have studied?

Mr. RANKIN. Why certainly, and it never would have reached the floor of this House in its present form.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from New York.

Mr. TABER. Would not the effect of the bill be to keep the veterans from getting houses?

Mr. RANKIN. My honest opinion is that if this bill passes it is going to prevent the building of houses for veterans or for anyone else, and will prevent the veterans themselves from building their own houses.

Miss SUMNER of Illinois. Mr. Chairman will the gentleman yield?

Mr. RANKIN. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. The experts, including Mr. Mowbray, have stated just what the gentleman has said about small builders. On page 104 of the hearings Mr. Mowbray said:

> The net effect of this legislation, therefore, would be to help the big builder who has the accounting facilities, the legal advice, and the experience with wartime controls which are necessary. Let me urge, therefore, that in the interest of the survival of the small builder this legislation not be passed.

Mr. RANKIN. Mr. Chairman, I hope the motion is agreed to and that the bill will be sent back to the committee with the enacting clause stricken out.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that the gentleman from Georgia [Mr. BROWN] may have five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. BROWN of Georgia. Mr. Chairman, the committee had under consideration the problem of acute housing conditions for almost 2 months. We all appreciate the effect of the critical housing situation.

I know that the Members of the House believe in fair play. The committee has reported a bill. If it is not what you want, let us debate it, let us amend it; then, when we get through, if you do not want the bill, vote it down. I believe in fair play. I do not believe in cutting off speeches on consideration of an important matter as this. For this reason I voted yesterday to give my good friend the gentleman from Chicago, Mr. SABATH,

a chance to defend himself. Every man is entitled to the right of fair play and defense, so I voted against the previous question at that time, and gave the gentleman a right to explain his position.

Mr. Chairman, we have reported a bill. There are a number of amendments to be offered and I think we ought to discuss them freely and find out what we want rather than send the bill back to the committee. To do otherwise would not be fair to the committee.

Mr. Chairman, there is a great deal of talk about veterans, and we want to help them. I want to discuss one provision in this bill that will be very helpful to the veterans. That has to do with priorities and allocation of materials to veterans. We must allocate to the veterans a large part of the scarce materials. No one within the sound of my voice is against that provision. Under the present law that can be done, but the War Powers Act expires on the 30th of June. Many people did not believe that the Second War Powers Act would be extended and therefore it was necessary to give some thought to a bill for the extension of the priorities and allocations now.

I took the position all along that down in my section of the country the veterans, under the GI bill of rights, were not going to get any money because the local banking institutions in the small towns will not put up 50 percent of $8,000 toward building a home.

These loans will have 25 years to run. Eighty percent of these boys that come back do not have any money to build houses, and therefore the position I took before my committee, and which I take today, is that the FHA must build most of the houses for these boys. They can secure 90 percent of the cost of construction through this Agency. There will be introduced, and there exists in the substitute bill offered by the gentleman from Michigan, a provision by which the FHA will be empowered by a billion dollars additional increase to secure mortgages to build these houses. By sending this bill back you are saying to the veteran, "I do not want to help you."

I think every man within the sound of my voice has a right to be heard. This is an important matter, and one of the most important matters that we have ever had in Congress, and we must do something for the relief of these veterans. Do not send it back to the committee and say, "Here it rests for all time."

Mr. OUTLAND. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from California.

Mr. OUTLAND. I was astounded to hear the chairman of the Veterans' Committee of this House say that this bill will not help the veterans. Let us hear from a group of veterans themselves, and I am sorry I do not have the time to quote the statement in full. It was issued this morning by the chairman of the American Veterans' Committee, and I will quote only a paragraph or two to the effect that the veterans and their families in all the communities of the land took heart when Wilson Wyatt, Housing Expediter and National Housing Administrator, announced his program to provide for 2,700,000 homes by the end of 1947. The statement goes on to say that this particular veterans' organization favors this bill and the amendments that will be submitted on this floor.

If this bill is returned to committee, do not tell me that it is not going to be opposed to the veterans of America.

Mr. BROWN of Georgia. I do not agree with the distinguished gentleman about voting for the amendments. We cut out subsidies in the committee. We cut out ceilings on existing homes, and they should be cut out. I am still standing for the amended bill as we reported it from the committee. But I do say there ought to be free discussion, and after we get through, if it is not what you want, then vote it down. The bill can be perfected whereby we can help the veterans of this country, and the only way you can help them in my section of the country is through the FHA guaranteeing 90 percent of the cost of the houses.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from California.

Mr. HINSHAW. I just want to say that I agree with the gentleman entirely. We should continue the discussion of this bill until we are through with it.

Mr. BROWN of Georgia. The gentleman is right.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from New York.

Mr. BARRY. Has any Member of the House who opposes this bill offered any program other than raising ceiling prices?

Mr. BROWN of Georgia. No. I am advocating the bill that we brought from the committee, cutting out ceilings on existing homes and eliminating subsidies, and fixing the time just like we did a while ago. If you want to cut out the powers given to the expediter, give them to the President. The Expediter has, under this bill, the same powers that the President has under the Second War Powers Act. It might be all right to give the President the power, but we must give those powers to someone in order to allocate the scarce materials to the soldiers of this country whom we are trying to help.

Therefore, if you want to amend it, it is all right with me, but I am against all these proposed amendments, and I do not think the members of the committee who voted in favor of my amendments in the committee ought to leave me at this particular time. You ought not to offer on the floor those amendments to restore the provisions which we cut out in the committee. Let us perfect this bill to make it workable and one that will really give results to the veterans of this country.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from Texas.

Mr. PATMAN. Is it not a fact that if we strike out the enacting clause the bill will not only be sent back to the committee but it will be dead for this session?

Mr. BROWN of Georgia. I absolutely agree with the statement of the gentleman from Texas. I want to say to him that we are close friends, almost like Damon and Pythias. To illustrate what I mean, when he left his bill, I took hold of the orphan and am trying to nurture it and give it strength enough to become law.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from Michigan.

Mr. DINGELL. Would it not be a good idea if we did vote for the motion in order that we might get a roll call on the question and thus separate the sheep from the goats?

Mr. BROWN of Georgia. I have confidence in the Members of the Congress of the United States, and they are going to approve some helpful bill.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from New York.

Mr. BARRY. The program offered by the opposition, to increase the ceiling prices on materials, offers the veteran as a program a higher cost for a house. Is not that so?

Mr. BROWN of Georgia. I think as far as materials are concerned they ought to be allocated and controlled as long as they are scarce. I am for the principle of controlling the materials, and I do not object to ceilings on new houses as long as building materials are so scarce. If you do not control the materials at this time when they are so scarce, none of the soldiers will get any. Let us control these materials and allocate them to the soldiers and build houses for them through the FHA mortgage system. Help me in this effort and defeat the motion of the gentleman from Mississippi [Mr. RANKIN] to recommit the bill, and I will guarantee you that the soldiers and the great majority of the American people will be satisfied.

The CHAIRMAN. The time of the gentleman from Georgia has expired. All time has expired on the pending motion.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that my preferential motion be again reported.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk again reported the motion.

The CHAIRMAN. The question is on the motion offered by the gentleman from Mississippi.

The question was taken; and on a division (demanded by Mr. RANKIN) there were—ayes 29, noes 143.

So the motion was rejected.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 3, line 6, strike out "act" and insert "title."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: On page 4, line 1, after 703 insert "(a)."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: On page 4, line 6, strike out after the word "who" the rest of the line and lines 7, 8, and 9, and the words "to make reports", in line 10, and insert "deals in, sells, rents, or buys, or offers to sell, rent, or buy, any housing accommodations—

"(1) to furnish information under oath or affirmation or otherwise,

"(2) to make and keep records, and

"(3) to make reports,

in respect of such dealings, sales, rentals, purchases, or offers."

Mr. WOLCOTT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think it should be understod that our silence on this particular amendment should not be interpreted as consenting to it. As a matter of fact, the whole section should come out. This section is one of the factors which inspired the introduction of H. R. 5579, which in due course will be offered as a substitute to this bill. This is known as the snooping section of the bill and would authorize the Expediter or Director, or whatever he might be called, to investigate and inspect the books of anyone having to do with the building industry from the production of building materials to the final sale, including the rental of the property. Of course, it should not be enacted. It gives more authority than should be given to any single individual. I think we should have in mind always that under the Executive order the Expediter, Mr. Wyatt, has been given more authority to do this job than any other single individual has ever been given in any field of endeavor, except the President himself. Surely we should not vest him with any more authority than has been vested in him by the Executive order. I do not think the House wants to vest in the administrator or expediter or director these very new and unusual powers, with the right to go into every real-estate office, even to the extent of issuing a subpena to a home owner if he puts his home up for sale, with the right of going into the private life of a home owner and finding out how much he paid for the home, how much he has invested in it, and everything of that nature. That surely will not encourage the building of homes for veterans or anyone else. I just want to clarify the situation and bring out the fact that we are not moving to strike out this provision at this particular time because this provision is not included in the substitute which will be offered later on. By the adoption of the substitute we will not be enacting this provision as part of the law.

Mr. PATMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this amendment changes the language proposed in the original bill. It merely gives the expediter the power to enforce the act. Of course, we do not like to have enforcement officers around. We do not like supervision probably under certain conditions. But we cannot enforce a law unless the person who is authorized to enforce the law also possesses the power to compel it. We must give him the tools to work with and give him the right to control allocations and priorities and give preference to veterans. Then when he goes to investigate a flagrant case of violation of the law, if he does not have the power to do so, we may just as well not have any law at all. If we are not going to have enforcement provisions, we might as well not have any law.

This merely provides that where a person charged with the violation of the act, the expediter may cause that person to furnish him information under oath or affirmation. Is there anything unreasonable about that? How else can you enforce a law that involves 29,000,000 existing homes, if you put in the provision for existing housing? How can you supervise the construction of 1,200,000 houses this year and sell, lease, or rent them unless you have the power to require those people who get the priorities, to make a statement under oath as to whether or not they have complied with their promises, which enables them to get these scarce materials? I cannot understand why anybody would oppose a provision that would make it possible for the expediter to enforce the law.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. HARRIS. Would this apply to all houses?

Mr. PATMAN. No. It just applies to the new houses, up to this time. The next is to make them keep records and to make reports. Mr. Wyatt testified there is nothing in this requirement that you do not have in order to fill out your income-tax returns. If this builder who makes a promise to Mr. Wyatt, "If you will let me have the scarce and critical materials, I will use those materials to build residential housing units for veterans of World War II and their immediate families," then Mr. Wyatt would have no power on earth, if this is stricken out, to come back later, when he knows he has violated that promise. Possibly he has used the material to build a race track or an amusement house, but if this language is striken the Expediter cannot say a word. He has no power. This is the enforcement provision. It goes to the heart of this bill.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. HOOK. Is there any provision at all for hardship nonveteran cases?

Mr. PATMAN. Certainly. Mr. Wyatt has the power, and he will have essential nonveteran cases for commercial buildings or for residential units. It should be an elastic hardship clause, and I am assured it will be. This is not going to be any strait-jacket, that everything should go right down to the veterans. We know that if houses are lost by reason of storms or floods or fires or things like that and there is an emergency, whether any member of the family ever served in any war, he should have the right to get materials to rebuild that home. There are certain commercial problems that are just as important to the veteran as residential housing.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Miss SUMNER of Illinois. Does not the gentleman know that before we started all this communistic stuff they managed to enforce the laws without going into the banks and searching people's safe deposit boxes and making them keep records?

Mr. PATMAN. Of course, if the income-tax records are communistic, then nearly everybody here voted for it. The lady knows more about communism than I do. I am just against it. I am against fascism, too. I am against both of them—both communism and fascism. I am not willing to make one the alternative of the other.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield further?

Mr. PATMAN. No; not now, if you please.

So I ask you in all seriousness not to strike out this provision. That would be giving the Expediter power to control materials, the power to let different people have materials for a specific purpose, and then, when he goes to investigate whether or not they have used the materials for that purpose, he would not have adequate power to determine if they had used the materials for that purpose.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. BARDEN. I presume the gentleman is discussing the section on page 4?

Mr. PATMAN. That is right.

Mr. BARDEN. Where it says the Director is authorized to require any person who owns, holds an interest in, et cetera——

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Yes; that is it.

Mr. BARDEN. You mean you want all this power and authority vested in Mr. Wyatt, to tinker with every man who owns a house?

Mr. PATMAN. Not tinker with them, no; I am against tinkering with them.

Mr. BARDEN. Why use that phrase, "Everyone who owns"?

Mr. PATMAN. No; that applies only to new houses. The way the bill is written that applies only to new houses. As the bill is written now that language is stricken out, and better language is inserted. The better language is the language in italics. All of this information is required by the Bureau of Internal Revenue anyway, and since they have got to keep it, are compelled to keep it under the law in order to pay their income taxes, why should not the Expediter who is giving such valuable privileges to different people have a right to determine whether or not they have exercised that power as they should?

Mr. HINSHAW. Mr. Chairman, would the gentleman yield?

Mr. PATMAN. I yield.

Mr. HINSHAW. I should like the gentleman to explain why it does not apply to anyone who sells or rents a house he

owns. Even the language substitute says:

Any person who deals in, sells, rents, or buys, or offers to sell, rent, or buy, any housing accommodations.

Mr. PATMAN. I know, but that is connected up with another provision of the bill.

Mr. HINSHAW. And what is that other provision?

Mr. PATMAN. The other provision is 704. It applies to houses the construction of which is completed after the effective date of this title. So it applies only to new houses, as it is written.

Mr. HINSHAW. I beg to differ with the gentleman.

Mr. PATMAN. In my opinion it applies only to new houses which are completed after the effective date of this act, and it applies only to housing under the provisions of this title.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CRAWFORD. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I am in favor of eliminating the language in lines 6, 7, 8, 9, and 10, in the original bill. In other words, I want to strike out the language which the gentleman from Texas has argued should be retained in the bill; and I seriously question the committee amendment. Now, let me read this to you. You are a home owner:

Section 703 (a)—

Now, remember, you own a home—

The Director is authorized to make such studies and investigations, to conduct such hearings, and to obtain such information as he deems necessary or proper to assist him in formulating policies, issuing regulations, and performing any other functions under this title. The Director is authorized to require any person who deals in, sells, rents, or buys, or offers to sell, rent, or buy, any housing accommodations—

(1) to furnish information under oath or affirmation or otherwise;

(2) to make and keep records; and

(3) to make reports, in respect of such dealings, sales, rentals, purchases, or offers.

I contend that language is sufficiently broad that if I want to sell my home they could throw that law down under my nose and say: "Listen, brother, you have got to furnish this information or you cannot sell your home."

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. If the gentleman can clear this up.

Mr. PATMAN. That is what I want to do; I want to clear this up.

I am in favor of striking out that language in lines 6, 7, 8, 9, and 10, and substituting the other. Then it applies only to houses the construction of which is completed after the effective date of this title.

Mr. CRAWFORD. If I understood the gentleman's argument, he was arguing against striking out the language in the lines that are indicated as stricken out.

Mr. PATMAN. No; I am for the committee amendment. I am glad the gentleman asked the question.

Mr. CRAWFORD. All right; let us assume that you are for the committee amendment; how can I escape the clutches of the requirements to file these reports if I offer to sell my home or even rent it under the language of the committee amendment? Can some smart lawyer clear that up for me?

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. HINSHAW. If the gentleman will go on and read further:

The Director may require any such person to permit the inspection and copying of records and other documents and the inspection of housing accommodations.

They can send their people right into your home and snoop all over the place.

Mr. PATMAN. Mr. Chairman, will the gentleman yield? I have but one desire and that is to make this thing absolutely right.

Mr. CRAWFORD. I yield, because I want to try to clear up this language.

Mr. PATMAN. Remember, any act that is performed must be under the functions of this particular title.

Mr. CRAWFORD. I disagree with the gentleman on that.

Mr. PATMAN. It applies only to this one title, this particular title.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. WOLCOTT. I feel, of course, that all this section should go out.

Mr. CRAWFORD. So do I.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. CRAWFORD. Yes; I yield.

Mr. WOLCOTT. If the committee amendment is agreed to, inasmuch as the bill has been read as one section, and a substitute is offered, if the substitute is defeated, would it be in order then to move to strike out the whole of this section?

The CHAIRMAN. It would.

Mr. WOLCOTT. Notwithstanding the fact that the committee amendment has been agreed to. That was my understanding of the parliamentary situation. If the substitute which I shall offer is defeated, then it is our purpose to move to strike out this entire section.

The CHAIRMAN. The gentleman is correct.

Mr. PATMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PATMAN. What is the question before the Committee right now? Is it not the question of striking out the language from line 6 down to line 10 and inserting the language from line 10 to line 16 on page 4?

The CHAIRMAN. The gentleman is correct. The question is on the committee amendment to which the gentleman refers.

Mr. RICH. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I question very much whether we should adopt this amendment. It seems to me that we have gone far enough in regimentation in our country. The Congress in the last few years has gone very far in making laws which take away from the American people the freedoms they have enjoyed for such a long time. Give men their freedom and they do things, they produce commodities and homes and agricultural produce, yes, they produce everything we need.

As I view this bill, it is quite unreasonable and it will not do what the Members of the House who champion it state it will do. The price of labor today has been increased, yet the price of materials has been held down by OPA to such a point that you have virtually stopped production. That is the trouble with the whole situation, and that is the reason houses are not being built. We are paralyzed. Yes, you stopped production. Materials are scarce and inflation is now rampant.

Mr. Chairman, if we try to legislate on everything that everybody does in this country we might just as well do the same thing that Hitler did in Germany or Mussolini did in Italy and what some other nations still alive are doing today. Regimentation and regulation, and next usurpation. That is the New Deal.

Mr. HENRY. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Wisconsin.

Mr. HENRY. Can the distinguished gentleman give us some idea as to how many thousands of jobs are involved in what the gentleman from Texas is trying to accomplish?

Mr. RICH. All kinds of jobs, I would say—thousands of them. Well, there are 32,000 people on the Government pay roll today doing propaganda work for the present administration. We are paying $185,000,000 a year for that propaganda. They are trying to convince the people of this country that we ought to be Russianized, and this bill helps brings us to that point. It will only hasten the day. And I have voted to prohibit it so far as I am concerned.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I know the gentleman is of a practical mind. Does he think a bureau of this type and scope can be set up in this country to handle the construction of 1,200,000 or 2,700,000 homes and to deal with the other home propositions involved in here with a personnel of less than 25,000?

Mr. RICH. I do not think they can. This bill is designed to set up 50,000 more jobs and this amendment may double the snoopers.

Mr. CRAWFORD. It certainly is.

Mr. RICH. That is what they are continually doing. They are always creating more jobs. Twelve years ago we had 500,000 people on the Federal pay roll; today there are 3,000,000 on the Federal pay roll and the administration is trying to hold all those people on the pay roll—they mean votes you know. No consolation to the taxpayers, however.

It is time that the American people wake up and get rid of the New Deal or we will have a Russianized form of government or some other form of government in this country through which the people will lose their freedom, their independence, and their American rights

as guaranteed under the Constitution of the United States. It is time to stop this and to strike this bill from the calendar. It is only more regulation and regimentation.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. HINSHAW. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I would not say that the gentleman from Texas was misleading this House in the statement that he made, because I am sure he is sincere. But I beg the gentleman to read the language on page 3, line 6, which reads:

The purposes of this title are to stabilize the prices of real estate to be used for housing purposes, and to prevent speculative, unwarranted, and abnormal increases in the selling prices of such real estate.

That is one of the purposes of the bill. Then if you turn to section 703 (a) you will find that—

The Director is authorized to require any person who deals in, sells, rents, or buys, or offers to sell, rent, or buy, any housing accommodations—

Which includes every owner of real property, every man who owns his own home, every man who rents a house to somebody else or rents it from an owner, and every one who purchases a piece of property—

(1) to furnish information under oath or affirmation or otherwise;
(2) to make and keep records, and
(3) to make reports.

Then it says that the Director may make an inspection of housing accommodations.

It does not say anything about limiting his right to make inspections of the new housing accommodations provided for in this bill. He can make an inspection of any house or home in the United States under this bill whether it is offered for sale or not.

Over on the next page we find that they magnanimously put in an amendment on line 17 which says:

Any person subpenaed under this section shall have the right to make a record of his testimony and to be represented by counsel.

Why is it necessary to place language like that in any bill passed by this Congress? It seems to me that any man or woman in the United States has the right to make a record of his testimony before any agency, be it a court or otherwise, and to be represented by counsel. Is not this bill big-hearted.

Turning to section 706, you will find this language:

It shall be unlawful for any person to violate the terms of any regulation or order issued under the provisions of this title.

On page 14, section 706 (c) you will find the penalty for the violation of any provision of section 706 from which I have just quoted, and you will find that any home owner in the United States who refuses to allow the entry into his home of one of these snoopers can be fined $5,000 and placed in jail for 2 years. Refuse to let them inspect your home and you become a felon.

What kind of a bill is this, I ask you?

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. Yes; I yield to the gentleman from Texas, if he has an answer to that.

Mr. PATMAN. Why should the expediter want any information about a transaction over which he has no control whatsoever?

Mr. HINSHAW. Then why do you want to give him the power so that he can do those things? I know the way some of these people have operated in the past under the OPA and elsewhere, and I want to tell you that I do not want them snooping around my home just because they may have a right to do it under this bill, if it passes.

Mr. PATMAN. At the same time, I know that the gentleman agrees that we have got to have proper law enforcement if we pass a law, and he would not want a law without any way to enforce it.

Mr. HINSHAW. I have seen some of the regulations that have been put forth under the various agencies of this Government. It seems to me that this is a gestapo set-up. They will have more power than any agency presently has. I want to tell you that they are not going to come into my house and snoop, whether I want to sell it or not. It is none of their d—— business.

The Bill of Rights says in big type that "The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched and the person or things to be seized." In this country a man's home is to be secure from any Government snooping unless there shall be a warrant issued based upon probable cause. That language was not put in the Bill of Rights just for show, but because our forefathers had experienced some of the very actions that this bill now proposes to make possible. Any man has a right to protect his home from entry by anyone unless a proper warrant be sworn out authorizing the entry by an agent of the law.

Mr. HOOK. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, I have been interested in this housing situation. A group of Democratic Members of Congress decided to go to Michigan, voluntarily, at our own expense, hold hearings, and make an investigation as to what the situation was, and give all the help we could in this housing situation.

We found in the metropolitan area of Detroit alone that they were short at least 75,000 homes. I went up into my district in the northern section of Michigan and I found in every county of my district a shortage of homes. Every county made a survey. I called their representatives together and we had a report on it. I went into the county of Dickinson, and especially the city of Iron Mountain. I found a rather unusual situation existed. There was a shortage of homes. The public-spirited citizens of that community, after they had read the Wyatt report, in accordance with that report worked out a plan. This is a city of about 12,000 people. These public-spirited citizens gathered together $100,000, not less than $1,000 apiece and not over $5,000, to form a corporation. They gathered options on several hundred lots throughout the city. They said the options were not to exceed $200, when lots in that city outside of those options had risen from $100 to $1,000 apiece. Rents in that area have not only doubled but trebled in the last couple of months. Lots have skyrocketed. The purpose of this public-spirited organization is to build homes in accordance with the Wyatt proposal, with veteran and nonveteran hardship cases to be preferred. That is the spirit that should exist in every community in the United States.

Mr. HENRY. Mr. Chairman, will the gentleman yield?

Mr. HOOK. I yield to the gentleman from Wisconsin.

Mr. HENRY. As I understood the gentleman, he said that rents in that community had doubled and trebled.

Mr. HOOK. Yes.

Mr. HENRY. Will the gentleman tell me if there was a break-down in rent control in that community?

Mr. HOOK. There was no rent control in that area.

Mr. HENRY. Why?

Mr. HOOK. The reason is that we did not produce war goods up there except for iron ore and copper that went into the war program, together with food and a few other odd commodities. There was no rent control. That is a good illustration of why we should have rent control. I have asked that rent control be established in that area. That is the reason we need such a bill as this, with public-spirited citizens of the kind that have combined in that city getting together to see that veterans get homes at a reasonable cost within a reasonable time, and that nonveteran hardship cases be taken care of, so that people can have homes to live in. This corporation that will be formed can conform to every phase of this bill. They can make their reports because they are not out to gouge the public, they are not out to gouge the people. They are organizing for the purpose of bringing to the people low-cost housing at a reasonable cost. When you have done that you will have served this Nation. I hope that the path that has been blazed by this pioneering group in that city will be followed by groups in other cities throughout the United States, and that they will form such organizations and cooperate with the Housing Expediter to bring homes to veterans and to nonveteran hardship cases. The Iron Mountain plan is one of the first of its kind.

Mr. DONDERO. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the Sage of Monticello once said that if we must ask Washington when to sow and when to reap, we would soon want bread. It seems to me if Thomas Jefferson were alive and here today on the floor of the House, he might well paraphrase the statement he made in the long ago and say, "If we must ask Washington when to build and when not to build, we would soon want houses." Those who propose any kind of a bill for the control of material and the building of houses for veterans go upon the the-

ory that the competitive spirit of America is dead, the law of supply and demand is dead, and that the free-enterprise system no longer exists in the United States; and in its place there must be substituted a planned economy and regimentation. This country grew great and strong under a free economy and not a regimented planned economy.

Several Members took the floor yesterday, one gentleman in particular, and expressed apprehension that if there were any buildings under construction when this bill became law, the building materials needed to complete such building could very well be diverted or allocated to other places or to other buildings by the Director. There is great force in that contention. Under section 705 (a) it is provided that—

SEC. 705. (a) Whenever in the judgment of the Director there is a shortage in the supply of any material or of any facilities suitable for the construction of housing accommodations he may by regulation or order allocate or establish priorities for the delivery of, such material or facilities in such manner, upon such conditions, and to such extent as he deems necessary.

I received a letter this morning from the president of Michigan State College at Lansing, Mich., also expressing apprehension that if this bill becomes law the building program which the State of Michigan is now engaged in in an effort to supply housing for veterans who desire to take advantage of the GI bill and further their education might be curtailed. I want to give to the House the program that is now in operation for the building of housing facilities for veterans. This is what Dr. John A. Hannah, the president of that great college, which expects an enrollment exceeding 10,000 people this coming fall, says regarding this subject. He says:

To meet the situation, Michigan State College is now building 5 large dormitories, 6 apartment buildings for married veterans, and 52 Quonset houses are being installed, all without Federal aid.

He also says that they have under construction a large classroom building, a home management laboratory, and intend within a short time to construct a science building, a physics building, and others deemed essential if veterans are to have opportunity for the kind of education they expect.

That letter was written on February 26 to Mr. Wyatt, who is supposed to administer this law, if adopted. He, too, is apprehensive whether or not the materials for the construction of these buildings might be shut off and allocated to other parts of the country and the building of facilities for veterans stopped immediately. That is a serious question. I trust that the membership of the House will give it consideration when they vote on this bill.

What would I propose in its place? I still have faith in the American system of doing business. I believe that if controls were lifted from building materials we would again move forward under the law of supply and demand, and the people of this country who have made such great progress under that system would again give proof to the world that they can build houses and other facilities for our returning veterans without having the control of their business originate from Washington. For that reason, I am in grave doubt about this bill. It might do more harm than good by preventing the building of houses for the men who wore the uniform of our country. The day before yesterday I took this floor and pointed out that a $6,000 ceiling on veterans' houses has already been tried in Pontiac, Mich., and has proved unworkable. They did build two houses, and found that they cost $6,400 without the lot and basement. How are we going to provide houses for our veterans when it has already been shown they cannot be built under this bill, at least a house decent enough for veterans to live in?

The CHAIRMAN. The question is on the committee amendment.

The question was taken; and on a division (demand by Mr. PATMAN) there were—ayes 67, noes 51.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 4, line 19, after the period, insert "The Director may administer oaths and affirmations."

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 5, line 4, insert "(b)."

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 5, line 10, insert:

"(c) Witnesses subpenaed under this section shall be paid the same fees and mileage as are paid witnesses in the district courts of the United States.

"(d) The Director shall not publish or disclose any information obtained under this title that he deems confidential or with reference to which a request for confidential treatment is made by the person furnishing such information.

"(e) Any person subpenaed under this section shall have the right to make a record of his testimony and to be represented by counsel."

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. HOFFMAN. Mr. Chairman, in these days when sentiment is overwhelmingly in favor of doing something for the veterans, not a few groups and some individuals want to crawl onto that bandwagon. The gentleman from Texas [Mr. PATMAN] several times has told us we ought to do something for the veterans. I think we should, but we should not hold out some false hope to them, as does this bill.

Back in 1935 or 1936, along there somewhere, there was before this House the question of whether a bonus should be paid to the veterans of the First World War. Some who were here then remember how that question was held up and not decided for a period of a year or more because the gentleman from Texas [Mr. PATMAN], a great friend of the veterans, so he told us then, did not want them to be paid the bonus the Vinson way; he wanted them paid the Patman way, by the printing of money, or something like that. So the veterans waited for their bonus.

Hence, just because the gentleman so states, I do not take a great deal of stock in the idea that this is a bill to aid the veterans. It is a fine thing to get on that veteran bandwagon if you are looking for votes, if you are making speeches back home, but it has been stated time after time during the debate that this bill, with all the money that the United States might be able to borrow—note I did not say all the money in the United States Treasury, I said all the money the United States might be able to borrow—will not build a single house.

Now, there is something else to it. Who wants to be told what kind of a house he is to live in, even if he is a veteran? Who wants to be told whether there will be a kitchen on the front side next to the road, or a living room? Who wants to be told whether he is to have a basement or an attic or a second story on his house?

Some of us who have watched bureaucrats in the OPA and who are familiar with what they do know very well that if a Government agency or bureau has anything to do about the building of these houses the veterans and everyone else—and there are some others who want to have a roof over their heads—are going to have trouble with their wives. And the agency will have trouble of its own with the wives. The wife wants this thing there, something else over here, and then comes some fellow from Washington who says: "Put it over there." If there is anything a bride looks forward to doing it is the building of her own home on her own plan in her own way.

When the farmer builds a pen for the pigs, when he builds a coop for the chickens, when he puts the stanchions in the barn for the cows he does not ask the animals what they want, he just puts them where he wants them, in the places he builds for them. Now, the proposition of the gentleman from Texas is to tell the veterans and all the other people who want to get in out of the wet, get under a roof, what kind of a roof it shall be, what kind of second story, if there is going to be one, what kind of first story, and where the living room is to be, and where they are to put the bathroom.

Mr. KNUTSON. And the bed.

Mr. HOFFMAN. Yes; and the bed. And so on all the way down the line. That is what they will do. They propose to treat the veterans as we treat animals on the farm. The veterans and those needing homes deserve better treatment than that.

Where is that gentleman from Nebraska [Mr. BUFFETT] who had that clipping from the RECORD which he showed to me just a minute ago—the remarks put in by the gentleman from Texas?

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. Are you the one who showed it to me?

Mr. CRAWFORD. Yes.

Mr. HOFFMAN. What was it the gentleman from Texas [Mr. PATMAN] said about the veterans—about being so solicitous about the veterans?

Mr. CRAWFORD. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan may proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. The head of this speech made by the gentleman from Texas [Mr. PATMAN]—and it is found in the printed RECORD at page A1012 of the Appendix—refers to the revelation of a million-dollar slush fund. But permit me, as a member of the committee, to say that I have not seen any evidence of a slush fund; it has not been revealed to me.

Mr. HOFFMAN. Slush fund?

Mr. CRAWFORD. A million-dollar slush fund.

Mr. HOFFMAN. It may be part of that $500,000,000 that is going to go to the contractors who are to build the homes, I do not know. I never heard of it before. Go ahead.

Mr. CRAWFORD. The gentleman from Texas, in discussing this proposition, said:

> For a month Washington representatives of the real-estate interests have been buttonholing Congressmen, urging them to vote against houses for veterans.

Nobody has asked me to vote against housing for veterans.

Then he also says:

> Why should these lobbyists stoop to such practices? I believe there is a quite obvious answer to that. Should this legislation pass, they will be denied the greatest sucker market in history.

Mr. HOFFMAN. The what?

Mr. CRAWFORD. Sucker market.

The veterans of my district are not suckers. I deny the charge.

Mr. HOFFMAN. Of course they are not. Oh, it well may be that the gentleman from Texas [Mr. PATMAN] did not intend to refer to them as being suckers. We will assume that he did not; I like to be charitable. The gentleman from Texas did not intend to refer to the veterans as suckers. That would cost him votes to say that. He does not do that. He just got steamed up. He was just being oratorical.

That is another illustration of the careless way in which the gentleman from Texas uses words. It is just an illustration, just another proof of the fact that we should not as Members of the House place too much weight on what he says, because he does not always mean what he says. It is just like that chain-store legislation when he went up and down and around and across the country speaking for it or against it, I have forgotten which, but it was a fine thing, whichever way it was, for the gentleman from Texas. It continued for a long, long time. He followed his best judgment. I do not criticize him, perhaps I envy him, I do not know. But in any event you cannot build houses for veterans if you do not have materials. The materials are not available in my district, nor in the Fifth District represented by the gentleman from Grand Rapids, Mich. [Mr. JONKMAN]. The OPA has got down to cement blocks there. Everybody knows that a house has to start down at the bottom, you have to have something under it, but the OPA has got their hands on the underpinning, now. In Holland in the gentleman's district the OPA is ordering the sale of blocks at a price which may put them off the market. And then there are the rafters and the roof. That is all right, but there has to be some materials in between the foundation and the shingles.

Now, I wonder why he does not do something about fixing it so materials can be produced and sold. If you want to do something basic to help the veteran, why do you not fix it so these veterans who have returned can go to work and get a job without paying the political ally, the UAW-CIO and the CIO, the administration's political ally, so that those boys who are coming back who are here can get work without having to join up? Why do you not do something about that, why do you not fix it so they can find work building their own houses over the country? Why do you not get the yoke off the necks of the would-be purchasers of milk in the city of Detroit—open up factories so they can produce—so all can buy—instead of always calling for deficit spending, always wanting more purchasing power.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. The gentleman talked about bathrooms.

Mr. HOFFMAN. What do you want a bathroom for?

Miss SUMNER of Illinois. If you do not take OPA off of the plumbing industry you will not have any bathrooms in houses.

Mr. HOFFMAN. You do not absolutely need a bathroom. You can get along without a bathroom. But if somebody wants a bathroom my point is it is none of anyone else's business. Mr. Ickes, I understand, had one down in the Interior Building all fixed up, a bathroom in colored marble. If a man wants to have a bathroom or a tin tub or take a bath in the watering trough, I think he is entitled to do so.

The administration has not been slow to get on the veterans' bandwagon. This week's effort is with a proposal to build homes for veterans. Everyone knows there is a shortage of housing facilities. Veterans and others—and do not forget the others—find difficulty in finding places to live. This is due in part to a shortage of construction during the war; in part to the tendency in many rural regions to congregate in the cities in order to hold more lucrative jobs. Factory workers, drawing from 75 cents to a dollar and more per hour, were the envy of many a farmer and farm boy. That looked like big money. It was—very good money—until the cost of living skyrocketed.

In any event the Nation as a whole needs more homes. So this latest plan of the bureaucrats and the spenders to create another Federal agency; pay contractors building houses, in addition to the prices paid by veterans, $600,000,000 in subsidies out of borrowed Federal funds; spend some more money under rules, orders, and directives promulgated by a Federal dictator.

As was pointed out on the floor, passing a law and appropriating money will not build homes. Building homes requires lumber and other materials, all of which are scarce. The scarcity is due in part to the enormous use of such materials during the war and to OPA regulations.

For example: Flooring is off the market, one reason being that the price of the lumber which goes into flooring is in some instances higher than the finished product. So who is going to manufacture flooring when he can sell his lumber in the rough for more money? Other materials, soil pipe, metal fixtures, cement blocks for foundations—are, in some instances, required to be manufactured for less than the cost of production.

Until OPA and other Government agencies get their fingers out of the pie, their spoons out of the broth, we will be in a mess and there will be a shortage which will prevent the supplying of the need, the building of homes, the repairing of old ones.

UP OR DOWN

From the administration we have heard overmuch about holding the price line. Time and again Bowles has told us that the cost of living would be kept down, the price line held. "Hold that line" was an early slogan of Truman. Time and again Bowles has told us that the line has been held; that it will be held; that prices have not gone up; that they are not going up; but the housewife knows better.

The fabricators of steel are faced with the ultimatum of the union, backed by the Government, that a wage increase of not less than 19 percent must be granted. Faced by the fact that the administration has granted the manufacturers of steel an increase in the price of steel, the fabricator must buy steel at an increase in price of as much as $9 per ton. They cannot meet the increased wage and material cost, sell at the old figure, and continue in business. Would-be home builders will find it difficult to purchase hinges, locks, faucets, pipe, which are part of bathroom, kitchen, and other equipment.

The administration tells first this industry, then that—if its employees happen to be members of the administration's ally, the CIO—that wage increases must be granted, that it must immediately resume production; then later on, if the industry can prove it cannot continue to pay the increased wage, the added cost of material, and stay in business, OPA may, if it is convinced of that fact, grant an increase in the price of the company's product. Unfortunately, producers and businessmen, knowing, no matter what OPA says, that they cannot do business without a profit, not only will not, but they cannot, go along with that policy. So along comes another bottle-

neck either in this or that needed merchandise.

Eccles, Chairman of the Federal Reserve System, says the Government's wage policy will hike the cost of living 10 percent. Others equally competent say it will go up 20 to 30 percent. Bowles, former OPA chief, now stabilizer autocrat, and Snyder, of Reconversion, reply: "No such thing." And a bewildered people, a confused Congress begin to scratch their heads and to wonder if it would not be well to just throw away the figures of the so-called economists, the theories of the planners, and all of us, using a little common sense and the lessons of experience, go back to work.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. FOLGER. Mr. Chairman, I move to strike out the last word. I ask unanimous consent that the pending amendment may be again read.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk again read the pending amendment.

Mr. FOLGER. Mr. Chairman, I shall offer an amendment to strike out the language beginning in line 20, page 4, and the remainder of the section down to subsection (b). If the amendment should be well thought of by the membership of the committee, the amendment now offered by the committee and pending would be surplusage and unnecessary.

Mr. Chairman, this section reads:

> The director may require any such person to permit the inspection and copying of records and other documents and inspection of housing conditions. The director may administer oaths and affirmations. For the purpose of obtaining any information under this section, the director may by subpena require any such person to appear and testify or to appear and produce documents, or both, at any designated place. In case of refusal to obey a subpena served upon any person under this section, the court for any district in which such person is found or resides or transacts business, upon application by the director, shall have jurisdiction to compel compliance with such subpena.

Mr. Chairman, the language "any person who deals in, sells, rents, or buys, or offers to sell, rent, or buy, any housing accommodations" is exceedingly broad. That can be worked out later in conference, however. Because a man offers to sell or to rent a house it is going a long way to require him to make a report to the housing expediter or somebody else.

But be that as it may, if one violates the substantial provisions of this law, which are intended to provide homes at reasonable cost to veterans, there is in the law a jurisdiction conferred upon the district court of that district where the violator lives or where he transacts business in connection with which he is charged with a violation of the law.

In addition to that we have voted in the amendment which provides that the expediter or the director may require that information be furnished under oath or affirmation, and to make and keep records and to make reports in respect to all such dealings had. Then it is stated:

> The director may require any such person to permit the inspection and copying of records and other documents and the inspection of housing accommodations.

We have provided all that. Tell me why in the world it is necessary then to add to all of this machinery for subpena when no action is pending. There is the requirement that he shall keep records, that those records shall be open to inspection. He may be required to submit them under oath, and, in addition to that, it is to be provided that he may be subpenaed anywhere in the United States to come and tell something about something not at issue. I think that that ought to be stricken out, and that paragraphs (c), (d), (e) would not be necessary at all. I am not in a position to vote for these amendments. It can do nothing but scare the building industry and serve no other beneficial object.

Mr. KNUTSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman from North Carolina has made a contribution to the debate in pointing out some more absurdities in this legislation. The trouble with the country today is that Congress is out of touch with the people. We are becoming increasingly out of touch, the reason being that we do not have time to go home and find out what the people want. This condition commenced when we did away with the short sessions of Congress back some 15 or 16 years ago.

If the chairman of the Committee on the Judiciary is present I would like to suggest to him that his committee bring out an amendment to the Constitution restoring the short session, as it was prior to the time that these "new gooders" took over. We have to get back in touch with the people or the people are going to send representatives down here who are more in touch with what they want, and who better know what the conditions are back home.

Mr. FOLGER. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from North Carolina.

Mr. FOLGER. Allow me to say that in my opinion this added subpena provision will have no effect except to frighten enterprise in undertaking to perform their duties and does not have any substantial part in this bill.

Mr. KNUTSON. I am not so sure but that the main purpose behind all of this freak stuff is to frighten enterprise, drying the country up at its source so that the "long-haired" boys can take over.

Mr. FOLGER. I would not say that was the purpose.

Mr. KNUTSON. Whether it is the purpose or not, the effect would be the same. Congress, as the custodian of the Government, must reestablish its contacts with the people, else bureaucracy will completely take over. The only way this can be done is by giving the chosen representatives of the people enough time at home each year to learn their wishes. In no other way can we hope to maintain representative republican government.

Mr. KEFAUVER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, many of us who have been here during all of this debate, for the past 2 days, feel a little disappointed with the remarks that have been made by some of the Members who have spoken on this bill. The general attitude of many Members is far from encouraging. The personal and insidious statements of some Members reflect unfavorably upon them as legislators. It seems too bad that when we are faced with a great national question like this, when we are confronted with a situation as the boys who have returned from the service are confronted with, they and their families, that this House of Representatives cannot more seriously get down to the business of working out a program to help solve this crisis.

I am certain, Mr. Chairman, that these young men and their families who are hopefully looking to the Capitol today to see what kind of plan we will adopt to enable them to get their families together in a little home are not going to be very much pleased with the demagoguery, the jeering, and the sneering remarks that have been heard so frequently here today.

Furthermore, Mr. Chairman, it is most unfortunate and reprehensible that in this Congress, and at this time, when we need patriotic men who are willing to enter public service to do some of the many jobs this Nation has before it, that inevitably, when they answer the call for public service, they have to be held up to ridicule and scorn as they have been here today.

I do not know Mr. Wyatt but I admire him, and I think he has a fine spirit and a real sense of patriotism for leaving a better-paid position to come here and spend 18 hours of his time every day in trying to help with this problem. He deserves something better from the Members of this House than the sneers and belittlement he has received here. He has been accused of wanting to build up a political machine, his motives have been impugned and he has been attacked personally. Why? Just because he was persuaded to tackle a difficult public job.

Also one way to attack something when you cannot attack it in a frontal way, is to try to make fun of, disparage, or speak lightly of the sponsors of the measure. I do not know of anyone in the Congress who has worked more diligently in trying to find some effective and workable approach to this problem than the gentleman from Texas [Mr. PATMAN]; yet how is he rewarded? He is rewarded by having little, sneering remarks made of him. He is made the victim of personal attacks. He must submit to remarks about legislation he has sponsored or had some connection with in the years past, which has nothing to do with this measure. He could if he wished answer and demolish these jobs. But their purpose is to divert the course of the debate to irrelevant matters and it speaks well for the character and bigness of the gentleman from Texas that

he refuses to be led into this trap. The boys who are anxiously looking for homes are not going to appreciate this kind of approach to this important problem.

Mr. Chairman, a whole lot has been said about taking off all the controls and letting the good old law of supply and demand do the work. I do not think there is anybody in this Congress who does not believe firmly in the doctrine of free enterprise, the law of supply and demand. But let us consider a minute that we are not dealing with an average kind of situation. A great strength of this Nation is that in an emergency it can and the people have the vision to concentrate power in order to get that job done. Would anybody argue that the operation of the law of supply and demand would have built the great war factories and the great housing projects we had to have in order to house the workers? Could we have won the war without emergency measures to throw the full weight of our resources into the struggle? Today even the bitterest critic of this bill would not say that. Yet by sending these boys abroad, by the dislocation of war workers, we now have the aftermath. This gives us as great an emergency, in some lines of our economy, as we had in the beginning; housing is one of them.

When veterans are trying to get settled down in homes, when we are trying to work out a readjustment of the situation which this emergency brought on, shall we answer by saying, "Let the law of supply and demand operate and it will do the job"?

The main thing this bill is going to do, as I see it, is to center responsibility for putting over this program. It will enable us to see that the scarce materials which are available for building go to the place they are needed now, first and foremost, in building homes. This bill says that other things can wait. Certainly it will be to the credit of this great democracy that we can do that for the men who have fought our war for us.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman from Tennessee be permitted to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. KEFAUVER. I appreciate the request of the gentleman from Massachusetts.

I was recently down home and attended a meeting with a large group from veterans organizations. Those men who are looking for housing are not thinking particularly about whether the law of supply and demand is going to work. They feel that this is an emergency. They want and demand some houses to live in. I think they have a right to have a sincere hearing given the problem by their Representatives in Congress. I think the sponsors of this measure, which is aimed at doing that for them, should not need to be subjected to unkind side remarks and belittling statements such as they have been subjected to on the floor here this afternoon.

I do not see anything substantially wrong with this bill. It may have some defects that need to be ironed out. The fundamental purpose of this bill is to channel materials into the place where they are most greatly needed. It seeks to keep the price of new houses within the range of the GI's pocketbook.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I wonder if the gentleman will explain to the House why it has been that for the past 10 months, since VE-day in Europe, with the present administration having the power and the authority to channel these materials into the construction of homes for veterans, and having the power and the authority to change the price ceilings and the other regulations which have interfered with the production and the construction of homes, you have not yet done so, but now come in and ask for greater authority and something else to cover up your mistakes of the past.

Mr. KEFAUVER. I will say to the gentleman that some time back the Administration thought that by takig off the controls in L 41 supply and demand would do the job and would result in the building of all the houses that were needed. What did we find? We found that everything else but houses for veterans were built. Many people argued then as they do now: Remove all controls, and the problem will solve itself. We saw what happended when L 41 was removed. I personally think that if those controls had been kept on so that materials could have been channeled to homes for veterans, we would have a much better situation today. Our experience with L 41 should teach us that we have to reestablish some system of getting controls back on these supplies so we can build more homes.

Mr. BROWN of Ohio. Were you right or wrong then?

Mr. KEFAUVER. The gentleman's remark indicates, and it is very regrettable, that there is entirely too much of a desire to make political capital of this housing bill. We have made mistakes. They have made many mistakes at the OPA. I have criticized them many times, but I am not willing to say, as the gentleman says, that their efforts have not been sincere and that on the whole they have not been in the public interest.

Mr. BROWN of Ohio. When the gentleman refers to making political capital he is referring to our side, I assume. Is not the gentleman a member of a special political committee to defend the administration activities? And is he now speaking as a member of that committee?

Mr. KEFAUVER. May I say to the gentleman that I have not actually joined yet, but I have told the gentleman from Tennessee [Mr. GORE] that I desire to join. We want to keep the record straight, and I think that a worthy purpose.

Mr. BROWN of Ohio. Are you acting now as a member of that committee?

Mr. KEFAUVER. The gentleman is one of those to whom I have referred, who whenever they try to make a constructive argument or try to be constructive are unable to resist the temptation of trying to drag politics into the argument. What we ought to be sincerely concerned about is getting a constructive plan for houses adopted. If we are sensible, we will lay aside politics and stop taking potshots at one another and get down to work on this program. Let us improve this bill and amend it if it needs amending. But let us get something done. Those looking for homes are not going to be very well pleased, and justly so, if we do not do so.

Mr. SCRIVNER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I assure the gentleman that I will speak without rancor. This bill was originally referred to as a housing bill, but in recent days in the debate we hear it now referred to as a veterans' bill. I repeat the question asked earlier in this debate If it is a veterans' bill, why was it not referred to the Committee on World War Veterans' Legislation so that it could be discussed and integrated with other veterans' legislation that has been passed or is now pending? I assume that it is not veterans' legislation, and that is the reason it was not referred to that committee. Let us see what this bill does say about veterans, to ascertain whether references to veterans do more than give this bill a sentimental appeal. It mentions, on the bottom of the first page, "that large numbers of veterans of the armed forces are returning to civilian life in need of housing accommodations which are not available."

That is a fact. There are a lot of people without homes, including veterans. This is a national problem and not merely one relating to veterans. When it is solved on a national scale, it will be automatically solved for our veterans and the solution is production of building materials.

What else does the bill say about veterans? Down close to the bottom of page 2, it sets out the pious platitude, "to permit returning veterans to acquire housing at fair prices." To permit—I repeat—no requirement, mere permission. Then again, on page 12, we find that it is hoped that the Director will make certain regulations which will do what? "Provide regulations for satisfying the housing requirements of the veterans of World War II and their immediate families."

That is another hope and prayer.

Nowhere is there any definite direct priority or preference given veterans.

If this is a veterans' bill, let us see what a veteran himself says, a construction man who has served 22 months overseas in the Pacific and in the Atlantic. Incidentally I might suggest if you want houses constructed that you get the construction men, many of whom were with the Navy Seabees—construction battalion—give them materials and you will get some houses built. But houses are not built by legislation such as this.

What does this returning veteran, Ralph O. Taylor, Overland Park, Kans., say? He says—he is speaking for himself and his wife and family:

> We have 46 acres lying empty and idle, which if given the go signal, will be built upon immediately.

We, the builders, can and will build the necessary homes if we can obtain the necessary materials and not be restricted with regulations.

Does this measure give them materials? No; it gives them red tape—more pushing around. This measure says that if a veteran proposes to buy a house he will have to make a report. If he proposes to sell it, he must make a report. If he proposes to rent a house from me, he will have to make a report. If I propose to rent a house from him I will have to make a report.

This veteran says further in his letter:

I want a home that my family can live in for years to come, not a temporary, something-to-get-by-on home located in some out-of-the-way, undesirable location, which, no doubt, would be the case if homes costing $6,000 are built.

Do not force me and my wife to invest our hard-earned service pay, which we have diligently saved for years, in a home we do not want.

We want to build the home of which I long dreamed while I was gone, and we get very discouraged when we think that after we have fought the war for the things we want and have in this country, we cannot have the home we've dreamed of, saved, and fought for.

Mr. Chairman, these are the views of a veteran. He deserves to have his dreams come true.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. SCRIVNER] has expired.

Mr. GRANGER. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. GRANGER. Mr. Chairman, a great deal of the discussion today has been resolved around the necessity of having homes for veterans.

I want to pay my respect to the man whom I think has done more for the American veterans over the last 25 or 30 years than any other man I know of; that is the gentleman from Texas [Mr. PATMAN]. When we speak of doing something for the veterans, the gentleman from Texas does not use his position and arguments for demagoguery or to raise false issues, or to fool the veterans of this or any other war.

Years ago his voice was a lone voice in the wilderness, when he was advocating adjusted compensation pay for veterans of World War I. He is a veteran in his own right. He has the interest of the veterans at heart. It did not take any special dispensation to make him a member of the American Legion as it has other great advocates of veterans.

He sponsored another bill recently, the full employment bill, and many others that have been made law and have benefited the people generally. He is an objective thinker. If he makes a move it will be in an objective, aggressive, and progressive direction. He will never go down in history as an obstructionist. He is here again today, not only in the interest of the veterans but in the interest of the American people, to find ways and means to build homes for veterans and others.

It seems to me we should lay aside much that appears to be politics today, and if the bill we are now considering is inadequate or goes too far, let us amend it and present it to the House that we may vote on it intelligently.

It is easy to come down here in the well of the House and criticize. It is easy for a minority member after a committee has worked for months and months on a bill to step down here in the well of the House, read the title of the bill and then tell the committee it is not any good. It seems to me it is a reflection upon the work of a great committee for Members to come here on short notice and say this legislation should not be passed. I think it should be passed. There is a shortage of houses at every crossroads and in every community in the land, and something must be done, some objective step must be taken, in order to remedy this shortage of houses. We have an opportunity here today to take a step in that direction and I trust the membership will support the committee in passing this bill.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, earlier this afternoon, the majority leader, for whom I have a deep affection, indicated that there was a great invisible lobby that was seeking to roll back the veteran and every interest that we might have in him. I think that was a most regrettable statement. I certainly would not have made it. There is a note of confession in it sometimes, and I mean that in the most charitable and compassionate sense. If the Members of this House have been pressured by any lobby, it is really the lobby of Federal agencies who leave no stone unturned to obtain the broad delegated powers like those contained in this measure, under which they can, by rule and regulation, regiment the citizens of this country.

Is there anybody here who does not believe way down deep that every Member of this House is interested in the veteran? Here sits the gentleman from Kansas [Mr. SCRIVNER] who left the floor a moment ago. If I remember rightly, he was State commander of the American Legion in his State, and I believe also that he received the Purple Heart and was awarded the Silver Star. Has the kinship of the uniform so far departed from the heart of the gentleman from Kansas that he is not interested in the veteran? One becomes the commander of a veterans' organization for an entire State only by long, diligent, and faithful service to the cause of veterans.

Sitting back here somewhere is the gentleman from Pennsylvania, Dr. FENTON. If you look at his lapel, you will see that he wears the Silver Star from the last war. Do you think he is wanting in charity, wanting in a sense of justice, willing and able to do anything that he can and honestly and effectively do for the veteran?

Sitting over here is the gentleman from West Virginia [Mr. ELLIS]. He was a commander of the American Legion in his State and served honorably and with distinction.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. GRANGER. May I say the gentleman also has a very distinguished service record?

Mr. DIRKSEN. I appreciate that gracious compliment from my friend.

Mr. PATRICK. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. PATRICK. By their fruits ye shall know them.

Mr. RANKIN. That ought to be taken down.

Mr. TRAYNOR. I have served 7 years in the armed forces of this country. They are not all over on that side.

Mr. DIRKSEN. That is right. My friend simply anticipated me for a moment, for I was coming over to that side.

Mr. TRAYNOR. I thank the gentleman.

Mr. DIRKSEN. If I remember Will Kennedy's story correctly—and Will did a great job of publicizing the background of Members of the House and Senate, the sons and daughters that they had in the armed services—there were probably 3,000 people from Capitol Hill who served in the armed services of this country. There are over 200 veterans of World War I in this body. Have they become so wanting in that feeling that holds the present to the past, have they become so wanting in their devotion, their affiliations and their affections for the younger veterans of World War II that they would willingly and consciously undertake any act upon the floor of this House whether by word or by recorded vote that would be inimical to the veterans of World War II?

In 1943 when Will Kennedy of the Washington Star completed his survey of the military records of men in the House and in the Senate he found that 32 Senators and 165 Members of the House had served in four great wars. That was the Seventy-eighth Congress and since that time the number has been substantially increased.

More than one-half of the Members of the Senate, namely 50 Senators, and 135 Members of the House had sons or daughters or other kinfolks in the armed services in World War II.

There are Members of this House who have had many members of their families in the service and some have lost precious sons on foreign soil.

If time permitted, I would read the whole list into the record but unfortunately it would be too long at this point. Suffice to say that the Members of both bodies of Congress by ties of blood have a deep and abiding interest in the veterans of World War II and it is inconceivable that any person could entertain the thought that the great majority of this Congress is not deeply anxious to find the right solution for the proposed housing program so that there will actually be houses and not castles of disillusionment for those in whom we are interested. It becomes necessary to refresh the minds of the membership that the problem before us is not whether or not there should be a housing program that will produce houses but what kind of a program.

The chairman of the Committee on Banking and Currency asked for fair consideration for the pending bill. I

agree with him and will do my bit to see that it is not only fairly but thoroughly considered.

After all this Congress has had much experience with administrative agencies and with delegated powers which were spelled out by rule, regulation, and directive in such a fashion that the intent of the Congress was so often ignored, disregarded, or flouted.

We are all striving in the right direction for the right answer to this problem; but frankly I do not feel that the answer can be found in the bill that is now pending. After a while a substitute will be offered, carefully considered, carefully worked out but free, I think, from many objectionable features that you will find in the pending bill. That substitute will be offered by the ranking member of the committee handling the bill today, the gentleman from Michigan [Mr. WOLCOTT].

But, Mr. Chairman, I supplicate you, that nobody come down in this well again and make it appear on the part of a great deliberative body, so many of whose Members served not only in World War I, but in the Spanish-American War like my friend the gentleman from Michigan, ROY WOODRUFF, sitting there, and like some of our youngsters who wear the discharge button of World War II, and make it appear that we are wanting in interest or zeal to find a solution for the problem which is fair, durable, and effective.

Mr. PATRICK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I remember in the reading of the Master, when the disciples were declaring their great love for Him, He said, "If you love me, keep my commandments."

I remember the boy who went to the mill. He had three roads to go. He could go the main highway, the valley road, or the mountain road. He had great difficulty in choosing the road, and when he got to the mill he wondered what the miller would say. He got to the mill, the miller looked at him and said, "How much corn have you got there?" Never a word was asked by the miller as to which road he came over.

Of course, you Members opposed to this bill love the veterans as well as we do. But you have veterans in your district, and they are asking for houses in your district, whether you are a member of the Banking and Currency Committee or not. That committee started hearings on this legislation last December. Every Member of Congress, I take it, was invited to go there and lay his grist before the mill. The committee chairman nods assent. Thank you. Every Member was invited and was not asked on the basis of whether a Democrat, Republican, or whatnot.

We knew then, in December, Mr. Chairman, that we had veterans coming home. All Congressmen knew the problems that were mounting already for housing. It seems to me to be not the most diligent representation to wait till we come to consider a bill reported by the Banking and Currency Committee and then to find fault here and find fault there when we could have been contributing to the veterans needs before. When it comes time to vote for a Congressman next fall the veterans are not going to ask, "Were you on the Banking and Currency Committee?" They are going to ask, "Were you in the Congress of the United States when I asked for bread and was given stone." We have a bill here today. How much have you contributed to it? How much of it is yours? You are wailing and gnashing your teeth about this bill, but how much of it did you put in? How many times did you appear before the Banking and Currency Committee to help out? Or did you wait until the bill got on the floor, then find this or that obstacle that you thought was so big you could not hop over it, then lay all the blame on the committee?

When I hear men on the floor here in debate I sometimes wonder if we have not all been placed on the wrong committees. A committee will be put to work on a bill, it will work hard and report a bill. Other Members seem to know all about that legislation, however, a bit tardy about revealing that knowledge, though they are not always so hot in their own committees. They come out revealing their great grasp by opposing the reported bill they could have helped so much in shaping but neglected entirely. So I think sometimes that most everybody in Congress is on the wrong committee. Personally I am not a member of the Banking and Currency Committee. Mine is the Committee on Interstate and Foreign Commerce. The members of the Committee on Banking and Currency, in my judgment, have done an excellent job. I am here to support them and help the veterans. They have brought out something. They have arranged to get what material we can get, what is available under the regulations that we have, and for my part I do not think OPA controls over these materials should be released yet. We have to channel them for some time. If we let the law of supply and demand entirely govern in times like these we will always get crossed up. The truth is, it is not accurate to refer to the force as the law of supply and demand. That term is a short cut. It is the law of the relation of the supply to the demand. This is what we really mean when we refer to the law of supply and demand.

In times like these the demand runs away off and leaves the supply. Every bright schoolboy knows that. The regulation that we must have keep it from running farther and spiraling into a great inflation. We now have such regulations and directives, and you cannot handle the work without a board.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATRICK. So we have to come forward and do the best we can with what is available, and we say that instead of building entertainment arenas and instead of building picture shows, and instead of building other things, that which can be done, what can be applied shall be applied to giving the veterans homes. It is our duty to do this. It will not be giving the veteran everything he wants. We may not be able to get the bathroom as some finicky wife would like it; that is not what we are after. Half a loaf is better than none. So we should get busy. We must get busy. The responsibility is yours, and when you get back home the veterans are going to ask you, "Well, if you could not do all you would like to, did you do the best you could?" If you are forced to say "No," you are going to be a lost ball.

Mr. SABATH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, about 11 years ago this House appointed a special committee to investigate the so-called protective bondholders committees which were then operating throughout the country. At that time my colleague the gentleman from Illinois [Mr. DIRKSEN] was a member of that committee. He must recollect the overwhelming evidence with respect to the investment bankers who negotiated the sale of over $20,000,000,000 in real-estate bonds, and who, when the crash came, succeeded in having their officials or representatives appointed as members of the protective bondholders committees, whereupon they obtained powers of attorney from the bondholders and assumed complete control of thousands of apartment buildings. Then followed the appointment of members of these investment-banking concerns, or their agents, as receivers and trustees, and, as such, in control of these buildings, other agents or representatives of the selfsame investment-banking concerns acquired the bonds on the buildings at 5 cents, 8 cents to 12 cents on the dollar. Excessive fees were levied against these properties for the services of the trustees and receivers and for their attorneys; with high management and other charges added current income was dissipated and taxes could not be paid, all to the ultimate loss of the distressed bondholders.

REMEDIAL LEGISLATION EMASCULATED

After 2 years of exhaustive investigation by the committee on real estate bondholders reorganizations and the submission of its report to the House recommending remedial legislation, the Committee on the Judiciary reported a bill which proposed to protect and safeguard the interest of the bondholders by providing for the appointment of Federal receivers to have supervision of the bonds on all buildings for which the courts had authorized the appointment of protective bondholders committees. While the bill passed the House it, unfortunately, was emasculated by amendments in the other body and only a few of the protective provisions were in the bill when it finally was enacted. These provisions to some degree prevented a repetition of certain unethical practices of some of the bondholders committees and the trustees and receivers, and resulted in the saving of some buildings to the bondholders; but, in the main, most of the buildings remained in the clutches of the agents of the investment bankers

and manipulators, and their friends in dummy organizations.

Not only that these unscrupulous groups had acquired the bonds at a few cents on the dollar by means of the power of attorney which they had obtained by misrepresentation and which power they abused; but they sold many of these apartment buildings, hotels, office buildings, et cetera, to their henchmen, their representatives, and to cliques which they organized. The opposition today to the pending bill comes from the representatives of the owners of the properties which I have described that were bought for a song, of which the bondholders were robbed, and it is they who are behind the outrageous lobby and propaganda that has been going on to remove the ceiling on rentals, because the fewer homes built the greater will be the profits and incomes derived from these illegally acquired buildings.

POWERFUL LOBBY OPPOSES BILL

My colleague the gentleman from Illinois [Mr. DIRKSEN] is aware of the situation and what transpired, and must concede that what I have stated is beyond successful contradiction. The selfish groups opposing the bill are not interested that homes be built for the discharged veterans and the returning servicemen who are unable to find homes to live in, or in the hundreds of thousands of other Americans who are in like position.

This lobby, which has been referred to by the majority leader, is one of the worst I have ever observed in the Capitol and he is fully justified in his statement.

Mr. Chairman, being familiar with the existing conditions in 1941 and viewing the approaching shortage of homes in the District of Columbia, and feeling that it would be impossible to provide living accommodations for the many thousands of needed Government employees and that there was then an existing shortage of homes and quarters for those employed in offices here, I introduced a resolution to relieve the situation. It provided for the decentralization or removal of bureaus and divisions of the departments and other Government agencies to other cities where plenty of homes, apartments, and office space were available. At that time there were some Members, as there are today, who ridiculed the proposal. Despite this I laid the matter before the President, and pointed out the seriousness of the situation and that it was absolutely necessary that something be done to remedy it. Wher upon the President, by Executive order, directed the decentralization and transfer of certain divisions and bureaus of departments and some agencies to Chicago and other cities.

HOUSING SHORTAGE IS REAL

During the war all materials and labor were allocated to the production of urgently needed war supplies and to construction of barracks, camps, and so forth. While we were able to provide housing for war workers, we were unable to provide housing for other civilians or for the returning servicemen. In this connection many of you recall my fight in 1942 or 1943 for an additional $800,000,000 appropriation for home construction. Had that appropriation been made I know the housing situation would not be as alarming as it is today. You gentlemen all concede that there is a great housing shortage. However, some of you are opposed to the bill which aims to relieve that shortage. For what reasons, may I ask? I cannot help but feel that you are being influenced by this unholy alliance between the real-estate operators and manipulators and the various manufacturing and commercial boards who for selfish reasons urge you to vote against the bill and thereby deny to veterans the same aid in obtaining homes as was provided for the war workers. The various manufacturers and suppliers who control the material required for home construction do not want to be restricted by price ceilings, and it is apparent that some Members are willing to vote for the bill if all price restrictions are removed at the expense of the returning veterans and to enable the manufacturers and suppliers to obtain a still greater profit in the sale of materials that go into the construction of homes. I have stated on the floor and have advocated for many months that priority should be extended on all building materials and that the construction of homes should have first call on labor. It is not that I am opposed to builders, dealers, and real-estate owners making a profit; but I am against depriving 2,000,000 veterans and returning servicemen and homeless citizens of the opportunity of obtaining homes for their families. The imperative need for the passage of this legislation is evidenced by a press report which I just read that gives an account of conditions in Frederick, Md., and surrounding counties where the cost of homes has advanced 58 percent in the past 6 months. This report indicates that, if ceilings on materials are removed and no limitation placed on the construction of new homes, prices would go sky-high.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. SABATH. I am sorry, I cannot yield.

Mr. HOFFMAN. I want to pay the gentleman a compliment on his foresight. Will the gentleman yield? It is a compliment.

Mr. SABATH. No; I appreciate what my colleague has said, but I want to bring some information to the House.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. SABATH. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. I repeat, we all realize a shortage of housing exists. That is an undisputed fact. My colleague the gentleman from Illinois [Mr. DIRKSEN] has cited men who served in both the First and Second World Wars who, he states, are opposed to some of the provisions of this bill; and they, he has suggested, would be interested only in the welfare of ex-servicemen. My colleague's correspondents do not, perhaps, have the gentleman's same high ethical standards. I fear they are swayed by self-interest; or perhaps they have been misled by the tons of propaganda poured out by the real-estate and construction lobby. Or perhaps the Republican leadership is playing its usual game of extracting every possible political advantage from any given situation. If, by winning some Democratic votes, this bill can be defeated or weakened so that it cannot be effective in solving the urgent housing problems, the Republicans will say, and rightly, that the Democrats had a majority in the House; and if they are taxed with their own opposition they will intimate that the bill was opposed by veterans' organizations. This bill should not be used for political advantage. The need and the urgency are too great. I am confident that the vast majority of veterans favor the enactment of this legislation. They want homes, now, at prices they can pay.

NOTWITHSTANDING THE OPPOSITION OF THE GENTLEMAN FROM MISSISSIPPI

The gentleman from Mississippi [Mr. RANKIN] has moved to strike out the enacting clause. This would kill the bill. If the gentleman's motion prevails, the ex-serviceman would have to abandon all hope of obtaining the home which he needs and is entitled to. He served his country; but his country would show that it refuses to serve him. It is difficult for me to understand the motives which underlie the gentleman's efforts to kill this bill. I have in my possession hundreds of letters and telegrams from veterans, from their organizations, from their families, and from just ordinary Americans, pleading for and urging the enactment of this legislation. Do you not recognize the need for more homes? Are you more interested in selfish builders and real-estate operators than in the veterans and homeless citizens? Please do not be led astray by this insidious propaganda which has been filling your mail in the form of telegrams, circulars, brochures, letters, petitions, and resolutions. That is mass production of one of the most intelligent, skilled, and heavily financed lobbies this National Capitol has ever seen. That lobby is not of just one industry or one business. It is an integrated and interrelated grouping of many Nation-wide interests, none of them in business for pleasure, skillfully organized and thoroughly regimented. This mass pressure is set off almost as easily as pressing an electric-light switch when the time comes to set the combined forces in motion.

INFLATION THREATENS

Mr. Chairman, if steps are not taken immediately to provide for priorities on building materials, as contemplated in the provisions of this bill, it will not reflect credit upon this House. The industry's own figures show that material now is going into the high-priced business and industrial building, not into housing. Our new and energetic Housing Expediter, Mr. Wilson Wyatt, has recommended urgently the authority for imposing preferential priority ratings for home construction; the building of homes cannot begin until those priorities are established, for at the present time the materials are being used in high-priced

and nonresidential building. There are those of us who have an interest in our discharged veterans and in our returning servicemen, and we have an interest in our country and in the people of our country. We feel strongly that the people of this country are entitled to decent homes; and we do not believe that they can get decent homes under present conditions without aid from the Congress.

This bill has received long, careful, and thoughtful consideration from the great Committee on Banking and Currency. It embodies recommendations of the Housing Expediter, who was appointed by, and has the full support of, the President. If we are honest and sincere in saying we want to help get homes for the people, and in warding off disastrous inflation, then we feel it is our duty to pass this bill. If we fail in that duty, we are inviting the wild and dangerous inflation that followed the First World War and ended in world economic collapse in the late 1920's under the inept Republican administration. We do not want that; but when people are outbidding each other for a place to live, we are going to have it.

Mr. Chairman, I cannot conclude without saying this: It has been my privilege to meet Wilson Wyatt, who has been appointed by the President to expedite and coordinate the efforts to provide construction of homes in this acute emergency. In all candor, I want to say that I have met many capable, honest, and sincere men; but I have never met a man possessing more constructive ability and determination to serve the Nation than Mr. Wyatt. I know if you would meet him personally you would recognize his great ability and his earnest desire to serve our country. You would agree with me that in his able hands this program, for which I hope you will vote, will be managed economically and effectively so that the best interests of our country will be served, and homes will be built for the homeless thousands of veterans and citizens who are clamoring for a place to live; who roam the streets and highways of our Nation looking for a home they can call their own.

Mr. Chairman, it is my hope that all the provisions in this bill will be favorably considered, and that early action will be had in the Senate to enable Mr. Wyatt to initiate his program at the earliest possible moment in order to relieve the state of acute emergency that now exists.

Mr. RANKIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, may I say in reply to the gentleman from Alabama [Mr. PATRICK] that I have had a great deal of experience with veterans' legislation.

There is not a Member of this House who is not a friend of the veterans. Nobody has a monopoly on that friendship. There is a difference of opinion as to how to help the veterans. Right now on this measure, the opinions divide most drastically. There is a difference between doing something for the veteran and doing something to him.

The advocates of this measure calling it a veterans' bill, remind me of an incident that happened near the town of Nettleton where I used to live.

A Negro undertook to ford the creek one night. The creek was up and his horse went down and the Negro was drowned. The next morning all the colored people of the surrounding country gathered, together with a large number of the whites, to try to recover his body. The creek used to go almost dry in the summertime, but a few fishermen had some old rickety boats which they let the Negroes have on this occasion. They filled those boats just as full of Negroes as they would hold. They accidentally ran those boats together and knocked the ends out of both of them. To the horror of everybody, they went down and filled the creek full of drowning, screaming, plunging Negroes. There was one old fellow, old Uncle Alf, sitting in the stern of one of those boats. He saw what had happened and knew what it meant. He jumped just as far down the creek as he could. He could not swim worth anything, but he would go down, hit the bottom, and come up again, plunge a little, and blow the water out of his nostrils, and then go down again. He drifted down the creek while everybody was trying to get the others out, and eddied in toward the bank and was beginning to reach for a willow limb that hung down over the water's edge. In another moment he would have had it in his grasp, when an old Negro woman saw him, rushed down to the bank of the creek and said, "Lord, look at Uncle Alf." She picked up a great big trunk and pitched it to him; hit him right on top of the head; he went down, and we never saw Uncle Alf again.

That is what I am afraid this measure will do to the veterans.

Mrs. DOUGLAS of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, whatever our sympathies for the veterans, the fact remains that we sent 13,000,000 men into service to fight, we said, for their homes and their country. When they came back, there were millions who could not find adequate homes. When we needed them, we overcame every obstacle in order to get them first-class equipment to fight for us. When they needed us, there were many who thought that we could and should do nothing for them. Mr. Wyatt's program is the equivalent in peacetime of the wartime goal of 150,000 planes a year launched in 1941. Mr. PATMAN's bill, I believe, is a constructive program for implementing that program.

Mr. VURSELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was very much interested, and I know the Members of the House were, in the very splendid references made in the remarks of the gentleman from Illinois [Mr. DIRKSEN]. Of course, we are all interested in veterans. The only question is how we can best serve them. He spoke of the interest of the Members and the reason for the interest of the Members in the veterans. His reference in his attempt to answer the majority leader was indeed timely and I think sound and wholesome. There is another thought I had in mind when the majority leader was addressing the House this morning, and as others have. They say we should not bring politics into this; that this is commencing to be a partisan issue.

Now, who is trying to bring politics into this? Certainly the Members on my side are not. I think I am the first one who has referred to it, and I am referring to it in the hope that in the future those who are supporting the Patman bill will not try to put those of us in the minority party in the position of trying to bring politics into this bill. There is no place for politics in this bill. If you want to indict us and try to cast aspersions on us, you are casting aspersions on many Members on the majority side of the House, because we see eye to eye with them, according to the votes that have been taken. I hope that in the future those who address the House will not try to bring politics into this bill. We are all interested in the veteran. When he asks for bread we do not want to give him a stone. We want to try to work out a housing bill that will get shelter for the veterans.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I cannot yield now.

The only question is, How are we going to approach it? I think the Patman bill, as I said yesterday, should be thrown out the window, and I am satisfied that is what will happen. Then the Wolcott bill, which is permeated with a lot of good sense, will be offered. I think that bill furnishes a vehicle on which we can build an act whereby the veteran, when he asks for bread, will not be given a stone. I think we can amend that bill so that we can exert the power of this Congress to try to get more housing for the veterans.

Now, some of us point out occasionally why the veteran does not have housing. I have a letter here directed to the gentleman from Illinois [Mr. ARENDS] under date of February 19 from Peter A. Stone, of the OPA. I will burden you with only one paragraph of it, and I quote:

> This Office, realizing, however, that the demand for building material since VJ-day has rendered price differentials contained in the present regulations obsolete, in connection with the Industry Advisory Committees covering Douglas fir and western red cedar, has arrived at compensatory changes in the regulations which will, we believe, promote the production of building items such as flooring, drop siding, etc., and contemplates discussing this same matter with the advisory committees representing ponderosa pine and redwood within the next 2 weeks.

That letter was dated February 19. For 6 months since VJ-day they recognized, by their own letter, that some of these regulations which have been preventing the production of lumber and building materials were obsolete, and now, within the next few weeks, they hope to discuss it. Why have they neglected to right these wrongs for 6 months, holding back production of building material? Some of us who want to get housing for the veterans must point out that the thing that has brought us to this crisis at the present time has been because of delay in correcting mistakes by the OPA, too much regulation

that has prevented the very materials that must be produced in order to get housing for the veterans. Those are some of the reasons for the shortage of material and the great need of housing.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. VURSELL. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield.

Mr. BUFFETT. That letter is from the OPA, and they say now, in February, that their regulations were obsolete on VJ-day?

Mr. VURSELL. Yes; that is right.

Mr. BUFFETT. And that was 6 months ago?

Mr. VURSELL. Yes; but they are going to discuss it soon with the advisory committees after 6 months' delay.

Now, the gentleman from Texas [Mr. PATMAN] made some statements that we were importing more lumber than we were exporting. I have a letter from the National Retail Lumber Dealers Association from which I wish to read:

NATIONAL RETAIL LUMBER DEALERS ASSOCIATION,
Washington, D. C., February 27, 1946.

Hon. CHARLES W. VURSELL,
House of Representatives,
Washington, D. C.

MY DEAR MR. CONGRESSMAN: Congressman WRIGHT PATMAN, speaking in support of his bill H. R. 4761, stated on the floor of the House on Tuesday, February 26, that the United States imported three times as much lumber as it exported. That statement is misleading, and I think that the Members of the House are entitled to a true and accurate statement on the export-import situation, and I hope that you will use your good office to inform all Members of Congress as to the true situation.

I am attaching a table showing the export and import figures from 1923 through 1945. The source of this information is the Bureau of Domestic and Foreign Commerce.

You will notice from these figures that during peacetime exports have always exceeded imports. Only since the beginning of the war have imports exceeded exports. You will also notice that during the war the import and export figures on lumber are practically negligible as compared to normal.

It should also be pointed out that normally the Orient was the largest export market. Until 1938 Japan was the leading export market for fir lumber, and until 1940 Argentina was the leading southern pine export market. Until 1936 Germany and Italy were substantial buyers of United States softwoods. Of the total softwoods exported between 30 and 40 percent went to the Orient until 1938, at which time exports of softwoods to the Orient dropped to about 20 percent. Obviously when the war was declared these export markets were cut off. This accounts to a large measure for the very small exports during the war period. Over 90 percent of the softwoods—the type used in construction—have always come from Canada, yet Canada normally only receives from 2 to 6 percent of the softwoods exported from the United States.

As you realize from the attached figures the import and export figures from 1941 through 1945 are practically meaningless, and I believe that if Mr. PATMAN knew all the facts he would not have made the statement on the floor last Tuesday.

Yours very truly,
NATIONAL RETAIL LUMBER DEALERS ASSOCIATION,
H. R. NORTHRUP,
Secretary-Manager.

Lumber exports and imports

[Millions of board feet]

Year	Exports	Imports
1923	2,465	1,971
1924	2,747	1,742
1925	2,611	1,846
1926	2,826	1,899
1927	3,063	1,744
1928	3,243	1,468
1929	3,197	1,542
1930	2,352	1,219
1931	1,701	748
1932	1,155	381
1933	1,281	359
1934	1,348	287
1935	1,313	438
1936	1,284	662
1937	1,443	688
1938	977	530
1939	1,104	718
1940	972	740
1941	696	1,360
1942	524	1,540
1943	310	855
1944	360	999
1945 [1]	474	1,037

[1] Preliminary and subject to adjustment.

When we get back in the House I shall secure consent to place these tables in the RECORD. These tables show that the gentleman from Texas has been mistaken and has not given the House the real and proper information as to imports and exports.

Mr. Chairman, I yield back the balance of my time.

Mr. GAVIN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I have listened with a great deal of interest to this debate on the housing bill and I may say as an overseas veteran of World War I that my concern for the veteran is well known, and I defer to no Member of this House in my interest in the veteran and veterans' affairs. I stand on my record. Instead of the Members of the House confining their remarks to the merits of the bill it appears as though the debate has revolved around whether we are for or against the veterans. Every man in this House is for the veterans. In recent months every piece of legislation presented to the House seemingly centers around the veteran and I personally for one am rather tired of the catalog act that is brought out here on every piece of legislation charging that the legislation is for the veteran. There are other people interested in this housing program who will benefit as well as the veterans, so why bring in the veterans constantly? There are some of us here who have a right to have our ideas on this proposed legislation. Personally I do not like the $600,000,000 proposal for subsidies. If we are sincerely interested in the veterans why do we bring in the subsidies that we know the veterans will have to help pay for in taxes?

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I do not yield at this time. All of last year we talked about our great interest and concern in the veteran, yet we increased the Commodity Credit from $3,000,000,000 to $4,750,000,000. Now if we are interested in the veterans why do we want to pay subsidies all the way down the line to add to the tax bill, put off the time of paying, making it necessary for the veteran who has been over there doing the fighting for us to come back home, take off his coat, and go out and find a job and earn the money to pay through taxes for that which we have spent and which we should have paid ourselves, we who at home had security and good wages or salary.

So I want to say right now that through this proposed $600,000,000 housing subsidy we are again putting off the time of payment until the veteran comes home, gets a job, and has to go out and earn the money to pay through taxes this $600,000,000 that we are proposing to spend in this housing program.

If we are honest with ourselves and if we are interested in the welfare of the veterans and their families, we will cut out spending, take the shackles off of business, effect economy in the operation of the Government, reduce expenditures, cut down the pay roll, balance the budget, cut out deficit spending and get down to business. Discontinue piling up the national debt which will burden the veteran and his family for the next 50 years. Then we will really be doing something in a practical way for the veteran and the record will prove our sincere interest in the veteran and his welfare.

Mr. MONRONEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we all know that there will be some 13,000,000 citizens of the United States at a tremendous disadvantage in trying to find houses in the next 2 years. These veterans need our help, since they have been away for 3 or 4 years, and upon returning find all of the available housing taken up.

The veteran is entitled to help, even if a subsidy of $600,000,000 for extra materials is required in order to try and help get housing for them. I can remember not so many months ago when the gentleman who preceded me voted for the waiving of $6,000,000,000 in taxes that were due at that time under the Ruml plan and foisted that plan on the veteran while the veteran was away.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I disagree with the distinguished gentleman from Oklahoma when he says that we should grant the $600,000,000 subsidy for the veteran. He has to pay it anyway. If he does not pay it now he has to pay the taxes to pay the subsidy when it falls due. So what difference does it make?

Mr. MONRONEY. The gentleman makes a very interesting point. The whole solution offered by the gentleman's side has been, well, we will merely raise the price of the veterans' houses and that will cure everything.

Mr. Chairman, OPA is the whipping boy in this whole thing. They say, "We will saddle on the veteran the present 60-percent increase in housing costs that has occurred while he was away fighting, then we will give him another 30-percent increase in home costs and let him pay it."

Mr. GAVIN. Would it not be better to pay the bill now—let those of us who had security and big wages pay it now rather than forestall the time until the veteran comes home and he has to pay it?

Mr. MONRONEY. The gentleman apparently has not listened at all to the discussion that has gone on as to what these incentive-production payments are.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Texas.

Mr. PATMAN. Mr. Chairman, first I ask unanimous consent that the gentleman may be allowed to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. I want to ask the gentleman if it is not a fact that although the gentleman from Pennsylvania is very much opposed to the subsidy in this bill he was one of the advocates of subsidies for stripper oil production?

Mr. MONRONEY. I believe that is correct.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. That was at a time when the country was demanding and needing oil.

Mr. MONRONEY. And at this time the country is demanding extra production of construction materials.

Mr. GAVIN. That may be, but the war is over. Let us pay the bill as we go along now. We could not get any relief in the form of an increased price in oil at that time, I may say to the gentleman from Texas [Mr. PATMAN], and it was necessary from the economic standpoint that we get some incentive help or that particular field I represent would have gone out of the picture and would not have produced any oil.

Mr. PATMAN. I agree with the gentleman on that, but this is just as much of an emergency.

Mr. GAVIN. But we ought to pay the bill now, not 2 years from now. We should pay it as we go along.

Mr. GILLESPIE. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Colorado.

Mr. GILLESPIE. The gentleman mentioned that the cost of housing has gone up 60 percent.

Mr. MONRONEY. That is the information I have.

Mr. GILLESPIE. A good deal more than half of the 60 percent is in additional wages, is it not?

Mr. MONRONEY. There is some of that in additional wages, but there is a tremendous additional cost in materials, I may add.

Mr. GILLESPIE. That is wages, too, is it not?

Mr. MONRONEY. Materials?

Mr. GILLESPIE. Materials and wages.

Mr. MONRONEY. Perhaps, but there were some pretty good profits and some charge-offs, too.

Mr. Chairman, I have a statement which should interest the committee. The main part of this bill provides for a housing expediter to channel and give priority to veterans in housing. If the Members of the House are not in favor of giving those priorities to the veterans they ought to vote against this bill. But 90 percent of the Members of the House want the veterans to have priorities. They want these veterans to have priorities, so it is necessary to set up a production expediter.

It has been charged that Wilson Wyatt never drove a straight nail in his life or does not know how to saw a 2 by 4 and is not an experienced construction man. I would like to say to the people who have urged this position that he is not an experienced construction man; that intimate knowledge is not necessarily a prerequisite. The best job that has been done by an expediter during my years in Congress was done by Mr. Bill Jeffers in connection with the synthetic-rubber program, and I do not believe he ever made a pound of synthetic rubber in his life before he became a production expediter.

Going to this matter of breaking production bottlenecks that are caused by price limitations—and that has been about 90 percent of the criticism on the Republican side of the aisle—we are asking for an expediter who can break those price bottlenecks and give you a flow of material.

The other feature that I see as important on production subsidies is to bring in not just enough materials to enable us to build about three or four hundred thousand units per year for the veterans but to bring an ocean of materials that will enable us to build a million houses a year for the veterans.

This program has been charged with being communistic and socialistic and harebrained.

I would like to read a statement I received just a few minutes ago from Mr. Wilson Wyatt, who has just finished attending the National Association of Home Builders at Chicago. I am sure you men on the Republican side of the aisle know who they are. They are the biggest representative group of private-home builders in the country.

This is from Mr. Wyatt:

The National Association of Home Builders in Chicago endorses the following provisions of the Wyatt program without qualification:

(1) Legislation designed to carry out in full the premium-payment program through amendment to the Patman bill.

That is the so-called subsidy provision of $600,000,000 that I intend to offer when the bill is read for amendment.

(2) Legislation relating to title VI of the National Housing Act through amendment to the Patman bill.

That amendment will be offered by the gentleman from Texas [Mr. PATMAN] and put into this bill when the bill is read for amendment.

(3) Extension of the priorities time limit to June 30, 1947, as reported by the committee in the Patman bill.

(4) The powers to be vested by legislation in a housing expediter now embraced in the Executive order by the President and to be offered as an amendment to the Patman bill and also to be offered by Mr. WOLCOTT in his substitute.

Those are the amendments that the gentleman from Texas [Mr. PATMAN] and I intend to offer, and I believe the gentleman from Michigan [Mr. WOLCOTT] intends to offer a portion of this; that is, embracing in the authority of the housing expediter the same powers that are now given in the Executive order.

So you can see with all the criticism, with all the words of tirade that have been directed against this bill, almost every single item in the bill with the exception of ceilings on newly constructed houses, which are not mentioned here in their endorsement, is provided for in the endorsement. The National Association of Home Builders is composed of the men that we must look to to carry out the major part of this gigantic housing program.

I think it is very significant that the men who know what the material situation is, who know their own inability to find and get the added supplies of material that we must have if we are going to build a million houses a year, come out and flat-footedly advocate the production incentive program that is offered by Mr. Wyatt and that I will offer as an amendment when the bill is read.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Illinois.

Mr. CHURCH. Who gets the subsidy?

Mr. MONRONEY. The subsidy goes to the small producers who find themselves unable to continue the production of critical supplies of building material either through present price ceilings or through competitive ceilings that might be in existence after price control is out.

Mr. CHURCH. Will the men who passed this resolution get the benefit of that subsidy?

Mr. MONRONEY. No, they get the benefit of the additional supply of materials becoming available, which they, as builders, know does not exist today. They are anxious to work. They have their plans made, but they see across this land of ours submarginal producers that are frozen out of production because they cannot quite produce at the same price at which a big manufacturer can bring out a product and make a substantial profit.

Mr. SPENCE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4761) to amend the National Housing Act by adding thereto a new

title relating to the prevention of speculation and excessive profits in the sale of housing and to insure the availability of real estate for housing purposes at fair and reasonable prices, and for other purposes, pursuant to House Resolution 530, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. JUDD asked and was given permission to extend his remarks in the RECORD and include a newspaper excerpt.

Mr. KEFAUVER asked and was given permission to extend his remarks in the RECORD.

Mrs. BOLTON asked and was given permission to extend her remarks in the RECORD and include an article appearing in the Post on Mount Vernon.

Mr. MILLER of California asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. BLAND asked and was given permission to extend his remarks in the RECORD and include an article from Science.

Mr. GORDON asked and was given permission to extend his remarks in the RECORD and include a letter he had received from the Industrial Society of Polish Mechanics, Group 3.

Mr. JOHNSON of Indiana asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

COMMITTEE ON PATENTS

Mr. HENRY. Mr. Speaker, I ask unanimous consent that the Committee on Patents be permitted to file a supplemental report on the bill H. R. 5311, in order to comply with the Ramseyer rule.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDMENT OF BANKRUPTCY ACT

Mr. HOBBS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5504) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill?

Mr. HOBBS. This is simply an extension for 15 months of the so-called Lemke Act. It has the unanimous endorsement of the Committee on the Judiciary, and I have spoken to the ranking members of our subcommittee.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 75 (c) (U. S. C., title 11, sec. 203) of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States," as amended, be and is amended to read as follows:

"(c) At any time prior to June 4, 1947, a petition may be filed by any farmer, stating that the farmer is insolvent or unable to meet his debts as they mature and that it is desirable to effect a composition or an extension of time to pay his debts. The petition or answer of the farmer shall be accompanied by his schedules. The petition and answer shall be filed with the court, but shall, on request of the farmer or creditor, be received by the conciliation commissioner for the county in which the farmer resides and promptly transmitted by him to the clerk of the court for filing. If any such petition is filed, an order of adjudication shall not be entered except as provided hereinafter in this section."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMITTEE ON APPROPRIATIONS

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 537) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That during the remainder of the Seventy-ninth Congress the Committee on Appropriations shall be composed of 45 Members.

The resolution was agreed to.

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. MASON] is recognized for 20 minutes.

EXEMPTION FROM ANTITRUST LAWS OF ACTIVITIES AND OPERATIONS OF MUTUAL NEWS-GATHERING COOPERATIVES

Mr. MASON. Mr. Speaker, on November 13, 1945, I introduced H. R. 4665, a bill "to amend the act of July 2, 1890, commonly known as the Sherman Antitrust Act, as amended, so as to exempt therefrom the activities and operations of mutual news-gathering cooperatives."

If the provisions of H. R. 4665 should be enacted into law, it would mean, practically speaking, that the Congress proposes to veto the split decision of the Supreme Court of the United States in the case of the Associated Press against the United States of America, a decision, by the way, which Justice Roberts designated as "Government by injunction with a vengeance."

The passage of H. R. 4665 would also clarify the status of the AP and the mutual news-gathering agencies such as the UP and the INS insofar as the provisions of the Sherman Antitrust Act are concerned. The bill is designed to carry out the clear intent of Congress when it passed the Sherman Antitrust Act, for neither in the debate on the Sherman antitrust bill, nor in the committee report that accompanied the bill, nor yet even in the printed report of the committee hearings on the bill, can be found even a slight indication that the Congress intended the act to apply to the AP or any other mutual news-gathering agency. In fact, I go so far as to say that not one Member of Congress who voted for the Sherman Antitrust Act even dreamed that the provisions of that act would someday be applied to our mutual news-gathering agencies. Yet, in an opinion of the Supreme Court, handed down by Mr. Justice Black on June 18, 1945, it was declared that the AP did come within the provisions of the Sherman Act; that the AP was subject to the provisions of that act; and that the AP must cease and desist from its practices, which the Court considers monopolistic.

In this connection it is interesting and very significant to note one statement Justice Murphy made in his dissenting opinion. I quote:

As I view the situation, the members of the Associated Press were entirely within their legal rights in forming a cooperative organization with facilities for the collection and exchange of news and in limiting the membership therein. Members of an incorporated society, as a general rule, may extend the privilege of membership or withhold it on such terms as they see fit. And if exclusive access to these facilities and reports gave the members of the Associated Press a competitive advantage over business rivals who were not members, that alone would not make the advantage unlawful. In restricting the admission of business rivals they were merely trying to preserve for themselves an advantage that had accrued to them from the exercise of business sagacity and foresight. Such an advantage, as I see it, is not a violation of the Sherman Act. Nor does this advantage require the Associated Press to share its products with competitors. Such a doctrine would discourage competitive enterprise and would carry the anti-trust laws to absurd lengths.

Mr. Justice Roberts, in calling attention to the inconsistencies and absurdities contained in the majority report, used these words:

I am unable to determine on which * * * grounds the judgment of illegality is rested. The Court's opinion blends and mingles statements of fact, inferences and conclusions, and quotations from prior opinions wrested from their setting and context, in such fashion that I find it impossible to deduce more than that orderly analysis and discussion of facts relevant to any one of the possible methods of violation of the Sherman Act is avoided, in the view that sepaparte consideration would disclose a lack of support for any finding of specific wrongdoing.

Mr. Justice Roberts, with his keen analytical mind, insisted that the real question before the Court in the case was:

Are the members of the AP acting together with the purpose of destroying competition?

In answering that question he said:

I have not discovered any allegation in the complaint to that effect. The court below has not made any such finding.

Justice Roberts in his dissenting opinion, which was concurred in by Chief Justice Stone, made a careful analysis of the majority opinion of the Court. In that analysis he uses the following illustration which reduces the opinion to an absurdity:

It is said in the opinion that the bylaws, as obstacles to membership, tend to make it difficult to obtain news furnished by AP or its members and that it is apparent that the exclusive right which AP members have gives many newspapers a competitive advantage over their rivals. But the events of life are open to all who inquire. There is no dearth of those willing to inquire and report those events, for proper compensation. Thus the court must here be holding that if a concern gathers from the air, from the sunlight, or from the waters of the sea, by its effort and ingenuity, something that others

have not garnered, it must make the results of its activity open to all, for if it sells to some and not to others the former will have a competitive advantage.

Then Justice Roberts asks:

Have AP and its members intended, or attempted, to monopolize a branch of trade? As I have already pointed out, the events happening in the world are as open to all men as the air or the sunlight. The only agency required to report them is a human being who will inquire. Surely the supply of reporters is not less difficult to monopolize than the events to be reported. * * *

Have the defendants created an organization of such proportions as in fact to monopolize any part of trade or commerce? In answering the inquiry I need do little more than refer to the facts already summarized * * * I cannot perceive how, if AP falls within the denunciation of the statute, UP and INS do not equally, and by the same test. No significant feature of the practices of the one is absent in those of the others.

Justice Roberts concludes his caustic analysis of the opinion as follows:

Suffice it to say that it is a novel application of the Sherman Act to treat it as legislation converting an organization, which neither restrains trade nor monopolizes it, nor holds itself out to serve the public generally, into a public utility because it furnishes a new sort of illumination—literary as contrasted with physical—by pronouncing a fiat that the interest of consumers—the reading public—not that of competing news agencies or newspaper publishers—requires equal service to all newspapers on the part of AP and that a court of equity, in the guise of an injunction, shall write the requisite regulatory statute. This is government by injunction with a vengeance. * * *

For myself, I prefer to entrust regulatory legislation of commerce to the elected representatives of the people instead of freezing it in the decree of courts less responsive to the public will. I still believe that "The courts are without authority either to declare such policy, or, when it is declared by the legislature, to override it."

Mr. Speaker, freedom of the press is a heritage deeply imbedded in our traditions and inseparably linked to our freedom. Down through the ages people have fought for freedom of expression. It has always been an essential part of man's eternal struggle against ignorance and oppression to criticize freely; to print freely the facts without fear of censorship; and to encourage the free flow of information among readers. Our American concept of free press means freedom of men's minds to seek the truth. So fundamental is this concept that our founding fathers saw fit to safeguard it by inserting in the Constitution itself the restriction against Congress that no law shall be passed "abridging freedom of speech or of the press."

Thomas Jefferson very frequently emphasized the importance of a free press. Said he on occasion:

Whenever the people are well informed, they can be trusted with their own government. * * *

Where the press is free, and every man able to read, all is safe. * * *

The liberty of speaking and writing guards our other liberties. * * *

The only security of all is in a free press. The force of public opinion cannot be resisted when permitted freely to be expressed. The agitation it produces must be submitted to. It is necessary to keep the waters pure. * * *

Our liberty depends on the freedom of the press, and that cannot be limited without being lost.

Mr. Speaker, it is my firm conviction that when Congress passed the Sherman Antitrust Act abolishing monopoly and restraint of trade, it did not intend to include the application of its provisions to our mutual news-gathering agencies. I cannot believe that any Member of Congress who voted for the Sherman Act ever intended to tread upon this fundamental freedom which guarantees to the American people unobstructed channels for gathering and disseminating news.

Yet the precedent established, or at least favored by Mr. Justice Frankfurter in his past interpretations given to statutes, still seems to be in vogue and rampant in decisions rendered by this Nation's highest tribunal. Both the Congress and the Nation were startled when Justice Frankfurter said:

The notion that, because the words of a statute are plain, its meaning also is plain is merely pernicious over-simplification (*United States* v. *Monia*, 317 U. S. 425).

This statement still plagues the Court's judicial interpretations of legislative intent.

Why is it that the facts presented by the Government in any given case are so frequently obscured and distorted that the learned justices themselves find it difficult, if not impossible, to understand?

It seems to me, Mr. Speaker, that our Government today deliberately tries to obtain judicial decisions that are without foundation in order to strengthen its design to harness private enterprise and individual freedom. Sometimes these decisions are based on the distortion of the intent of Congress in passing legislation and therefore have the effect of statutory law. Should this continue there may be no future need for a legislative body to carry out the expressed wish of the American people. Indeed, if this sort of distortion of the law continues the Congress may well come to a point where, regardless of the clarity with which it expresses its acts and intents, it will not know what the effects of its acts may be until some court tells it what it meant to say.

The case before us shows the dangerous present-day tendency of the Supreme Court to read into an act something clearly not intended by the legislative branch when it passed the act. In fact, the Supreme Court today even goes so far as to state in its decisions what the Congress should have meant. By doing so the Court assumes the function of the Congress by actually providing "Government by injunction with a vengeance." This forces us to pass legislation which has the effect of correcting or vetoing the strained decisions of the Supreme Court in order to protect our own legislative responsibilities.

Mr. Speaker, I have reviewed this case, quoting the substance of the decision of the Court, and quoting at some length from the dissenting opinions, for one purpose, and one purpose only, and that is to show the present-day tendency of the Supreme Court to read into an act something clearly not intended by the legislative branch when it passed that act. That is the reason for the introduction of H. R. 4665, and that is why it should be passed by this Congress.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. BLAND, from March 1 to March 5, inclusive, on account of official business.

To Mr. HOCH, for today, Friday, and Saturday, on account of official business.

To Mr. BONNER, Mr. DOMENGEAUX, Mr. HERTER, Mr. HALE, Mr. MCCONNELL, and Mr. BUCK (at the request of Mr. BLAND), from March 3 to March 7, both inclusive, on account of official business at the Panama Canal in making official studies for the Committee on Merchant Marine and Fisheries.

BILLS PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on February 27, 1946, present to the President, for his approval, bills of the House of the following titles:

H. R. 129. An act to provide for the barring of certain claims by the United States in connection with Government checks and warrants;

H. R. 854. An act for the relief of Isabel Carlson;

H. R. 1315. An act for the relief of B. Pendino;

H. R. 1464. An act for the relief of Leonard Hutchings;

H. R. 1489. An act for the relief of Harold B. Alden and Walter Strohm;

H. R. 1848. An act for the relief of Max Hirsch;

H. R. 2168. An act for the relief of Charles Zucker;

H. R. 2171. An act for the relief of Solomon Schtierman;

H. R. 2240. An act to credit certain service performed by members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service prior to reaching 18 years of age for the purpose of computing longevity pay, or for other pay purposes;

H. R. 2270. An act for the relief of Harry C. Westover;

H. R. 2284. An act to eliminate the practice by subcontractors, under cost-plus-a-fixed-fee or cost reimbursable contracts of the United States, of paying fees or kick-backs, or of granting gifts or gratuities to employees of a cost-plus-a-fixed-fee or cost reimbursable prime contractors or of higher tier subcontractors for the purpose of securing the award of subcontracts or orders;

H. R. 2289. An act for the relief of Arnold Mecham;

H. R. 2393. An act for the relief of Elsie Peter;

H. R. 2452. An act for the relief of Sam Kalak;

H. R. 2661. An act for the relief of W. D. Jones and Ethel S. Jones;

H. R. 2724. An act for the relief of the legal guardian of Forest Eldon Powell.

H. R. 2728. An act for the relief of R. H. Sindle;

H.R. 2769. An act for the relief of C. Frank James;

H. R. 2963. An act for the relief of William Phillips;

H. R. 2974. An act for the relief of the estate of Bobby Messick;

H. R. 3028. An act to amend the act of August 17, 1937, as amended, relating to the establishment of the Cape Hatteras national

seashore recreational area in the State of North Carolina;

H. R. 3046. An act for the relief of Thomas A. Butler;

H. R. 3444. An act to grant the title of public lands to the town of Safford, Ariz., for the use of its municipal water system;

H. R. 3514. An act for the relief of the legal guardian of Olga Stanik, a minor;

H. R. 3580. An act to authorize municipalities and public utility districts in the Territory of Alaska to issue revenue bonds for public-works purposes;

H. R. 3603. An act to provide for the sale of surplus war-built vessels, and for other purposes;

H. R. 3614. An act to ratify and confirm act 33 of the Session Laws of Hawaii, 1945, extending the time within which revenue bonds may be issued and delivered under chapter 118, Revised Laws of Hawaii, 1945;

H. R. 3657. An act to ratify and confirm act 32 of the Session Laws of Hawaii, 1945;

H. R. 3730. An act granting the consent of Congress to the State of West Virginia to construct, maintain, and operate a free highway bridge across the Monongahela River at or near Star City, W. Va.;

H. R. 3784. An act for the relief of C. H. Brumfield;

H. R. 3940. An act to revive and reenact the act entitled "An act granting the consent of Congress to Rensselaer and Saratoga Counties, N. Y., or to either of them, or any agency representing said counties, to construct, maintain, and operate a free highway bridge across the Hudson River between the city of Mechanicville and Hemstreet Park in the town of Schaghticoke, N. Y." approved April 2, 1941;

H. R. 4249. An act for the relief of Lucy Delgado and Irma M. Delgado;

H. R 4932. An act to amend section 9 of the Boulder Canyon Project Act, approved December 21, 1928; and

H. R. 4652. An act to provide credit for past service to substitute employees of the postal service when appointed to regular positions; to extend annual and sick leave benefits to war service indefinite substitute employees; to fix the rate of compensation for temporary substitute rural carriers serving in the place of regular carriers in the armed forces; and for other purposes.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 15 minutes p. m.) the House adjourned until tomorrow, Friday, March 1, 1946, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE POST OFFICE AND POST ROADS

The Committee on the Post Office and Post Roads will hold hearings on Friday, March 1, 1946, at 10 a. m., on H. R. 5059, a bill to provide temporary additional compensation for postmasters and employees of the postal service.

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation, on Friday, March 1, 1946, at 10 a. m., in open session, in the committee room 356, Old House Office Building.

COMMITTEE ON THE JUDICIARY

Subcommittee No. 4 of the Committee on the Judiciary has scheduled a hearing for Monday, March 4, 1946, with respect to the extension of the Second War Powers Act, 1942, as amended. The hearing will begin at 10 a. m., and will be held in room 346, House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Federal Trade Subcommittee of the Committee on Interstate and Foreign Commerce, at 10 a. m., Monday, March 4, 1946.

Business to be considered: Continuation of public hearings on H. R. 2390, a bill to amend the Federal Trade Commission Act. Opposition witnesses will be heard.

There will be a meeting of the Public Health Subcommittee of the Committee on Interstate and Foreign Commerce, at 10 a. m., Thursday, March 7, 1946.

Business to be considered: To commence hearings on the bill S. 191, an act to amend the Public Health Service Act to authorize grants to the States for surveying their hospitals and public-health centers and for planning construction of additional facilities, and to authorize grants to assist in such construction.

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. BOYKIN: Committee on Patents submits a supplemental report on H. R. 5311, a bill to amend Revised Statutes, 4921 (U. S. C. A., title 35, Patents, sec. 70), providing that damages be ascertained on the basis of compensation for infringement (Rept. No. 1587, pt. 2). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. O'BRIEN of Michigan:

H. R. 5622. A bill to increase the compensation of postmasters, officers, and employees in the postal service; to the Committee on the Post Office and Post Roads.

By Mr. HENDRICKS:

H. R. 5623. A bill to amend the act entitled "An act defining the compensation of persons holding positions as deputy clerks and commissioners of United States district courts, and for other purposes," approved June 16, 1938; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 5624. A bill to provide that the pension, compensation, or retirement pay of World War I and World War II veterans shall not be reduced during hospitalization or receipt of institutional or domiciliary care; to the Committee on World War Veterans' Legislation.

By Mr. MAY:

H. R. 5625. A bill to amend the Pay Readjustment Act of 1942, as amended, so as to provide an increase of 20 percent, and for other purposes; to the Committee on Military Affairs.

H. R. 5626. A bill to authorize the Veterans' Administration to appoint and employ retired officers without affecting their retired status, and for other purposes; to the Committee on Military Affairs.

By Mr. PIÑERO:

H. R. 5627. A bill to amend section 5 of the Home Owners' Loan Act of 1933, as amended; to the Committee on Banking and Currency.

By Mr. PRIEST:

H. R. 5628. A bill to amend the Public Health Service Act to authorize grants to the States for surveying their hospitals and public health centers and for planning construction of additional facilities, and to authorize grants to assist in such construction; to the Committee on Interstate and Foreign Commerce.

By Mr. McDONOUGH:

H. R. 5629. A bill to assure to all persons within the District of Columbia full and equal privileges of places of public accommodation, resort, entertainment, and amusement, and for other purposes; to the Committee on the District of Columbia.

By Mr. HAYS:

H. R. 5630. A bill to amend section 5155 of the Revised Statutes with respect to the establishment of branches by national banking associations; to the Committee on Banking and Currency.

By Mr. VINSON:

H. Con. Res. 130. Concurrent resolution creating a joint committee to consider joint recommendations of the Secretary of War and the Secretary of the Navy with respect to increases authorized for flying pay, parachute pay, glider pay, submarine pay, and similar special pay and allowances; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BENDER:

H. R. 5631. A bill for the relief of Joseph John Gmurczyk, Jr.; to the Committee on Military Affairs.

By Mr. MARCANTONIO:

H. R. 5632. A bill for the relief of Yesdore Andrew Belbo; to the Committee on Immigration and Naturalization.

H. R. 5633. A bill for the relief of Frank Collaci; to the Committee on Immigration and Naturalization.

By Mr. MILLER of California:

H. R. 5634. A bill for the relief of Mrs. Masuyo (Marjorie) Sudo Cromley; to the Committee on Immigration and Naturalization.

By Mr. PFEIFER:

H. R. 5635. A bill for the relief of Marguerite Lante; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

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

1657. By Mr. ARNOLD: Petition of constituents in Jameson, Mo., urging support of the Poage bill, House bill 1742; to the Committee on Interstate and Foreign Commerce.

1658. By Mr. GOODWIN: Resolution of the Board of Aldermen of the City of Medford, Mass., for action to release surplus building materials for construction of veterans' homes; to the Committee on Banking and Currency.

SENATE

FRIDAY, MARCH 1, 1946

(Legislative day of Friday, January 18, 1946)

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

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

O God, whose love for Thy children reacheth to the ends of the earth, in the golden glory of a new dawn as the cur-

tain of darkness is folded back, Thou grantest us the high privilege of faring forth to be laborers together with Thee in the coronation of goodness, as Thy kingdom comes. We wait for Thy benediction that we may face whatever the day brings in the gladness of Thy guidance, in the glory of Thy service, and in the solemn realization that we are, indeed, our brother's keeper.

As leaders of the Nation in these tempestuous days, give us kind hearts, clear thought, and quiet faith; and among ourselves and in our dealing with all the peoples of the world, in nations great and small, may we be so transparently just and fair that falsehood and every evil that shuns the light may be banished by the truth which makes men free. Amen.

THE JOURNAL

On request of Mr. THOMAS of Utah, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, February 27, 1946, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On February 28, 1946:

S. 400. An act for the relief of Elisabeth Andersen;

S. 543. An act for the relief of Felix Frederickson;

S. 683. An act for the relief of Mrs. Marie Nepple, as executrix of the estate of Earl W. Nepple, deceased, and Mrs. Marie Nepple, individually;

S. 1084. An act for the relief of John C. May and Eva Jenkins May;

S. 1126. An act for the relief of Alice A. Murphy;

S. 1131. An act for the relief of Jess Hudson;

S. 1400. An act for the relief of Robert R. Rowe, Jr.;

S. 1423. An act for the relief of Charles L. Phillips; and

S. 1588. An act for the relief of Mrs. Lona Wilson.

On March 1, 1946:

S. 323. An act for the relief of Thomas F. Gray.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 1354) to authorize the permanent appointment in the grades of General of the Army, Fleet Admiral of the United States Navy, and General in the Marine Corps, respectively, of certain individuals who have served in such grades during the Second World War, with amendments in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 4571) to amend the First War Powers Act, 1941.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2348) to provide for the coverage of certain drugs under the Federal narcotic laws.

The message also announced that the House had passed a bill (H. R. 5504) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 1129) for the relief of Willie H. Johnson, and it was signed by the President pro tempore.

FOREIGN LOAN POLICY OF THE UNITED STATES

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Banking and Currency.

(For message this day received, see proceedings of the House of Representatives on p. 1828.)

LAWS OF FIRST CONGRESS OF THE PHILIPPINES

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Territories and Insular Affairs.

(For message this day received, see proceedings of the House of Representatives on p. 1827.)

RESOLUTION OF CUBAN SENATE RELATING TO THE ARGENTINE PEOPLE

The PRESIDENT pro tempore. The Chair lays before the Senate a letter from the Secretary of State, transmitting a resolution of the Senate of the Republic of Cuba relating to the Argentine people.

Mr. GEORGE. Mr. President, the communication from the presiding officer of the Senate of the Republic of Cuba, dated October 9, 1945, was originally directed to the President of the United States and incorporated a resolution of the Senate of the Republic of Cuba concerning the Argentine people. I ask unanimous consent that the letter from the Secretary of State, together with the resolution of the Senate of the Republic of Cuba just laid before the Senate by the President pro tempore, be printed in the RECORD and referred to the Committee on Foreign Relations.

There being no objection, the letter and resolution were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, February 26, 1946.

The Honorable KENNETH MCKELLAR,
President pro tempore of the Senate.

MY DEAR SENATOR MCKELLAR: I transmit herewith, for such action as you may deem appropriate, two copies in translation of a communication to the Presiding Officer of the United States Senate from the office of the presiding officer of the Senate of the Republic of Cuba, dated October 9, 1945. This communication, which was originally directed to the President of the United States, incorporates a resolution of the Senate of the Republic of Cuba concerning the Argentine people.

Sincerely yours,

JAMES F. BYRNES.

[Enclosures: Two copies of communication from office of presiding officer of senate of Republic of Cuba to the Presiding Officer of United States Senate concerning Argentine people.]

[Translation]

REPUBLIC OF CUBA,
OFFICE OF THE PRESIDING OFFICER OF THE SENATE,
Habana, October 9, 1945.

The PRESIDING OFFICER OF THE UNITED STATES SENATE.

HONORABLE SIR: The Senate of the Republic of Cuba, in a session held on this date, approved the motion which, copied literally, states the following:

"America, before being a reality, was a dream, a spiritual necessity of the Old World which had a presentiment of its existence before coming to know it. For centuries it was a chimera and a legend, until destiny, inspired by the immortal Genovese who discovered it, created a recognized geographic region.

"Its very appearance caused two contradictory sentiments to flourish in the hearts of men: In some, eagerness for adventures and riches, impelled by egotism and ambition; in others, in those who, in remote places of the world, suffered under the inexorable lash of despotism and intransigence, it was a land of promise and of hopes. The first conquered, colonized, oppressed. The second were, in truth, the great builders of towns in America. For these latter, the unknown and recently discovered region would be a refuge for liberty.

"That was America to be, the same for the Pilgrims of the *Mayflower* as for the millions of beings who, throughout four and a half centuries, have arrived upon its noble shores. Impregnable bulwark of freedom of conscience, cradle of republican hopes—that was, is, and shall be our America, in the still forceful dream of Bolivar.

"A centuries-old tradition of liberty and democracy, the forging of which cost torrents of blood and the sacrifice of the lives of the most illustrious sons of the continent, from Hidalgo and Morelos to our [own] Maceo and Marti, serves as a guaranty that government of the people, by the people, and for the people shall be maintained in America for an example to all the nations of the earth.

"And every time that tyranny oppressed any of these peoples, free consciences would arise to combat it until they succeeded in exterminating it.

"Those are our blazons; and they constitute the greatest, the most legitimate and reasonable of our sources of pride.

"Public international law prohibits nations from interfering in the internal problems of other nations; and that postulate was consecrated in 1933 in the Pan-American Conference at Montevideo; but over and above that principle of public international law are the sentiments shared in common by the peoples of this hemisphere, which also determine common opinions, common sorrows, and common attitudes.

"The nature of American solidarity is such that these countries have never felt themselves isolated, nor have they solved their problems alone. All of us were and are obligated to give each other moral or material collaboration in our vicissitudes.

"Liberty in America had four centers of radiation. Two in North America, the United States and Mexico, personified in Washington and Morelos. Two in South America, Venezuela and Argentina, personified by Bolivar and San Martin.

"These latter two centers of radiation, running from the Plata to Chile and from there to Peru, and from Venezuela to New Granada and to Quito, drew their amazing vitality from the blinding flash of Ayacucho.

"Our own liberty, to which we had such well-earned right, was culminated with the powerful final effort of North America. There is, then, nothing strange in the fact that the grief of one American country is the grief of the whole continent. Today the native land of San Martin, who liberated Chile and Peru, is suffering the horrors of a ravenous tyranny. Having subjected the Argentine people to a despotic regime, it first forced them into an absurd and inconceivable position of isolation in the great war conflict now happily ended; and now, when they are struggling valiantly and determinedly to throw off tyranny, it is subjecting them to the greatest injustices and cruelties.

"The principle of nonintervention, which prevents nations from taking any material and compelling action to combat the oppression which the republic on the Plata now suffers, can be no obstacle to prevent the people of Argentina from being reached by our voice of solidarity and new inspiration, bringing with it the spiritual strength which all the moral forces of the free countries of America proffer them.

"For all these reasons,

"The Senate of the Republic resolves:

"First. To send to the Argentine people a spiritual message of complete unity in the name of the people of Cuba, in these times of struggle and of sacrifice; and our prayers that they may succeed, by the strong and decided attitude which they have assumed, in regaining the free exercise of the democratic life, to which they have so much right, by virtue of their sentiments and their history.

"Second. The Senate of the Republic, in the name of the Cuban people, most energetically condemns the acts of repression practiced by the tyrannical government under which Argentina suffers, and especially the outrages committed against the universities and centers of education of the sister Republic and by virtue of which the professors and student bodies, representing Argentine youth, were victims of official violence and terror.

"Third. To send copies of this message to all legislative bodies of the American Republics, to the end that they may know the thought of the Cuban Senate, which expresses that of our people, in complete unity in the noble and valient struggle which the Argentine people are carrying on."

I have the honor to communicate the above to you, in compliance with part three of the afore-mentioned motion, availing myself of this opportunity to renew to you the assurance of my highest consideration, and remain,

Very truly yours,

[SEAL] EDUARDO SUAREZ RIVAS,
Presiding Officer of the Senate.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on February 27, 1946, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 136) changing the name of the Shoshone Dam and Reservoir to Buffalo Bill Dam and Reservoir in commemoration of the one hundredth anniversary of the birth of William Frederick Cody, better known as Buffalo Bill.

EXECUTIVE COMMUNICATIONS, ETC.

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

REPORT OF NAVY CLUB OF UNITED STATES OF AMERICA

A letter from the national commandant of the Navy Club of the United States, Rockford, Ill., transmitting, pursuant to law, a report of the proceedings and activities of the club and a statement of its receipts and expenditures from January 1, 1945, through December 31, 1945 (with accompanying papers); to the Committee on the Judiciary.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate the following petitions, etc., which were referred as indicated:

A joint resolution of the Legislature of the State of California; to the Committee on Banking and Currency:

"Assembly Joint Resolution 3

"Joint resolution relative to memorializing Congress to enact S. 1592, to establish a national housing policy and to provide for its execution

"Whereas there is now pending in the Senate of the United States S. 1592, known as the Wagner-Ellender-Taft housing bill, to establish a national housing policy and to provide for its execution; and

"Whereas it appears that this legislation, if enacted, will provide aid to local planning; will improve existing aid to privately financed housing; will enable private enterprise to serve families of lower income; will make possible direct private investment in housing for families of moderate income; will make possible direct private investment in the development or redevelopment of slum and other areas in local communities; will further aid local communities in slum clearance and low-rent housing; will provide for the effective disposition of federally owned war housing, with preference to families of servicemen and veterans; and will set forth and make effective a sound national policy with respect to residential housing, to the benefit of the general health, welfare, and security, and for the encouragement of private enterprise in this important field; and

"Whereas the objectives thus sought to be accomplished are highly to be desired: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly)*, That Congress is respectfully memorialized to enact S. 1592 (79th Cong., 1st sess.) and to do so with the utmost expedition in the interests of the general health and welfare of the people and of the communities in which they reside; and be it further

"*Resolved*, That the chief clerk is directed to transmit copies of this resolution to the President of the United States, the President pro tempore of the Senate of the United States, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Indian Affairs:

"Assembly Joint Resolution 14

"Joint resolution relative to certain bills concerning California Indians pending in the Congress of the United States

"Whereas certain bills have been introduced in the House of Representatives of the Congress of the United States by the Honorable ELLIS E. PATTERSON, Representative from California, and are now pending therein, being designated Nos. H. R. 3604, H. R. 3605, and H. R. 3606; and

"Whereas said bills contain provisions affecting the rights of certain tribes and bands of Indians within the State of California with respect to Indian lands and claims against the United States; and

"Whereas it is reported that said bills, if enacted into law without amendment, may not be entirely adequate to protect the rights of the Indians of California and to provide complete compensation for their claims for lands taken by the United States; and

"Whereas the Legislature of California, by Joint Resolution 41 (1945 Statutes of California, ch. 132), filed June 10, 1945, brought to the attention of the Congress the manifest injustice to the Indians of California which has resulted from the enactment of the California Indians' Jurisdictional Act of 1928 (45 Stat. 602), as amended April 29, 1930 (46 Stat. 259), and the attention of the Congress is respectfully directed to said resolutions: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the Congress of the United States to withhold any action on bills Nos. H. R. 3604, H. R. 3605, and H. R. 3606 relative to the Indians of California, until the Congress and an interim committee of said legislature have investigated fully all of the facts pertaining thereto, including the effect such bills would have if enacted, upon the rights of California Indians.

"*Resolved*, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President of the United States, the President pro tempore of the Senate, the Speaker of the House of Representatives and to each Senator and Representative from California in the Congress of the United States, and to the respective chairman of the Indian Affairs Committees of the Senate and the House of Representatives."

A resolution adopted by the City Council of the City of Woodbury, N. J., favoring the enactment of legislation to grant immunity and exemption to the States and their political subdivisions or any agency thereof from the provisions of the Emergency Price Control Act; to the Committee on Banking and Currency.

A letter in the nature of a petition from Mrs. Frederick Roth, of Philadelphia, Pa., relating to legislation providing for an adequate peacetime army, etc.; to the Committee on Military Affairs.

Petitions from several citizens of Brooklyn and New York City, N. Y., praying for the enactment of legislation increasing the salaries of postal employees; to the Committee on Post Offices and Post Roads.

Resolutions adopted by the Kansas City Branch, Railway Mail Association, of Kansas City, Mo., and the St. Paul Branch of the Railway Mail Association, of St. Paul, Minn., favoring the enactment of legislation to restore the air-mail field and terminal clerks to their former grades, and certain other legislation beneficial to railway-mail clerks; to the Committee on Post Offices and Post Roads.

UNIVERSAL MILITARY TRAINING—STATEMENT OF WALTER JOHNSON

Mr. LANGER. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD, a statement by Walter Johnson, of Heathsville, Va., chairman of the national legislative committee of the Military Order of the Liberty Bell before the Committee on Military Affairs, House of Representatives, Washington, D. C., on the subject of universal military training.

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

Mr. Chairman and gentlemen of the Committee on Military Affairs, my name is Walter Johnson and I reside at Heathsville in Virginia. I appear before you to set forth the views of the Military Order of the Liberty Bell on the proposed universal military training bill.

Our organization was formed on December 7, 1942. Eligibility to membership covers all men with honorable service. Thus we are all men who have served honorably and faithfully in the armed forces of our country. We are men of all faiths, races, and creeds. We are not war veterans as such though most of us have served through a war or two. Predominantly we are men of the Regular Establishment as distinguished from men who have served temporarily through a war period. I served as an enlisted man in the Navy from the First World War until 1930 when I was dropped for disability. Some of our members are older men; men who served on the plains as far back as shortly after the War Between the States.

At our last national convention we considered the problem of universal military service. We discussed it quite thoroughly. Then we voted in opposition to it. We did so for several reasons.

We do not believe that the alien concept of forced training has any place in our country. Whereas in time of war we do draft the youth of this land and the draft has worked quite well in war because in time of war a national emergency is involved and men are more willing to fight for their country. In time of peace such conditions do not prevail. A man who does not like the service is unhappy and discontented and a drag. He cannot be forced to like the service by being forced into it.

At this time the people are thinking in terms of war. It might be that they would tolerate forced service. But as time goes on and they get away from thoughts of war they will surely put a stop to forced service because it is against every concept of freedom and because of the heavy costs involved in training the entire youth of the land. When that time comes, as it surely must come, then would come repeal of forced service and at a time when the people would be in a mood not to carry the costs of a large military establishment. As a result we could expect to go from one extreme to the other. To go back to a half-starved and poorly paid Army and Navy as we have done after every other war. It would be far better at this time to adopt a more moderate program such as could be sustained through the years to come.

As I have said we always, after every war, have gone back to an extreme condition of half starving our services to death. Within the memory of all of us are the conditions which prevailed between these last two wars. Pay was cut to the very bone. Promotion became stagnant. Appropriations were so low that aviation, above all things, was allowed to stagnate to a great extent in the matter of development.

In 1862 pension rates for line of duty death or disability were established and were amended in 1883. Following World War I these rates were increased for war-period casualties but the Regulars were left at the 1883 rates until 1933 when, under the Economy Act, substantial reductions were made. From 1933 to 1939 pension rates for line of duty death or disability for the Regulars was 45 percent of the rates for the war-period casualties and in 1939 the rates were raised to 75 percent where they now are. Enlisted men of the Regular Establishment were never granted disability retirement on the same basis as the officers.

During those years pay in the services was $21 per month for a private, as compared with $30 per month for a CCC boy. Of course, the CCC boy had dependents, but so did the soldiers. Not only was the CCC boy paid much higher but protection against line-of-duty death or disability was at a much higher rate than that which applied to the soldiers. So we were raising a generation of youth, the youth we would have to look to in time of war, to look down with scorn at the economic status of the soldier because it was so much lower than the relief rates.

Those were the conditions which preceded this war and which the public state of mind permitted. This writer tried to ease those conditions. I tried to improve the lot of the soldier in the Regular Establishment as well as that of the sick and maimed of the Regular Establishment. During the 1934–37 period I worked and I talked and I wrote. But I was a Government employee. I was silenced. I was investigated and harassed for month after month, and finally found guilty, without hearing, of "seeking legislation." I spoke the same words later spoken by President Roosevelt and then by President Truman. The Civil Service Commission had, by rule, prohibited employees from petitioning their Government under color of prohibiting the "seeking of legislation."

That is now water over the dam. I recite it, not in complaint but as showing the conditions which can and do arise when there is no immediate threat of war and as showing why it is now essential that a sound and practicable program be adopted which can be sustained through the years. Any program which would require that the people be held under a constant war scare in order to sustain the program would be a mistake.

We believe that a voluntary program of training is the answer to the problem of national defense. We believe that far better results can be had by leading youth than by driving them.

We would suggest a program of training which invites youth and which places something ahead of them to work for. Let training programs be worked out. Invite boys to accept the training for a year. From those who have had that training select the appointees to the Military and Naval and Coast Guard Academies. Secondarily, select from it young men to be sent off to school and college to train for the staff such as doctors, dentists, engineers, and other specialists. Then take off a third layer to be sent to trade schools to train as artificers for the services. In a fourth layer take off the young men wanting to enter upon careers as enlisted men to start as privates or as second-class seamen. Let the balance return to civilian life.

Such a program would, of course, require that Members of Congress give up their present appointments to the Academies. But that sacrifice ought not to be too hard, considering the sacrifice youth would be called upon to make.

In conclusion, let me say that while other veterans' organizations urge universal training we oppose it. Yet, as men with long service, we fully recognize the need for adequate national defense. We stand as strongly for national defense as does anyone. We differ only as to the method. We urge that youth be led instead of driven. We believe that voluntary training is far superior; that it is far superior as a national policy over forced training; and that as a program it can be maintained and sustained because it is moderate and reasonable and in accord with our way of life.

Thank you, gentlemen.

BALD HILL RESERVOIR ON SHEYENNE RIVER, N. DAK.—RESOLUTION OF BARNES COUNTY (N. DAK.) BOARD OF COUNTY COMMISSIONERS

Mr. LANGER. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD a resolution adopted by the Board of County Commissioners of Barnes County, N. Dak., favoring an appropriation by the Congress for the construction of Bald Hill Reservoir on the Sheyenne River, N. Dak.

There being no objection, the resolution was received, referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

Whereas flood control, water conservation, and stream-flow regulation in the basin of the Sheyenne River, N. Dak., and in the Red River of the North Basin, of which it is the principal western tributary, are more important and necessary now, and will be even more so in the immediate future than when the proposed project for improving the same was recently justified, and approved by the Congress: Be it

Resolved by the Board of County Commissioners of Barnes County, N. Dak., That the Committee on Appropriations of the United States Senate be, and it is hereby, requested and urged to recommend adequate funds in the War Department, civil functions appropriation bill for 1947, for the construction of the project for the Bald Hill Reservoir on the Sheyenne River, N. Dak., substantially in accordance with the recommendations of the Chief of Engineers in Senate Document No. 193, Seventy-eighth Congress, second session, as authorized in the Flood Control Act of 1944; and be it further

Resolved, That this resolution be forwarded to the Honorable KENNETH MCKELLAR, acting chairman, Senate Committee on Appropriations, and that copies thereof be sent to Senators WILLIAM LANGER and MILTON R. YOUNG, of North Dakota, and to Senators HENRIK SHIPSTEAD and JOSEPH H. BALL, of Minnesota.

Dated this 8th day of February 1946.

BOARD OF COUNTY COMMISSIONERS,
BARNES COUNTY, N. DAK.

By PHILIP J. SAUER,
Chairman of the Board of County Commissioners, Barnes County, N. Dak.

Attest:

C. T. BECHTLE,
County Auditor, Barnes County, N. Dak.

REPORT OF COMMITTEE ON PRINTING

Mr. HAYDEN, from the Committee on Printing, to which was referred the bill (S. 1679) to authorize additional compensation for work performed on a legal holiday by employees of the Government Printing Office, reported it without amendment and submitted a report (No. 1010) thereon.

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDENT pro tempore laid before the Senate a report for the month of February 1946 from the chairman of the Committee on Public Lands and Surveys, in response to Senate Resolution

319 (78th Cong.), relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which was ordered to lie on the table and to be printed in the RECORD, as follows:

SENATE COMMITTEE ON PUBLIC LANDS AND SURVEYS

FEBRUARY 28, 1946.

To the Senate:

The above-mentioned committee hereby submits the following report showing the name of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of February, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944. (See attached memorandum.)

CARL A. HATCH,
Chairman.

By STEWART A. HATCH,
Clerk.

To Senator CARL A. HATCH,
Chairman, Senate Committee on Public Lands and Surveys.

From SENATOR PAT MCCARRAN,
Chairman, Subcommittee To Investigate the Administration and Use of Public Lands.

The following persons are detailed from the Department of Agriculture to assist with the work of the above subcommittee:

E. S. Haskell, senior administrative officer, Forest Service, CAF-12; basic salary, $5,000 per year.

Elizabeth Heckman, clerk, CAF-5, basic salary, $2,000 per year.

NOTICE OF HEARING ON THE POSITION OF THE INDEPENDENT COMPANY IN THE PETROLEUM INDUSTRY BEFORE SPECIAL COMMITTEE INVESTIGATING PETROLEUM RESOURCES (PT. 2 OF REPT. NO. 179)

Mr. O'MAHONEY. Mr. President, from the Special Committee Investigating Petroleum Resources, I ask unanimous consent to submit, pursuant to Senate Resolution 36, Seventy-ninth Congress, extending Senate Resolution 253, Seventy-eighth Congress, a report relating to the position of the independent company in the petroleum industry. I request that the report may be printed in the RECORD.

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

THE POSITION OF THE INDEPENDENT COMPANY IN THE PETROLEUM INDUSTRY

The study of petroleum resources in the United States in relation to the national welfare, which was initiated under Senate Resolution 253 of the Seventy-eighth Congress and continued under Senate Resolution 36 of the Seventy-ninth Congress, will enter its final phase on March 19, 1946, when the position of the independent company will be presented to the committee at an open public hearing in the caucus room of the Senate Office Building at 10:30 a. m.

On April 7, 1945, the Senate Special Committee Investigating Petroleum Resources announced a hearings agenda, which included the following subjects:

1. Cartels in relation to petroleum in world trade.
2. New sources of petroleum in the United States.
3. The independent company.
4. Postwar disposal of pipe lines, refineries, and tankers.
5. Petroleum requirements in the United States.
6. American petroleum interests in foreign countries.

All of these subjects, with the exception of that dealing with the position of the independent company, have been developed at carefully prepared public hearings. The study began with the presentation of the cartel problem, in cooperation with a subcommittee of the Committee on the Judiciary, on May 17, 1945. The other hearings were held as follows:

New sources of petroleum in the United States, June 19 through June 25, 1945.

American petroleum interests in foreign countries, June 27 and 28, 1945.

Petroleum requirements in the United States, October 3 and 4, 1945.

Postwar disposal of pipe lines, refineries, and tankers, November 15, 16, and 17, 1945.

A review of PAW wartime petroleum policy, November 28, 29, and 30, 1945.

The objective of the hearings to begin on March 19, 1946, will be primarily to determine whether or not the position of the independent company in the petroleum industry has been improved or injured as a result of the war and, what recommendations, if any, the Special Committee Investigating Petroleum Resources should make with respect to Government policy. An over-all question will be the outlook for competition in the production, refining, and marketing of oil and its derivatives. This will include the relationship of the independent to the integrated companies, and the extent to which the independent may depend upon supplies of petroleum or petroleum products. It will also include the effect upon competition of Government policy during the war.

The opportunity will be afforded to the independent operator in every branch of the industry to analyze facts and opinion from the point of view of the independent. Special preparation has been made for these hearings by the Independent Petroleum Association of America, the president of which, Mr. B. A. Hardey, is also acting as chairman of a special industry committee on the independent company.

There is listed below an outline of the subjects and a list of the witnesses who have been asked by the Independent Petroleum Association of America to appear:

Opening statement: B. A. Hardey, president, Independent Petroleum Association of America, and chairman of the committee, on the independent company.

History and character of the independent oil producer: Russell B. Brown, general counsel, Independent Petroleum Association of America, Washington, D. C.

The production of oil and gas: O. C. Bailey, Bailey & Trimble, El Dorado, Ark.; (a) second recovery, D. T. Andrus, immediate past president, Pennsylvania Grade Crude Oil Association, Bradford, Pa.; (b) the conservation of stripper wells, H. M. McClure, president, National Stripper Well Association, Alma, Mich.

Taxes: Charles R. Bell, controller, Kerr-McGee Oil Industries, Inc., Oklahoma City, Okla.

Costs and price of oil: Merle Becker, vice president, W. C. McBride, Inc., St. Louis, Mo.

Imports: Wirt Franklin, past president, Independent Petroleum Association of America, Ardmore, Okla.

The independent company in the refining of oil: Fayette B. Dow, National Petroleum Association, Western Petroleum Refiners Association, Washington, D. C.

Summary: H. B. Fell, executive vice president, Independent Petroleum Association of America, Ardmore, Okla.

Requests for an opportunity to participate in the hearings have been received from many other representatives of the independent petroleum operator. A list of these persons follows:

Mr. Fred W. Herlihy, president, National Oil Marketers Association, Orangeburg, S. C.

Mr. H. L. Thatcher, chairman, National Council of Independent Petroleum Associations, Chattanooga, Tenn.

Mr. Clyde G. Morrill, secretary, Atlantic Coast Oil Conference, Inc., New York City, N. Y.

Mr. James L. Beattey, Indianapolis, Ind.

Mr. E. M. Callis, president, Petrol Corp., Philadelphia, Pa.

Mr. Robert A. Warfel, executive secretary, Ohio Petroleum Marketers Association, Inc., Columbus, Ohio.

Mr. Louis M. Faber, executive secretary, Retail Gasoline Dealers Association of Milwaukee, Inc., Milwaukee, Wis.

Mr. Angus G. Wynne, president, Pacific War Emergency Pipelines, Inc., Dallas, Tex.

Mr. E. C. Bratt, Sterling Stations, Inc., Fitchburg, Mass.

The hearing will be open to all, but in order to facilitate the orderly presentation of evidence, the committee has requested every person who desires to appear to prepare and submit a statement in advance so that this committee hearing, like those which have preceded it, may be conducted upon a basis of open discussion rather than on the basis of reading prepared statements. By the presentation of written statements in advance, the members of the committee will be enabled to participate more fully in the discussion of the subjects involved than would otherwise be the case. This method also makes it possible to expedite the presentation of evidence, saving the time of both the members of the committee and the witnesses.

All persons who desire to appear should immediately notify the chairman of the committee in writing. Attention is called to the fact that Government agencies, the functions of which have to do with the petroleum industry in any of its branches, are being invited to participate in this hearing as in all of the preceding hearings. The object is to develop as well rounded a presentation of the petroleum problem as possible.

The announcement of these hearings has been delayed pending the return to the United States of Senator TOM CONNALLY, of Texas, and Senator ARTHUR H. VANDENBERG, of Michigan, members of this committee, who, since early in January, have been in attendance at a meeting of the General Assembly of the United Nations Organization.

These hearings will reveal the present and future position of the independent, particularly in the relationship to the integrated company and the Government. The evidence already taken by the committee shows that a high degree of managerial authority was exercised by the Government over every phase of the petroleum industry during the war. What effect the withdrawal of these controls will have upon the independent company and what effect will follow also from new international arrangements, will doubtless be the subject of much discussion at the hearings.

It is the aim of the committee to close the hearings by the 22d of March 1946.

BILLS AND JOINT RESOLUTION INTRODUCED

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

(Mr. GREEN (for himself and Mr. LUCAS) introduced Senate bill 1876, to facilitate voting by members of the armed forces and certain others absent from the place of their residence, and to amend Public Law 712, 77th Cong., as amended, which was referred to the Committee on Privileges and Elections, and appears under a separate heading.)

(Mr. GEORGE introduced Senate bill 1877, to amend par. 8 of pt. VII, Veterans Regulation No. 1 (a), as amended, to authorize an appropriation of $1,500,000 as a revolving fund in lieu of $500,000 now authorized, which was referred to the Committee on

Finance, and appears under a separate heading.)

By Mr. MAYBANK:

S. 1878. A bill to revive and reenact the act granting the consent of Congress to the State Highway Department of South Carolina to construct, maintain, and operate a free highway bridge across the Pee Dee River, at or near Cashua Ferry, S. C., approved April 30, 1940; to the Committee on Commerce.

By Mr. WILEY:

S. 1879. A bill to authorize the attendance of the Marine Band at the national convention of the United States Spanish War Veterans to be held in Milwaukee, Wis., August 4 to 10, inclusive, 1946; to the Committee on Naval Affairs.

By Mr. WALSH:

S. 1880. A bill for the relief of the Crosby Yacht Building & Storage Co., Inc.; to the Committee on Claims.

(Mr. O'MAHONEY (for himself and Mr. HAYDEN) introduced Senate bill 1881, to provide for the flow of revenues from Federal reclamation projects into miscellaneous receipts of the Treasury and to provide that revenues from Federal reclamation projects hereafter financed wholly from general funds of the Treasury shall be covered into miscellaneous receipts of the Treasury, which was referred to the Committee on Irrigation and Reclamation, and appears under a separate heading.)

(Mr. LANGER introduced Senate bill 1882, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

(Mr. LANGER also introduced Senate bill 1883, which was referred to the Committee on Education and Labor, and appears under a separate heading.)

(Mr. LANGER also introduced Senate bills 1884 and 1885, which were referred to the Committee on Agriculture and Forestry, and appear under separate headings.)

(Mr. LANGER also introduced Senate bill 1886, which was referred to the Committee on Post Offices and Post Roads, and appears under a separate heading.)

(Mr. LANGER also introduced Senate bill 1887, which was referred to the Committee on Agriculture and Forestry, and appears under a separate heading.)

(Mr. LANGER also introduced Senate bill 1888, which was referred to the Committee on Education and Labor, and appears under a separate heading.)

(Mr. LANGER also introduced Senate bill 1889, which was referred to the Committee on Post Offices and Post Roads, and appears under a separate heading.)

(Mr. LANGER also introduced Senate bill 1890, which was referred to the Committee on Finance, and appears under a separate heading.)

(Mr. LANGER also introduced Senate bill 1891, which was referred to the Committee on Education and Labor, and appears under a separate heading.)

(Mr. LANGER also introduced Senate bill 1892, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. WALSH:

S. J. Res. 144. Joint resolution establishing a national shrine commission to formulate plans for the construction of a permanent memorial building to the memory of the Veterans of the Civil War, both North and South; to the Committee on the Library.

AMENDMENT OF SERVICEMEN'S ABSENTEE VOTING LAW

Mr. GREEN Mr. President, for myself and the Senator from Illinois [Mr. LUCAS], I ask unanimous consent to introduce a bill to amend the soldier vote law by eliminating absentee voting by Federal ballot and continuing voting by State absentee ballot under State procedures.

The bill retains many of the provisions in the present law relating to voting by State absentee ballots, but includes practical modifications founded on operations of the agencies charged with administration of servicemen voting in 1944 elections. By this bill the benefits of free postage in the United States mails, including air mail, are granted to official postcards, State absentee ballots, ballot envelopes, and instructions for voting used in connection with absentee voting by the persons covered by the bill. These persons are members of the armed forces, members of the merchant marine and civilians outside the United States officially attached to and serving with the armed forces of the United States.

The first portion of the bill is devoted to recommendations to the several States as to legislative and administrative improvements in order that they may provide servicemen, members of the merchant marine, and the "attached civilians" a maximum opportunity to use State absentee voting procedures. Succeeding portions set forth the responsibilities, to the extent practicable and compatible with military operations, of certain designated Federal agencies in cooperating with the States in the operation of State procedure. These include the printing of postcard applications for State absentee ballots, making these cards available to the absentee voters, making available information received from the secretary of state of the several States relating to elections, attesting and administering oaths required in applying for and voting by State ballot, and transmitting postcards and ballots to and from the persons to whom the bill is applicable. Insofar as practicable and compatible with military operations, ballots executed overseas are to be returned by air, as provided by the present law.

The bill retains the existing law's safeguards as to secrecy of the ballot, freedom from coercion, and the prohibition against taking polls of members of the armed forces.

With the abolition of the Federal ballot, the United States War Ballot Commission established by the existing law is also terminated, because its functions were primarily concerned with the Federal ballot. The Secretary of War and the Secretary of the Navy are made responsible for cooperating with the States insofar as members of the armed forces and the "attached civilians" overseas are concerned, but the Secretary of the Treasury is made responsible for the Coast Guard and civilians overseas officially attached to and serving with the Coast Guard. The Administrator of the War Shipping Administration is charged with administration for the members of the merchant marine. Each of these agencies may delegate its functions to one or more of the other agencies, with the latter's consent. The Postmaster General whose duties relate to transmission of material has also been specifically required by the bill to cooperate with the States.

I trust the bill may receive early consideration and action. I ask that it be referred to the Committee on Privileges and Elections.

The PRESIDENT pro tempore. Without objection, the bill will be received and referred as requested by the Senator from Rhode Island.

The bill (S. 1876) to facilitate voting by members of the armed forces and certain others absent from the place of their residence, and to amend Public Law 712, Seventy-seventh Congress, as amended, was read twice by its title and referred to the Committee on Privileges and Elections.

REVOLVING FUND FOR VETERANS' ADMINISTRATION

Mr. GEORGE. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to amend paragraph 8 of part VII, Veterans' Regulation No. 1 (a), as amended, to authorize an appropriation of $1,500,000 as a revolving fund in lieu of $500,000 now authorized.

The appropriation is for a revolving fund, and is exactly like appropriations made under the World War Veterans' Act of 1924, as amended. Under section 13 of that act, $1,671,623.62 was advanced to veterans who desired to undertake courses of vocational rehabilitation. All that sum of money has been repaid with the exception of about $1,648.95, which is yet outstanding, and which will be paid, because under both the World War I act and the existing act, Public Law 16, passed during the Seventy-eighth Congress, these advancements, which cannot exceed $100 in any one case, are repaid by proper deduction from future payments of pensions or retirement pay or other benefits going to the veterans. So that it is strictly a revolving fund, which will come back into the Treasury.

There being no objection, the bill (S. 1877) to amend paragraph 8 of part VII, Veterans Regulation No. 1 (a), as amended, to authorize an appropriation of $1,500,000 as a revolving fund in lieu of $500,000 now authorized, was received, read twice by its title, and referred to the Committee on Finance.

APPOINTMENT OF FACT-FINDING BOARDS TO INVESTIGATE LABOR DISPUTES—AMENDMENT

Mr. BYRD submitted an amendment intended to be proposed by him to the bill (S. 1661) to provide for the appointment of fact-finding boards to investigate labor disputes seriously affecting the national public interest, and for other purposes, which was referred to the Committee on Education and Labor and ordered to be printed.

NATIONAL HOUSING POLICY—AMENDMENTS

Mr. MITCHELL submitted two amendments intended to be proposed by him to the bill (S. 1592) to establish a national housing policy and provide for its execution, which were referred to the Committee on Banking and Currency and ordered to be printed.

HOUSE BILL REFERRED

The bill (H. R. 5504) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, was read twice by its

title and referred to the Committee on the Judiciary.

PRINTING OF ADDITIONAL COPIES OF SENATE REPORT NO. 925 RELATING TO INVESTIGATIONS OF RAILROAD TRUSTEESHIPS AND RECEIVERSHIPS

Mr. WHEELER submitted the following resolution (S. Res. 234), which was referred to the Committee on Printing:

Resolved, That there be printed 1,000 additional copies of Senate Report No. 925, current session, accompanying Senate Resolution 192, authorizing an investigation of railroad trusteeships and receiverships under section 77 of the Bankruptcy Act and in equity, for the use of the Committee on Interstate Commerce.

AUTHORIZATION FOR THE PRINTING BY THE SUBCOMMITTEE ON WARTIME HEALTH AND EDUCATION OF ADDITIONAL COPIES OF SUBCOMMITTEE MONOGRAPH NO. 1

Mr. PEPPER submitted the following resolution (S. Res. 235), which was referred to the Committee on Printing:

Resolved, That in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Senate Subcommittee on Wartime Health and Education authorized by Senate Resolution 74, Seventy-eighth Congress (extended by S. Res. 62, 79th Cong.), be, and is hereby authorized and empowered to have printed for its use 1,500 additional copies of its Subcommittee Monograph No. 1.

FLOOD PROBLEMS ON AMAZON CREEK, OREG. (S. DOC. NO. 138)

Mr. BAILEY. Mr. President, I present a letter from the Chief of Engineers, United States Army, dated February 2, 1946, transmitting an interim report, together with accompanying papers and illustrations, on a review of reports on the Columbia River and tributaries covering the flood problems on Amazon Creek, Oreg., in connection with the Columbia River development. I ask unanimous consent that the letter, together with the report, papers, and illustrations, be printed as a Senate document.

The PRESIDENT pro tempore. Without objection, it is so ordered.

NEW YORK-DELAWARE RIVER SECTION OF INTRACOASTAL WATERWAY

Mr. BAILEY. Mr. President, I also present a letter from the Secretary of War, together with a letter from the Chief of Engineers, United States Army, dated July 14, 1942, submitting a report, with accompanying papers and illustrations, on a review of reports on the New York Bay-Delaware River section of the intracoastal waterway requested by a resolution of the Committee on Commerce, United States Senate, agreed to on December 15, 1936. I ask unanimous consent that the letter, together with the report, papers, and illustrations, be printed as a Senate document.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. THOMAS of Utah. I suggest the absence of a quorum.

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

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

Aiken	Gurney	Radcliffe
Austin	Hart	Reed
Bailey	Hatch	Revercomb
Ball	Hayden	Robertson
Bankhead	Hickenlooper	Russell
Barkley	Hill	Saltonstall
Bilbo	Huffman	Shipstead
Brewster	Johnson, Colo.	Smith
Bridges	Johnston, S. C.	Stanfill
Briggs	Knowland	Stewart
Bushfield	La Follette	Taft
Butler	Langer	Thomas, Okla.
Byrd	McCarran	Thomas, Utah
Capper	McClellan	Tobey
Carville	McFarland	Tunnell
Cordon	McKellar	Tydings
Donnell	McMahon	Vandenberg
Downey	Magnuson	Walsh
Ellender	Maybank	Wherry
Ferguson	Mead	White
Fulbright	Millikin	Wiley
George	Mitchell	Willis
Gerry	Moore	Wilson
Gossett	Murdock	Young
Green	O'Mahoney	
Guffey	Overton	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from New York [Mr. WAGNER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. HOEY], the Senator from West Virginia [Mr. KILGORE], the Senator from Illinois [Mr. LUCAS], the Senator from Pennsylvania [Mr. MYERS], the Senator from Texas [Mr. O'DANIEL], the Senator from Florida [Mr. PEPPER], and the Senator from Montana [Mr. WHEELER] are detained on public business.

The Senator from Montana [Mr. MURRAY] and the Senator from Idaho [Mr. TAYLOR] are absent on official business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a representative of the United States to the General Assembly of the United Nations.

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] is recovering from a recent operation.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate on official business of the Small Business Committee, of which he is a member.

The Senator from Delaware [Mr. BUCK] and the Senator from Oregon [Mr. MORSE] are necessarily absent.

The Senator from New Jersey [Mr. HAWKES] is absent on official business for the Committee on Interstate Commerce.

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Seventy-six Senators having answered to their names, a quorum is present.

SENATOR RADCLIFFE—ARTICLE FROM BALTIMORE SUN

Mr. McKELLAR. Mr. President, I wish to place in the RECORD an article which was published in the Baltimore Sun of February 21, 1946.

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

DENNIS HEADS VOTE CAMPAIGN FOR RADCLIFFE—EX-CHIEF JUDGE OF BENCH OPPOSES O'CONOR IN SENATORIAL PRIMARY

(By Louis J. O'Donnell)

After years of retirement from politics, Samuel K. Dennis, former chief judge of the Supreme Bench of Baltimore—the foremost lieutenant of the late John Walter Smith in the days when he ruled the Democratic Party in Maryland—has returned to the arena to direct the campaign of Senator RADCLIFFE for renomination.

Mr. Dennis, an Eastern Shoreman who was credited with having one of the most astute political minds in the State, during the Smith lieutenancy in the first two decades of the century, announced yesterday that he would head an executive committee in behalf of Senator RADCLIFFE's renomination.

For the first time, except one, in Governor O'Conor's political career, Mr. Dennis said, he finds it necessary to oppose him in the primary for the senatorial seat.

ANXIOUS TO SERVE

"Many years, many men have passed since I left the political field, as, I supposed, never to return, to watch the game as an interested spectator from the sidelines," said Mr. Dennis. "Now I find myself anxious to serve in any capacity within the scope of my abilities in the aid of the candidacy of Senator GEORGE L. RADCLIFFE.

"For the first time, except one, in his long political career the State's attorney, attorney general, governor—I cannot back Governor O'Conor, a matter of sincere regret, for our relations have been close.

"It is no reflection upon him that I now support his rival for nomination as United States Senator, not for personal reasons, but upon impersonal public grounds which in my judgment should be controlling upon the Democratic voters of the State at large."

RADCLIFFE'S HANDICAPS

"Senator RADCLIFFE starts with seeming practical political handicaps. He is not a politician by profession, practice, or by background. He started out in life from the farm to teach—and to specialize as a student of history. He took his learned degree of doctor of philosophy, wrote a biography of acknowledged merit, seemed dedicated to lifelong scholarship.

"Then he studied law, stood second in his class, became head of the legal department of a security company, and now is recognized as one of the leading men in the surety business in America—poor preparation for practical politics.

"He has built up no political machine to automatically register his nomination, never will, never tried to. So he is handicapped if a machine equipped and greased by patronage and professionals must be necessary to success."

SUPPORT WELL ORGANIZED

"But he has well-organized support, voluntary support. Among his active backers are office holders, high and low, State central committeemen, party workers, and those who seldom vote—a strange trait."

"Senator RADCLIFFE can't cultivate a grudge, is no 'denouncer,' is forgiving, trusts people even after proof of unworthiness. People do diabolical things to him and next time he serves them willingly, smilingly, just the same.

"Nor is he partisan. He has an idea his services belong to anyone, everyone. Hence men of high and low degree, of all political affiliations, in business and in office alike, find him approachable, amiable, infinitely kind and obliging.

"The old political schoolmasters I knew taught no such political doctrines. Gouge, gore opponents; keep all the prizes, benefits, and emoluments; forget, forgive no enemy. Such was their catechism, their mottoes upon the caucus-room walls."

RADCLIFFE UNORTHODOX

"But Senator RADCLIFFE is unorthodox throughout. He became invaluable to his company, not as master of routine but in stranger fields as 'trouble shooter' idea man, pioneer thinker, policy maker, diplomat. A colleague said: 'Give George time enough and let him do it his own way and he will move the Pyramids from Egypt to Druid Hill Park.

"Again, he lacks selfishness, will not claim even his due; has no flair, no gift for showmanship, does a thousand good turns for just and unjust; then forgets them. At least, he never reminds the debtor of the debt.

"Nor does he make politics his master. Even in campaigns he puts a tremendous amount of time on the polio campaigns, on historical subjects, and a lot of other matters when perhaps his political welfare would require that he devote such precious time to campaigning."

HE WILL WIN THIS TIME, TOO

"Defying all orthodox political patterns and while bearing those same handicaps, heretofore he has won in every primary—and he has faced fierce ones—and in every election.

"He will win this time, too. For the masses love him, respect him, vote for him, and the politicians admire him for being the loyal friend and magnanimous sportsman he is.

"The controlling reasons for returning RADCLIFFE to the Senate are his immense utility to the State and Nation, and the superb energy, intellect, and fidelity he applies to his duties; all with signal success.

"Corporations in Maryland, now wonderfully prosperous, owe their existence in large part to Senator RADCLIFFE's subtle intellect, character, and influence in Washington. His thorough understanding of the country's war problems, his faithful devotion to every measure, every effort to win the war cannot be overestimated."

UNDERSTANDING CHAMPION

"The shipping and banking interests of the country, as do many others, know how earnest, helpful, and able he is. Canners, seafood dealers, farmers, poultry raisers, industries of every type in Maryland find in him an understanding champion.

"No successor can fall heir to the good will, of the seniority claims to powerful committees, or experience he has acquired in eleven active, busy years, which include the most terrible and troubled years in our history.

"He likes everybody. He has courageously voted upon many, many highly controversial measures—damned-if-you-do, damned-if-you-don't measures.

"Therefore I do not embrace all his friends; nor do I agree with all his votes. But at that, no Senator I ever knew, including my mentor, patron, and best friend, Senator John Walter Smith, on the whole, was ever more sound, sane, and right."

WORLD STEEPED IN SORROW

"The time has passed when our sympathetic Senator must seek to ease the anxiety or bereavement of parents whose offspring—as did his son—bore the dangers of war and who faced its gigantic tragedy. The shooting is over. Yet the whole world is steeped in sorrow.

"The United States is in a quagmire of difficulty and division. The task of reconstruction is, of course, too vast for computation or for successful treatment. Something—it may be only a little—may be done by using the best instruments available to forestall chaos.

"Who will say that we should do any less than our best; that we owe anything less to this created-suffering earth, especially to our own torn, demoralized country, groping to find solutions for its war-created griefs?

"Which means at the instant that we hold fast to that man who has demonstrated his worth in the Senate, that man who has of his own ability and quality won influence and no little fame in Washington; who has acquired an expert knowledge and experience which only schooling for years and years in the Senate itself can possibly supply to anyone, whatever his gifts and natural abilities may be."

Mr. McKELLAR. Mr. President, I shoud like to read a paragraph from this article.

Senator RADCLIFFE can't cultivate a grudge; is no denouncer; is forgiving; trusts people even after proof of unworthiness. People do diabolical things to him and next time he serves them willingly, smilingly, just the same.

Nor is he partisan. He has an idea his services belong to anyone—everyone. Hence men of low and high degree, of all political affiliations, in business and in office alike find him approachable, amiable, infinitely kind and obliging.

Mr. President, this article is so entirely in agreement with my own view about our colleague, GEORGE RADCLIFFE, that I wish to place it in the RECORD, and I ask Senators of all political persuasions to read it tomorrow. They will enjoy the beautiful statements which are made about the Senator from Maryland.

TWENTY-FIFTH ANNIVERSARY OF THE AMERICAN CIVIL LIBERTIES UNION—MESSAGES FROM PRESIDENT TRUMAN AND GOVERNOR DEWEY OF NEW YORK

Mr. GUFFEY. Mr. President, last November the American Civil Liberties Union celebrated its twenty-fifth anniversary. It is appropriate that that occasion should be noted in the CONGRESSIONAL RECORD, and I, therefore, ask that there be printed in the RECORD as a part of these remarks, messages addressed to the union on that occasion by the President of the United States and the Governor of the State of New York.

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

THE WHITE HOUSE,
Washington, D. C., November 24, 1945.

Dr. JOHN HAYNES HOLMES,
Chairman, Board of Directors, American Civil Liberties Union, New York:

I sent you warm greetings upon the completion of 25 years of fighting for the civil rights of all Americans. The union is most publicized for its protection of minority groups, but I know that your over-all objective is that inherent constitutional privileges be granted to every person, citizen, or alien, with no thought of race, color, or creed. I know, too, that you fight for the rights of majorities threatened by illegal monopoly and repression.

I believe with your members that whatever a man's political thinking, whatever his background, environment, or education, he must, if he be a real American, respect the aims of organizations such as yours. The integrity of the American Civil Liberties Union and of its workers in the field has never been, and I feel, never will be questioned. Officers, directors, and members of the union have performed outstanding service to the cause of true freedom.

HARRY S. TRUMAN.

NOVEMBER 23, 1945.

Dr. JOHN HAYNES HOLMES,
Chairman, Board of Directors, American Civil Liberties Union.

DEAR DR. HOLMES: I am happy to send warm greetings to all members of the American Civil Liberties Union and all men and women present at the national convention you are holding on November 24, on the theme "What's Ahead for American Liberties."

It is a matter of just pride to the citizens of New York State that the American Civil Liberties Union was incorporated under the laws of the Empire State on whose soil so many hotly contested struggles for the liberty and dignity of the individual were fought and won, struggles not only on the battlefield but in the courts and other arenas of the unending contest for freedom.

Of the quarter century of your existence you have established an enviable record. You have established, also, beyond all possible doubt, proof that the American Civil Liberties Union is an essential part of American life. It is essential not merely to the individuals whom you have helped against injustice, but to the self-respect of the community and of all citizens who appreciate our priceless heritage of personal, political, and religious liberty and regard for the dignity of the individual.

The war for freedom is an endless one. The worst attacks are those which do not affect the majority—the insidious attacks. Without the American Civil Liberties Union there would be no organization to take up the cudgels for lone, oppressed individuals.

It has been inspiring to observe that the American Civil Liberties Union has stood unwavering on the principle of defending everybody's rights without distinction. It has championed the rights of unions and of employers, of union workers and nonunion workers, of Catholics, Protestants, and Jews. On the racial front it has stood firmly for the liberty of every racial minority.

It is a pleasure, therefore, to hail the gallant part that the American Civil Liberties Union has taken in upholding the principles for which this Republic was founded and to extend my warm wishes for continuing success.

Sincerely yours,

THOMAS E. DEWEY.

ST. LAWRENCE SEAWAY AND POWER PROJECT

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter dated February 12, 1946, dealing with the St. Lawrence seaway and power project, addressed by former President Herbert Hoover to the Senator from New Mexico [Mr. HATCH], chairman of the subcommittee of the Senate Foreign Relations Committee.

I also ask unanimous consent to have printed in the RECORD an editorial entitled "A Strong Case for the Seaway," published in the Watertown (N. Y.) Times of February 21, 1946, dealing with the same subject.

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

NEW YORK, N. Y., *February 12, 1946.*

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

MY DEAR SENATOR: I have your request for my views upon the construction of the St. Lawrence waterway.

At my instance, as Secretary of Commerce, President Coolidge in 1924 created the first St. Lawrence Waterway Commission. I served as chairman of that body until 1928. A parallel body was created by the Government of Canada and under the two commissions exhaustive economic and engineering investigations were completed. The economic studies demonstrated great public usefulness of the undertaking and the engineering studies greatly advance the engineering problems.

In 1929, as President, I initiated negotiations for a treaty with Canada providing for the construction of the waterway and settling various interrelations in respect to it. This treaty was signed on July 18, 1932, and was sent by me to the Senate with an urgent recommendation for its ratification.

During this period of nearly 8 years of close association with the problem, I made something like 30 statements, addresses, and reports, and appeared a number of times before congressional committees, all advocating the undertaking. In those statements I canvassed the reasons for and against the construction, and, except for minor changes which time implies, those statements are applicable today.

No doubt these statements and reports can be had from the files of the Department of Commerce if they are wanted, and it is unnecessary for me to repeat the gist of them now.

I did not at the time of my association with the problem believe—and I do not now believe—that the Federal Government should undertake to operate and distribute the electric power which will be a byproduct of the enterprise. The sale of the power on a long-term contract to public bodies and private power companies under regulations which protect the consumer, as in the case of the Colorado River Dam, will be in much greater public interest.

I do not consider the construction of the waterway will injure the existing American transportation system or our ports. The natural increase in goods movement which should take place during the long period of construction should more than compensate any diversion.

Nor should we begrudge any added prosperity to Canada that may come from this enterprise, for her prosperity is as much our prosperity as that of any group of our own States.

It was obvious in 1924 that aside from its great peacetime importance, the waterway would have been of immense value in prosecuting World War I. Had the treaty of 1932 been ratified at that time, and construction followed, the waterway would have directly or indirectly paid for itself several times over in World War II. There can be no doubt as to its value as a defense measure.

From an economic point of view, it could be said as an axiom that every improvement of transportation brings not only visible economic benefits but a host of invisible ones—for cheapening of transport benefits both the producer and the consumer in lessening costs. I have no hesitation in my belief as to the economic value of the project.

I remain,

Yours faithfully,

HERBERT HOOVER.

[From the Watertown (N. Y.) Times of February 21, 1946]

A STRONG CASE FOR THE SEAWAY

Seaway advocates have had their innings at the Washington hearings this week. They have presented a strong case, stronger, it seems to us, than has been presented at other hearings in the past. Testimony was well organized. Witnesses were on hand from all sections of the country and the evidence was factual and convincing.

Here are some of the important points already established:

1. The seaway and the power development will be less costly than any comparative development ever made in this country for the reason that the work is already largely completed. Only the International Rapids remain to be canalized.

2. The St. Lawrence power is the largest undeveloped hydroelectric power in the United States and, once developed, can be sold at a fraction of the cost of electric energy generated by steam.

3. The argument that development of the St. Lawrence power will result in a decreased use of coal is refuted by what happened after the TVA development. The use of coal increased in the territory served by this development.

4. The old allegation that organized labor is against the seaway was disproved by representatives of the CIO textile workers and the CIO auto workers, totaling about 2,000,000 members, who expressed themselves as strongly in favor of the project.

5. It was again established that the seaway is enthusiastically favored by the Board of Army Engineers. A former Chief of this Board testified that, if the cost of the seaway were 50 percent higher than estimated, it would still be economically justified.

William T. Field, of this city, who heads the delegation from the Northern Federation of Chambers of Commerce, added considerably to the strength of the seaway case by his testimony given yesterday. So did the brief of Frank Augsbury, of Ogdensburg, filed by Mr. Field. It was Mr. Field who laid before the committee the figures regarding the use of coal in the Tennessee Valley. It was Mr. Augsbury who pointed out that lack of cheap power in northern New York was closing industries.

Later on the opponents of the seaway will have their opportunity. That there will be strong opposition we all know from experience, but this time the seaway foes will have a strong case to overcome. The seaway advocates have done well.

RETURN TO JUSTICE—ADDRESS BY SENATOR TAFT BEFORE MISSOURI REPUBLICAN CLUB

[Mr. TAFT asked and obtained leave to have printed in the RECORD an address entitled "Return to Liberty," delivered by him before the Missouri Republican Club, at Kansas City, Mo., on February 12, 1946, which appears in the Appendix.]

RETURN TO JUSTICE—ADDRESS BY SENATOR TAFT TO REPUBLICANS OF TEXAS

[Mr. TAFT asked and obtained leave to have printed in the RECORD an address entitled "Return to Justice," delivered by him to the Republicans of Texas, at Dallas, Tex., on February 14, 1946, which appears in the Appendix.]

WHAT SHOULD WE DO ABOUT THE BRITISH LOAN?—STATEMENT BY SENATOR JOHNSON OF COLORADO

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD a statement entitled "What Should We Do About the British Loan?" made by him at a round-table discussion on American Forum of the Air on February 26, 1946, which appears in the Appendix.]

BROTHERHOOD OR BOMBS, WHICH?—ADDRESS BY FREDERICK TAYLOR WILSON

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an address entitled "Brotherhood or Bombs—Which?" delivered by Frederick Taylor Wilson at the Church of the Reformation, in Washington, D. C., on February 28, 1946, which appears in the Appendix.]

REPLY OF ROBERT R. WASON TO CRITICISM BY CHESTER BOWLES OF PRICE-CONTROL ATTITUDE OF THE NATIONAL ASSOCIATION OF MANUFACTURERS

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD a radio address delivered by Robert R. Wason, president, Nation Association of Manufacturers, in reply to criticism by Mr. Chester Bowles of the attitude of the National Association of Manufacturers on price control, which appears in the Appendix.]

THE ORDNANCE VICTORY SYSTEM—ARTICLE BY LT. GEN. L. H. CAMPBELL, JR.

[Mr. RUSSELL asked and obtained leave to have printed in the RECORD an article entitled "The Ordnance Victory System," written by Lt. Gen. L. H. Campbell, Jr., Chief of Ordnance, and published in the spring, 1946, issue of the magazine Dixie Business, which appears in the Appendix.]

RESTORATION OF FORD'S THEATER

[Mr. YOUNG asked and obtained leave to have printed in the RECORD an article entitled "Plan To Restore Ford's Would Fill Last Panel in the Lincoln Tragedy," written by Nelson B. Bell, and published in the Washington Post of February 24, 1946, which appears in the Appendix.]

URGENT DEFICIENCY APPROPRIATION ACT, 1946

The Senate resumed consideration of the bill (H. R. 5458) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for other purposes.

The PRESIDING OFFICER. The remaining amendment of the Committee on Appropriations will be stated.

The amendment was, under the heading "Department of Agriculture—Rural Electrification Administration," on page 4, line 10, after the word "amended", to insert a colon and the following proviso: "*Provided*, That no part of this fund shall be available to the Rural Electrification Administration for the making of any loan for the construction of a generating plant unless the Federal Power Commission shall first certify that there is not sufficient electric current available in the area concerned at reasonable rates."

Mr. GURNEY obtained the floor.

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

Mr. GURNEY. I yield to the Senator from Tennessee.

Mr. McKELLAR. This amendment was offered in committee by the distinguished Senator from South Dakota. He made the argument that this appropriation was for the purpose of extending rural electric lines to the people of the country rather than to build electric plants, and that where electricity could be procured from existing lines at reasonable prices it was useless to spend most of this money or a very large part of it for building electric plants, but that the principal work should be the building of the lines. As I recall, the committee unanimously agreed with him. I think that statement is a correct one. I think there were no opposing votes.

Mr. RUSSELL. Mr. President, I was not present in the committee when the bill was acted on, but I was opposed to the amendment.

Mr. McKELLAR. I do not think the Senator from Georgia was present at the time, because, as I remember, the vote for the amendment was unanimous. However that may be, the amendment was proposed by the Senator from South Dakota. That is all I desire to say.

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

Mr. GURNEY. For what purpose?

Mr. BILBO. I should like to ask the Senator from Tennessee [Mr. McKELLAR] a question.

Mr. GURNEY. On the pending amendment?

Mr. BILBO. Yes.

Mr. GURNEY. First, I should like to make an opening statement, if I may.

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

Mr. GURNEY. I yield to the Senator from Washington.

Mr. MAGNUSON. Mr. President, I rise for the purpose of making a point of order against the pending amendment, on the ground that it is legislation on an appropriation bill. The amendment itself would alter the basic policy of the Rural Electrification Act. It goes to the very core of the intention of the act. I therefore make the point of order.

Mr. McKELLAR. Mr. President, I wish to be heard on the point of order.

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). The Chair overrules the point of order, and holds that the amendment is not general legislation, but constitutes a limitation upon the use of the funds provided for in the bill.

Mr. McKELLAR. I thank the Chair. It is not necessary that I be heard.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. As I understand, the Chair construes the amendment to be a limitation, rather than legislation.

The PRESIDING OFFICER. The Chair holds that the amendment is not general legislation, but constitutes a limitation upon the use of the funds provided for in the bill.

Mr. GURNEY. Mr. President, I believe it is the intention of Congress in appropriating money for rural-electrification lines to furnish electricity for farms. Therefore in presenting this amendment to the Committee on Appropriations I sought to justify the amendment on the basis that we should allocate these funds for farm-line building, so as to serve as many farmers as possible with rural electric lines.

The background for my amendment originated 3 or 4 years ago, at which time I had quite a bit of information—and still have it in my files—to the effect that in several States in the Northwest REA funds had been allocated and used for the purpose of purchasing small, municipal light plants, small privately owned light plants in villages, small towns, larger towns, and even possibly cities, if we consider a city to be a community of more than 5,000 population. REA funds appropriated by Congress were used to build or buy generating plants, thereby cutting down the number of farm lines which could actually be built. In some instances, with the aid of the electricity furnished to the citizens of those towns, it was possible to show a profit on such lines.

I feel that Congress wants farm lines built, and farm lines only. I did not offer this amendment in any way to stop the building of farm lines, or in any way to hinder the REA Administrator in the efficient administration of the funds appropriated by Congress to be allocated by him. Under the terms of the pending amendment, the Administrator would be required to obtain certification from the Federal Power Commission that electricity is not available at reasonable rates. He would then have full authority to build such generating plants as might be needed in any area.

I shall not speak at length on this amendment. It is submitted to the Senate on an open and aboveboard basis. It would not stop the REA for any length of time if it had a bona fide project to which it wished to allocate funds.

I ask for the adoption of the amendment.

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

Mr. GURNEY. I yield.

Mr. BUTLER. I dislike very much not to be in agreement with the distinguished Senator from our neighbor State; but I wonder if he thinks there would be any danger of the Administrator of the rural-electrification program attempting to build a generating plant when it would definitely cost more than to buy current from the available source, whatever it might be?

Mr. GURNEY. Yes. I am sure the evidence is quite conclusive that generating plants have been built, are now in process of construction, and are contemplated to be built later, under circumstances in which the cost of generating power with REA funds is much higher than the cost of purchasing electricity from available sources.

Mr. BUTLER. I have not had the years of experience which the distinguished Senator has had in South Dakota in connection with this program; but the experience which I have had up to date indicates an extremely economical administration by the officers of the REA. Personally I am not worried about them making a contract which is not to the best interests of the customers whom they are trying to serve.

Mr. GURNEY. Let me say to the Senator that if the REA can show that exorbitant rates are being charged, it will not be hurt by this amendment in any manner, shape, or form.

Mr. BUTLER. At one time the REA was an independent agency. Personally I think it should still be an independent agency. However, it was placed under the Department of Agriculture, and now if in order to carry on its program it must clear its way with some other Federal bureau or department, it means further delay. We have had delay enough in these programs, and I am anxious to see them proceed without undue delay.

Mr. GURNEY. If the Senator from Nebraska will permit a question in return, does he feel that the REA should establish an organization so as to have at its fingertips the available power in every section, State, and area of the whole United States? My information is that the Federal Power Commission has all the necessary information, and that it acts as a Federal agency for all branches of the Government when it comes to the question of power. It furnishes information to the Bureau of Reclamation and to the Army engineers. It can furnish such information to REA. Let me ask the Senator from Nebraska just what the function of the Federal Power Commission is if it is not meant to be an expert agency on the question of electrical energy all over the United States?

Mr. BUTLER. I am certain that if the REA or any other Government agency needs information which is in the possession of the Federal Power Commission it undoubtedly will ask for it. Certainly it has cooperated with the Federal Power Commission in the past. But I do not like to see further restrictions placed upon the REA at this time in furthering its program, because in the postwar era one of the large programs which we are trying to complete for the farmers and producers of the country is the extension of rural electric service. I do not like to see any impediment placed in the way of progress in that direction.

Mr. MAGNUSON. Mr. President, I rise in opposition to the amendment. Let me say to the Senator from Nebraska [Mr. BUTLER] that I believe he is entirely correct.

I agree with the distinguished Senator from South Dakota that the purpose of the REA is to give to farmers as much available electricity as possible. I do not need to go into the history of rural electrification and relate how the farmers of this country were retarded by the very power companies themselves from obtaining electricity for their farms, because of the high cost of power lines. I do not need to go into the history of the REA itself which has done a splendid job and has electrified a great many farms in this country, in some States more than in others. I believe the rural areas of my own State are probably 85 percent electrified at this time. That is an outstanding record. It has been possible because we have the power available. But prior to the time when we had the power available, our State was one of the most backward States of the Union in respect to farm electrification.

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

Mr. MAGNUSON. I yield.

Mr. GURNEY. I was wondering whether the Senator had considered that possibly these REA funds might be used in a territory to put up an REA line where public power already was available, but because they did not get along with the public power body they decided to build their own generating plant. Does not the Senator think the Federal Power Commissioner or the Federal Power Commission would be a good arbitrator to step in at that point and say, "Well, power is available from the public body at reasonable rates, and you shall buy it from them."

Mr. MAGNUSON. Of course, I think the Federal Power Commission would be a good arbitrator if it would arbitrate. But this amendment goes to the very heart of the rural-electrification program. It means that all the rural communities that want cheap electricity for the farms would be deprived of their bargaining power with the private power companies. If the private power companies would not give them rates which they considered reasonable, of course they would go to the Federal Power Commission, but the Federal Power Commission could hold up for as long as 1 or 2 years the determination of what was a reasonable rate. I personally have sat in many rate cases, and I know how long they can drag on.

Furthermore, in this amendment there is no restriction which would compel the acceptance of what might be a reasonable rate. The important question in connection with electric power has always been what are reasonable rates. This amendment would delay action in cases in which rural electrification is needed and in which it might be neces-

sary to build a generating plant. The Senator from Nebraska hit the nail on the head when he said, "Why, of course, in the efficient operation of the REA they would not build a generating plant if they were getting reasonable rates." But what are reasonable rates has always been the question in these cases.

This amendment will do what the Senator from Nebraska said; it will retard the rural electrification program by causing all these questions to be referred to a bureau in Washington, where lengthy arguments may be made on the question of rates. In some instances in the courts rate cases have taken as long as 3½ years before the question was determined.

Although the Senator from South Dakota may be motivated by very laudable aims and a laudable desire to more or less restrict the Rural Electrification Administration to one specific purpose, I think the amendment will do just the opposite.

The Senator from South Dakota mentioned as a reason that there has come to his attention the fact that in the Northwest there are some small communities in which the Rural Electrification moneys have been used, as I understood him to say, for the purpose of purchasing small municipal plants. That is true; but the reason why the Rural Electrification Administration granted the loan and the reason why the plant had to be purchased was that that was the only generating source in the area from which lines could be extended into the nearby rural community.

I think the REA should be in the same position as any other Federal loan agency. If cooperatives or if any group of farmers can come to the REA and can show it a good reason why they should be loaned money, and if it is a good financial risk and if they have paid back almost every loan they have obtained in the past, there should not be any restriction on it. If it is necessary for them to build a generating plant in order to have bargaining power with the electric company, so as to enable them to get reasonable rates, they should be permitted to do so.

But only by means of the Federal Government will rural electrification be extended to the extent that every Senator on this floor wants to have it extended.

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

Mr. MAGNUSON. I yield.

Mr. SHIPSTEAD. I agree wholeheartedly with the Senator from Washington. I have had a good deal of personal experience with bargaining for electricity. Where I live the area was surveyed for rural electrification in the winter of 1935. We started in early January. I selected the engineer to lead the survey. We got funds from Emergency Relief. On the basis of that survey we applied for a loan, after the Rural Electrification Agency established by Executive order in early May. We were all ready to get money with which to build a plant. There were three different sources of private enterprise which were generating electricity. We went to them and asked them to furnish us with electricity. They would not even discuss rates with us. They would not even discuss the possibility of giving us any rates. We were able to get them to sit down and discuss rates with us only after we had threatened to go to the Federal Government and request a loan of $500,000 from the Public Works Administration to enable us to electrify the area in the State of Minnesota. Then we got a rate, and a very satisfactory rate, because we had bargaining power. We are still getting electricity from the same source.

As the Senator from Washington has said, the amendment would take away the bargaining power of the cooperatives. I have never been in favor of building, by public money, plants for cooperatives, so long as they can get a decent rate from private sources. I would not buy a store and fill it with goods if a merchant would sell to me at a reasonable price; and I feel the same way about electricity.

The cooperatives should be permitted to do their own bargaining and be free. They should not be required to go to the Federal Power Commission and have it come between them and the power interests. They can get competent engineers to advise them regarding what is a just rate, based on the potential power required. The cost can be known. I think that so far the cooperatives have been very successful, generally speaking, in making satisfactory bargains with private industry, and it saves them a great deal of overhead, interest, and so forth. So far as I am concerned, I do not wish to have that program interfered with by turning it over to a commission in Washington, no matter what its name.

Mr. MAGNUSON. Of course, Mr. President, the Senator from Minnesota is exactly correct. This is what happens and what is happening in my State: There may be a bus bar of a public power line in the area, but a private power company is serving the area. Of course, the farmer would just as soon buy the power from the private power company as from the public power bus bar. But the farmers ask the private power company for a rate. The private power company says, "We will give you a rate of so many cents per kilowatt-hour, which we think is a reasonable rate." In the meantime, if the farmers' cooperative or the farmers' group, whether cooperative or not, says, "We do not think it is a reasonable rate," the matter goes to Washington, and that means delay. The actual completion of that electrification line could be delayed so long that sometimes possibly 2 or 3 years would elapse before the matter was settled. The core of the whole thing is the question as to what is a reasonable power rate. Even if the Federal Power Commission then decided what was a reasonable rate, either under this amendment or under the act, no one would have to accept it. They could go on wrangling from then on.

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

Mr. MAGNUSON. I am glad to yield.

Mr. BRIDGES. When the Senator from Washington says that it would require 2 or 3 years, or more, to obtain a decision, evidently he does not believe in the New Deal bureaucracy.

Mr. MAGNUSON. I do not think that a New Deal or a Republican bureaucracy could determine in a short period of time what is a reasonable rate, when, under the rules of the various commissions, private attorneys may appear and call any number of technical witnesses.

Mr. AIKEN. Mr. President, the Senator from New Hampshire has said that the Senator from Washington evidently does not believe in bureaucracy. I would say that the Senator from Washington evidently knows all about the ability of the private utility companies to drag matters out for a number of years through various commissions and courts. I assume that the Senator from New Hampshire also recognizes the ability of the utility companies to drag out issues. Delay is one of their strongest weapons. The Senator from Washington has told us that the threat of generating their own power which the cooperatives are able to exercise in the event the power companies attempt to hold them up on rates has been of benefit to the cooperatives.

Mr. President, I should like to read into the RECORD at this point certain evidence which bears out the statement of the Senator from Washington. I believe that it was on November 21 that Mr. Wickard appeared before the House Committee on Interstate and Foreign Commerce and gave the committee some figures showing what had been saved to the farm cooperatives and the REA cooperatives, through the bargaining power to which reference has been made. I wish to give some examples of savings which have been effected.

The table from which I shall read is headed "Savings accruing to distribution cooperative through the purchase of energy from REA-financed generation-transmission cooperatives which supply power to more than one distribution cooperative." The data covers the States of Minnesota, North Dakota, Wisconsin, and others. Take, for example, the Dairyland Power Cooperative. The private company would not sell them power for less than 1.8 cents per kilowatt-hour.

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

Mr. AIKEN. I do not know that I have the floor.

The PRESIDING OFFICER. The Senator from Washington [Mr. MAGNUSON] has the floor.

Mr. MAGNUSON. I yield to the Senator from South Dakota.

Mr. GURNEY. Of course, Mr. President, all the Federal Power Commission would have to do would be to certify that 1.8 cents per kilowatt-hour is too high, and they would certainly rule that way, and there would be no delay.

Mr. AIKEN. And, of course, all the power companies of South Dakota would have to do is to go before the Federal Power Commission and drag their case out through several months or year, and the farmers of South Dakota would take a licking.

Mr. GURNEY. The Senator was talking about a case in Wisconsin.

Mr. AIKEN. I will talk about it, if the Senator will allow me.

Mr. HILL. Mr. President, is it not a fact that before any REA funds may be

used for the construction, operation, or enlargement of a generating plant, consent from the State public service commission must be obtained? The State authority, under the law, has to pass on the matter.

Mr. AIKEN. I think that it probably depends upon the State law.

Mr. HILL. Most of the States have authorities covering such matters. Allow me to read from Public Law 605, Seventy-fourth Congress, to provide for rural electrification, and for other purposes. I read from section 4, on page 3:

Provided further, That no loan for the construction, operation, or enlargement of any generating plant shall be made unless the consent of the State authority having jurisdiction in the premises is first obtained.

Mr. MAGNUSON. Mr. President, the Senator from Vermont [Mr. AIKEN] wishes to place some figures in the RECORD. Of course, in many cases consent of the State authority is engineering consent to use the plant. In many cases it does not deal with rates at all.

Mr. HILL. And in some cases it does deal with rates.

Mr. MAGNUSON. Yes. But I may also say that in the States which have the greatest amount of rural electrification, the Senator's statement would not apply.

Mr. HILL. But in some of the States, it does apply.

Mr. MAGNUSON. Yes.

Mr. AIKEN. Mr. President, I should like to put some figures in the RECORD to show what the REA cooperatives have been able to save through obtaining loans in order to construct their own generating plants. I shall start again with the Dairyland Power Cooperative. It is located, I believe, where the Minnesota, Iowa, and Wisconsin State lines come together. The power company asked 1.8 cents per kilowatt-hour for electricity. The cooperative installed its own generating plant and produced the needed electricity for 1.28 cents per kilowatt-hour, thereby effecting an annual saving of $330,000 for the farmers of Minnesota, Iowa, and Wisconsin.

Then let us take the Rural Cooperative Power Association. The amount which that company would have been charged was 1.8 cents per kilowatt-hour. The cooperative installed its own plant and generated power for 1.14 cents per kilowatt-hour, thereby saving $92,000 a year for the farmers of that community.

In the case of the Border Counties Cooperative, the private power company would have charged 1.8 cents per kilowatt-hour. The cooperative was enabled to generate its own power for 1.50 cents per kilowatt-hour, thereby saving to the farmers $3,600 a year.

In the case of the Minnkota Power Cooperative, the private power company would have charged it 1.8 cents per kilowatt-hour. It was able to produce its own power for 1.33 cents per kilowatt-hour, and thereby was enabled to save $42,000 a year.

Now let us get down into the State of Iowa. The Federated Cooperative Power Association, which would have had to pay 1.5 cents per kilowatt-hour for electricity, produces its own power at 1 cent per kilowatt-hour, thereby saving $110,000 a year.

Take the case of the Central Electric Federated Cooperative Association. It would have been required to pay to the private-power companies 1.5 cents per kilowatt-hour, but it generates its own power for 99 cents per kilowatt-hour, resulting in a saving of $82,000 a year.

The total savings resulting to these companies was $659,600 a year.

Mr. President, that is not the whole story, by any means. In many instances it was necessary only for the REA to grant a loan to the cooperative, and the power companies voluntarily reduced their rates to meet the rate at which power could be generated by the cooperative itself.

Here are some cases in Texas. The Brazos Transmission Cooperative and Farmers Generation and Transmission Cooperative was about to be charged by the Texas Power & Light Co. 1.2 cents per kilowatt-hour. The cooperative obtained a loan from the REA, and the Texas Power & Light Co. reduced its rate to 0.56 cent per kilowatt-hour. The result was a saving of $137,000 annually to the farmers in that part of Texas.

The list I have includes also cooperatives of the States of Arkansas, Louisiana, Oklahoma, Minnesota, Wisconsin, North Dakota, Iowa, Alabama, Mississippi, Georgia, South Carolina, and North Carolina. Other States are not included in this list. But in the States which I have named—15 in all—through the bargaining power, or ability to construct plants for their own purposes, the cooperatives saved the farmers a total of $2,265,600 annually. That is the sum which those farmers would have had to pay had an amendment such as the one being proposed to the pending bill been incorporated in the REA law.

I wish also to say, if the Senator from Washington will yield to me further——

Mr. MAGNUSON. I yield.

Mr. AIKEN. If this amendment is agreed to, it will handicap and hamstring farmers of this country at a time when it is necessary for them to reduce their costs in every possible way. The cost of labor has greatly increased during the past few years. One way the farmer can meet the increased cost of labor is by installing more electrical equipment and obtaining power at a reasonable rate.

Again I wish to call attention to the fact that during the war many cooperatives which already had their own generating plants were unable to generate sufficient power to meet the expanding number of members who have come into the cooperatives during the last 4 or 5 years. It is necessary now for them to add additional units if they are to meet the demands. If the pending amendment should be adopted, it would be impossible for them to do so without incurring long delay. Assuming that the Federal Power Commission eventually grants authority to construct the additional generating units, it would be months or possibly years before they could get around to doing it. In the meantime, the cooperatives would be absolutely at the mercy of the private utility companies and would have to pay whatever prices were charged them.

I might illustrate by citing an instance in my own State. In Washington County, Vt., a few years ago a rural electric cooperative was organized. They tried their best to buy power from the local company. They were asked 1.92 cents a kilowatt hour. They did not feel they could pay that, and so they installed a Diesel plant away up in the mountains, where a great deal of power is generated from waterpower. They had to put in a Diesel plant. I do not know what it cost them to generate, but I understand it was about a cent and a quarter a kilowatt hour. The result was that after 3 or 4 years the private utility company made them an offer to furnish them the power they needed for approximately half what they proposed to charge them 4 or 5 years previously.

I see the senior Senator from New Hampshire [Mr. BRIDGES] in the Chamber. I think the rural electrification cooperative in New Hampshire pays about the highest rate charged any cooperative in the country. A letter received a short time ago from George Duncan, the president of that cooperative, informed me that although they had, as I recall, the figure, a base rate of 1.23 cents a kilowatt hour, yet there was an escalator clause in the contract, and other charges, because of which the cost is brought up to almost 3 cents a kilowatt hour. If that New Hampshire electrification cooperative, which has been in financial distress, can find any way to lower the wholesale cost from the 2.8 cents, which I think is the exact figure the president gave me, I say let us help them to do it. At a time such as this we simply must help the farmers lower costs in every way possible.

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

Mr. AIKEN. I do not have the floor.

Mr. MAGNUSON. I yield to the Senator from Vermont if he desires to yield to the Senator from New Hampshire.

Mr. AIKEN. I think I am practically through, except that I should like to say, Mr. President, that at no time has there been a more determined effort on the part of the utility interests to destroy farm cooperatives, and particularly the REA, than there is at this moment. At no time have they maintained a more powerful lobby in the city of Washington. We meet them in the corridors, we meet them on the elevators, we meet them downtown. I do not think they are aware of the fact that I know them, but I recognize a good many of them, and I know they are here. At no time have they been more active in the construction of spite lines into REA territory which they previously had refused to serve, for the purpose of destroying the efforts of the farm population to better their own condition.

We have had two such instances in my State. In one locality, in Moretown, the REA started construction of several miles of lines. The private-utilities company brought in all their men whom they could get from all over the State and built a line directly alongside the REA line, and the last I heard they were serving only three farms.

Another case arose in the southern part of the State, a case which is now in court, with the utility company defendant. In the small town of Windham there were

about 70 farms and rural residents who wanted to get electricity. They have wanted it for years. They had appealed to the private utility company, but they could not get it, their application being turned down every time. They made their last appeal last July, and were turned down again. They then signed up with the REA, and according to the charge made, which I think is true, the rural cooperative acquired a right-of-way for several miles of line. The cooperative cleared the right-of-way, and then the private-utility company rushed in men and started setting their poles in the right-of-way which had been bought and cleared by the rural electrification cooperative.

Fortunately, ex-Senator Gibson, whom many here know, returned to Vermont about that time and took up the cudgels for the rural electrification cooperative, and by suit and injunction stopped the construction of the private line on the right-of-way which had been acquired and cleared by the rural electrification cooperative.

Mr. President, that illustrates the situation which confronts us now. Propaganda against farm cooperatives is being distributed all over the country, in every town in the United States, and if we accept this amendment we will be aiding in destroying the effort of the farmer to help himself through rural electrification cooperatives.

Mr. President, I ask unanimous consent that the table to which I have been referring be printed in the RECORD in connection with my remarks.

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

Annual savings in the cost of power supplied to REA cooperatives attributable to REA allotments for generation and transmission

A. SAVINGS ACCRUING TO DISTRIBUTION COOPERATIVES THROUGH THE PURCHASE OF ENERGY FROM REA-FINANCED GENERATION-TRANSMISSION COOPERATIVES WHICH SUPPLY POWER TO MORE THAN ONE DISTRIBUTION COOPERATIVE

	Average rate of power companies before REA generating plant was considered	Present average rate charged to member distribution cooperatives by REA-financed generation-transmission cooperatives	Annual savings based on present amount of energy purchased by distribution cooperatives
Minnesota, North Dakota, and Wisconsin:	*Cts. per kw.-hr.*	*Cts. per kw.-hr.*	
Dairyland Power Cooperative	1.8	1.28	$330,000
Rural Cooperative Power Association	1.8	1.14	92,000
Border Counties Power cooperative	1.8	1.50	3,600
Minnkota Power Cooperative	1.8	1.33	42,000
Iowa:			
Federated Cooperative Power Association	1.5	.00	110,000
Central Electric Federated Cooperative Association	1.5	.99	82,000
Total savings			659,600

B. SAVINGS RESULTING FROM REDUCTIONS IN THE WHOLESALE POWER RATES OF POWER COMPANIES, DIRECTLY EFFECTED BY REA ALLOTMENTS FOR GENERATION-TRANSMISSION FACILITIES TO SERVE MORE THAN ONE DISTRIBUTION COOPERATIVE

Cooperatives and power companies	Average rate of power companies before REA generating plant was considered	Present average rate	Annual savings to cooperatives based on present volume of power purchased
1. Texas:			
Brazos Transmission Cooperative and Farmers Generation and Transmission Cooperative:	*Cts. per kw.-hr.*	*Cts. per kw.-hr.*	
(a) Texas Power & Light Co.	1.12	0.56	$137,000
(b) Southwest Gas & Electric Co.	1.28	.56	96,000
(c) Texas Electric Service Co.	1.25	.56	31,000
(d) Central Power & Light Co.	1.35	.70	65,000
(e) Gulf States Utility Co.	1.29	.825	16,000
2. Arkansas, Louisiana, and Oklahoma:			
Ark-La Cooperative; Kamo Cooperative; Western Electric Cooperative:			
(a) Oklahoma Gas & Electric Co.	1.2	.6	93,000
(b) Arkansas Power & Light Co.	1.25	.57	98,000
(c) Public Service Co. of Oklahoma	1.3	.70	30,000
(d) Louisiana Power & Light Co.	1.37	.80	23,000
3. Minnesota, Wisconsin, and North Dakota:			
Dairyland Cooperative and other generation and transmission cooperatives in those areas:			
(a) Northern States Power Co.	2.0	1.15	203,000
(b) Interstate Power Co.	1.5	1.15	42,000
(c) Otter Tail Power Co.	1.8	1.11	104,000
4. Iowa:			
Federated Cooperative Power Association and Central Electric Federated Cooperative Association:			
(a) Iowa Electric Light & Power Co.	1.2	.96	54,000
(b) Iowa Public Service Co.	1.7	1.13	41,000
5. Alabama:			
Alabama Electric Cooperative:			
(a) Alabama Power Co.	1.16	.8	53,000
6. Mississippi:			
Mississippi Electric Power Association:			
(a) Mississippi Power Co.	1.19	.8	81,000
(b) Mississippi Power & Light Co.	1.23	.56	49,000
7. Georgia:			
Georgia Electric Membership Corp.:			
(a) Georgia Power Co.	1.25	.8	269,000
(b) Georgia Power & Light Co.	1.25	1.01	31,000
8. South Carolina and North Carolina:			
South Carolina Electric Cooperative (Inc.):			
(a) Carolina Power & Light Co.	1.15	.75	90,000
Total savings in purchased power			1,606,000
Total savings from generation			659,600
Grand total annual savings			2,265,600

Mr. GEORGE. Mr. President, I do not care to discuss the amendment, but I may say I think it is unfortunate it is presented and I shall vote against it if a record vote is had on it.

Mr. REED. Mr. President, much has been said which has not very great relevancy to the question immediately before the Senate. Public utilities may be actively lobbying on the question before us. If so, they have not approached me. The only people who have tried to lobby with me on this question have been the farmers and the farm cooperatives.

I am standing here to defend the policy of creating the REA. I want the $100,000,000 we are appropriating in the bill before us, and the $250,000,000 which will be appropriated under the agricultural appropriation bill soon to come before us, to be used to put electricity on the farms. That is what we are trying to do. I do not want it used to install generating plants, unless there is a need for such plants.

It may be said they are never built except where they are needed. I propose to give the Senate an immediate example of what is going on today in the State of Kansas, and to call attention to the recent correspondence I have had with Administrator Wickard, whose representative came to talk to me this morning about this matter.

In 1944 the REA made an allotment of $430,000 to build a generating plant at Great Bend, Kans. The War Production Board refused to give the project any material in 1944. They did get authority from the WPB later, in 1945.

Mr. President, let me analyze the power situation in that particular place. There is presently a generating capacity in that immediate area of 11,670 kilowatts. The maximum load in December 1945, was 5,980 kilowatts. There is a reserve of more than 5,000 kilowatt-hours of excess, unused energy. Why in the world should an additional generating plant be built in that community? The answer might be, "because of the present price of electricity." Very well. I wrote to Administrator Wickard from my home in Parsons, Kans., in December or January, calling his attention to this matter, and I received a reply when I returned to Washington. I received this letter signed by Claude Wickard, Administrator of the REA, dated February 26, 3 days ago, in which he takes up the question which I raised in a letter I wrote to him on the 22d of last month. Mr. Wickard said:

> I do wish to agree with your general statement that the decline in war demands has left an excess of power over and above the requirements of certain areas in central Kansas.

And the area to which I refer is one of them. There can be no doubt about that. That leaves the question of price. My philosophy respecting the REA—and I have discussed it in the Committee on Appropriations time and again with those appearing on behalf of and urging appropriations for the REA—is that REA shall not set aside money for construction of generating plants unless farmers cannot buy ample power at reasonable rates.

In my letter to Mr. Wickard, which I wrote him from Parsons, Kans., I said that the major purpose of the REA is to get electricity on the farm, and that REA funds should be used for the construction of central energy plants only when the cooperative is unable to buy ample power at reasonable rates.

Mr. Wickard said in his reply to me, dated February 26:

I think that is an adequate summary of our policies in this respect and is essentially what I said in my remarks at Grand Forks, N. Dak., November 7.

Let me refer to the price factor in this immediate situation, and again I am reading from Mr. Wickard's letter of February 26.

You next state it to be your understanding that the cooperative could buy power at a lesser price than it can be generated for in a plant of the size being constructed.

REA is proposing to put in a 2,250-kilowatt plant. Mr. Wickard proceeds to say:

Our calculations, based on the installation of 2,250 kilowatts of generating capacity * * * show the average cost per kilowatt to be .873 mills.

Then Mr. Wickard proceeds to say that the cooperative now is buying power at .85 mills, which is less than their estimate, which I am assured by engineers is too low. In other words, when this plant is built, after spending $430,000 on it, their estimate of the cost is .87 mills per kilowatt. The cooperative is now buying power at .85 mills.

Mr. President, I ask unanimous consent that a copy of my letter to Administrator Wickard under date of February 22, and his reply under date of February 26, may be printed in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER (Mr. HUFFMAN in the chair). Without objection, it is so ordered.

The letters are as follows:

FEBRUARY 22, 1946.

Hon. CLAUDE R. WICKARD
Administrator, Rural Electrification Administration, Washington, D. C.

DEAR MR. WICKARD: I have your letter of February 5, in reply to my letter of January 10, in which I raised the question of whether the allocation of funds for construction of a generating plant at Great Bend, Kans., was within the sound REA policy as contemplated by the law. Your letter is not convincing.

I do not care to go into many details of the situation existing in that territory through the war. Briefly, there was a shortage of power to meet requirements including an Army air base established near Great Bend. To overcome this deficiency, the War Production Board approved a 1,400-kilowatt addition to the Great Bend plant of the Kansas Power Co. in March 1944. In 1943, additions to the municipal plant at Larned, Kans., added to the total amount of power available.

Through these additions, plus the construction of additional transmission lines, provision was made for the maximum supply of power for the load during the war period. The decrease in power demands since that time has left a substantial excess of power available above requirements.

The WPB did not approve an allotment of materials for the cooperative plant in 1945. This was after the REA had made an allotment of $430,000 on September 23, 1944.

This particular matter was before the Senate Appropriations Committee and was discussed some time ago. I am aware that there was conflict between the cooperative and the power companies in that section over rates. I am familiar in a general way only, with what you call a dual rate contract. I have never reached any final opinion as to that matter.

My information, furthermore, is that the cooperative can buy power at a lesser price than it can be generated by a plant of the size being built. If that is not true I want to be corrected.

Your letter apparently does not question that there is an excess of power being generated in that area. Your letter discusses, rather vaguely, additional power requirements under a program for a substantial enlargement of the cooperative. I have no information save your vague general statement on that point.

Certainly, on the basis of my information, the allotment of money from the REA for this generating plant is not justified. I also understand your State representative did not approve it, and the cooperative went around him and negotiated directly with some members of your staff in order to obtain approval. If my information on this point is not correct I would like to be advised.

I have consistently supported the REA. With equal consistency I have tried to keep it within a sound policy with which you say you agree. Certainly, on my information, the allotment for this plant goes far beyond that policy.

I desire and request that you promptly correct me on any point where my information is in error. I am not content to let this matter rest on a basis of my present understanding of it.

If the REA is permitted to disregard the prime purpose of the law in this instance it will be encouraged to go ahead with other deviations in the policies created by the law governing the REA. If funds are to be allotted for the construction of a generating plant where there is no justification for it the REA is headed for insolvency. That is what I wish to avoid.

REA funds are not equal to satisfying the ambition of numerous enterprising cooperative managements. This seems to be a case of that kind.

May I have your prompt attention and advice?

Very truly yours,

CLYDE M. REED.

WASHINGTON, D. C.

Hon. CLYDE M. REED,
United States Senate.

DEAR SENATOR REED: This is in reply to your letter of February 22 regarding the generating plant at Great Bend, Kans. In view of the action which was taken by the Senate Appropriations Committee yesterday with regard to REA generating plants, I am attempting to give you complete answers to the various questions you raise and get them to you in time so that you may consider them before the action of the Appropriations Committee is discussed on the floor.

Taking the questions up in the order in which you have raised them, I do wish to agree with your general statement that the decline in war demands has left an excess of power over and above the requirements of certain areas in central Kansas. Later in this letter I shall comment on the fact that this does not necessarily answer the problem of power requirements facing the Central Kansas Electric Cooperative Association.

You point out that REA made an allotment to the Central Kansas Electric Cooperative Association of $430,000 on September 23, 1944, and go on to state that WPB did not approve an allotment of materials for this cooperative plant in 1945. Our records show that WPB approval for this project was given on July 21, 1945. Naturally, none of our funds was advanced without WPB approval.

You indicate that you are familiar only in a general way with what we refer to as the dual-rate contract and have reached no final opinion on the matter. Briefly stated, the dual-rate contract is a device which utilities, particularly utilities in Kansas, are using to prohibit cooperatives who buy their power from utilities from serving other than relatively small loads. The restrictive features vary as between utilities, but the effect is the same; that is, to reserve for the utilities all of the larger, better-paying power loads in a given area and relegate to the cooperatives service only to the small users. I am sure you appreciate the fact that the development of a power system in a given area under such circumstances is wholly uneconomic, and, in the long run, cooperatives coerced into the acceptance of such terms will not be able to complete the job of rural electrification. Under such restrictive circumstances it certainly cannot be argued that the mere physical availability of adequate energy at what might otherwise appear to be reasonable rates satisfies the requirements of an electric cooperative trying to develop a well-balanced, efficient power system to meet the needs of an entire rural area.

You next state it to be your understanding that the cooperative could buy power at a lesser price than it can be generated for in a plant of the size being constructed. Our calculations, based on the installation of 2,250 kilowatts of generating capacity with a yearly generation in 1948 of 7,200,000 kilowatt-hours, show the average cost per kilowatt-hours to be 0.873 mill. We have reason to believe that it will be possible to generate power at an even lower figure as the ultimate load is approached. It is true that the cooperative is purchasing approximately 90 percent of its power requirements at an average cost of 0.85 mill per kilowatt-hour. The other 10 percent of its requirements are costing all the way from 1.3 to 2.48 cents per kilowatt-hour. It should be noted that this higher priced power is not being purchased under contract inasmuch as the cooperative has been unwilling to enter into the restrictive type of 5-year contract demanded by the power company. The significant fact about this latter point is that the area in which the cooperative is paying 2.48 cents per kilowatt-hour is the area scheduled for the greatest future development—and incidentally the area from which it is currently receiving its most urgent requests for the extension of electric service—and represents approximately one-third of the ultimate area to be served by the cooperative. Under those circumstances the percentage of power purchased at this higher figure would, were the cooperative to continue to take service from K. P. & L., increase appreciably and, without question, bring the average cost of power to the cooperative considerably above the cost of generation at the Great Bend plant.

Thus, even though there may be an excess amount of power being generated in a part of the area being served by this cooperative, the fact remains that the area of greatest expansion is inadequately served and service to this area by Kansas Power & Light would demand the installation of extensive transmission facilities. There are 1,424 signed applicants for service with the Central Kansas Electric Cooperative Association which will require the construction of 872 miles of line. We can provide you with county maps showing the exact location of each of these applicants and we will be happy to do so if you so desire.

I am at a loss to know how to reply to your statement that it was your understanding that our State representative did not approve of this loan. We do not have State representatives. We do have field representatives operating on a regional basis and, to our knowledge, none of these representatives has ever indicated any lack of approval of this particular allotment. If you have any

other information to the contrary on this subject, I should like to be advised.

I am delighted to have this opportunity to provide this additional information which you requested and I am glad you raised these additional questions. I hope you will continue to do so until you are wholly satisfied that we are operating within the policies which you have supported in the past.

Sincerely,

CLAUDE R. WICKARD,
Administrator.

Mr. HILL. Mr. President, will the Senator from Kansas yield to me for a question?

Mr. REED. I yield.

Mr. HILL. The Senator is a distinguished member of the Appropriations Committee. When Mr. Wickard appeared before that committee in behalf of the pending appropriation did the Senator from Kansas go into this particular case, and does that appear in the record of the hearings?

Mr. REED. I may say to the Senator from Alabama that this particular instance came up for some discussion in the Appropriations Committee, I think 2 years ago. I am not a member of the subcommittee having in charge the deficiency bill. Therefore if Mr. Wickard appeared before the subcommittee I was not present. I was present in the full committee when the report of the subcommittee came before the full committee, and in the full committee there was no opposition whatever to the adoption of this amendment. It was adopted on a voice vote. There were probably 10 or 12 members present at the time.

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

Mr. REED. I yield.

Mr. HILL. I have not had an opportunity to examine the hearings as carefully as I might wish to, but I have not seen wherein the committee really went into this question very fully, at least the phase of it raised by the Senator from Kansas. If the Senator will further yield to me, I wish to say that this amendment deals with legislation. It is a change in the fundamental law respecting the REA. Even if such a proposal should be written into the law, before that is done there ought to be hearings on the subject before the appropriate legislative committee, for it is a legislative matter and should be considered by a legislative committee. It ought not to be put into an appropriation bill, which is a sort of short-circuit method, when there have not been full hearings on the subject. The Senate should not be confronted with the proposal without hearings having been had upon it. As I said, it is a legislative matter, and it ought to be considered by the proper legislative committee if it is to be considered at all.

Mr. REED. Mr. President, I stand here in the interest of the true purpose of the Rural Electrification Administration, the purpose for which it was created and for which we have heretofore appropriated and for which we continue to appropriate great sums of money. I have supported everything in favor of the REA. But there is a group in the REA, as there has always been, that will cooperate with managers of cooperatives to build generating plants, not because they are needed, not because there is not available sufficient power, not because the price asked is unreasonable, but to construct generating plants, in order to build cooperatives up to the highest possible degree, when the cooperatives themselves do not have to put a cent into the plants. When completed, the generating plant to which I have referred will have been built entirely with Government money in an area where there are already 5,000 kilowatts of surplus power. The proposed plant would produce only 2,250 kilowatts. The cooperative now is buying power there at a less figure than the estimate of the cost of power from the new plant, if the new plant should be built.

Mr. AIKEN. Mr. President, will the Senator yield to me for a question?

Mr. REED. I yield.

Mr. AIKEN. I ask the Senator from Kansas if it is not a fact that the rate which the private utility offered the electric cooperative, and which is slightly below the cost of generating from an REA plant in the area, is not contingent upon the REA keeping out of certain irrigation districts which are considered the cream of the territory, and without which the REA cannot adequately serve the rest of the territory?

Mr. REED. No; I will say to the Senator from Vermont that that is not so. This morning before I came to the Senate Mr. Carl Hamilton, from the Administrator's office, whom I have known and with whom I am very friendly, came over with a Mr. Taylor, also from the Administrator's office, and we discussed the conditions in the particular area. There is no such situation as the Senator from Vermont has described. I went into the matter with them fully. They asked that we go over it. They were very friendly. I have known Mr. Hamilton since he was assistant to the Secretary of Agriculture. I have done a great deal of business with him. We had a friendly conversation. I took the map they furnished. I drove over that territory within the last 18 months, and no such situation exists as the Senator from Vermont has mentioned.

Mr. AIKEN. I may say that my information comes from exactly the same source as the information which the Senator from Kansas has received. One or the other of us has not understood it correctly.

Mr. REED. I went into the matter in some detail to tell them that could not be true. They made some excuse for wanting to build this plant. I want to do Mr. Wickard justice. They said this allotment was made before Mr. Wickard took over the Rural Electrification Administration and that Mr. Wickard's policy was exactly as I have stated my policy to be here today; that they as well as I want to use the money appropriated for REA to put electricity on the farms, not to build generating plants where they are not needed.

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

Mr. REED. I yield.

Mr. MAGNUSON. Is it not true that in the past not more than 8 or 9 percent of the total appropriation for REA has ever been used for generating purposes?

Mr. REED. That is approximately the figure.

Mr. MAGNUSON. Last year it was a little more than 9 percent.

Mr. REED. Last year it was in the neighborhood of 9 percent.

Mr. MAGNUSON. So the bulk of the money is being used for the very purpose all of us want it to be used for.

Mr. REED. I desire to leave this thought with the Senator from Washington: There is no Senator on this floor who is more friendly toward the purposes of the REA than am I. There is no Senator on this floor who has gone along with the REA further than have I so long as it has confined itself to its legitimate functions. The only objection I make is that there is now a tendency in certain groups in the REA and without the REA to utilize this money for the purpose of constructing generating plants, whether they are needed or not. I think some kind of a check should be put on the REA. I realize that this amendment is a pretty rigid check. If this amendment is in the bill as it goes to conference, then so far as I am concerned, if we can work out some sort of a definite understanding that the things of which I complain, and which I have directly illustrated to the Senate as going on now can be eliminated, and we can feel assurance of that fact, I shall be willing then in conference to drop the amendment.

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

Mr. REED. I yield.

Mr. MAGNUSON. In the particular area to which the Senator refers are all the farmers being supplied with electricity?

Mr. REED. No. Construction of facilities is still in progress.

Mr. MAGNUSON. Is there not obviously something wrong if there is power and the farmers are not getting the lines?

Mr. REED. I do not think so. I do not see why the Senator should make such a statement as that.

Mr. MAGNUSON. The power companies have been in that area for years, and they have not served the farmers.

Mr. REED. Mr. President, I was chairman of the Public Service Commission of Kansas 25 years ago——

Mr. MAGNUSON. I am sure it was not the Senator's fault.

Mr. REED. At that time I started to discuss the question with the public utility representatives to see if ways and means could not be devised to work out some kind of policy to furnish electricity on the farms. I happen to have a fairly good-sized dairy farm of my own. Before the REA came along, I had to arrange personally, and at my own expense, to bring electricity to that farm.

The Senator from Washington must realize that even now, with the REA in operation for several years, the percentage of farmers who have electricity on their farms is still too low. But we are not going to get electricity on the farms by using $430,000 to build a generating plant in an area where there is now available more power than can be used, and where that power is now being sold at a lower rate than the estimate based upon the cost of the proposed new plant.

The two young men to whom I referred came to see me this morning. I know Kansas, including that particular area, much better than they do. They had a great deal of misinformation. I do not know where they got it, but it was not correct. We discussed the question in a very friendly way.

Mr. President, I do not wish to detain the Senate, and I shall close by reiterating that I stand here as a champion of the correct purpose of the Rural Electrification Administration. We are appropriating hundreds of millions of dollars to put electricity on the farms, and not to build unnecessary generating plants. The construction of the proposed generating plant would cause an unnecessary diversion into that plant alone of $430,000. Figuring the normal cost of rural electrification lines at approximately $2,000 a mile, that sum would build 215 miles of transmission lines to take electricity to farms where it could be used. How many cases of that kind there have been, I do not know. I believe that there should be some check upon this practice in the Rural Electrification Administration.

Mr. LA FOLLETTE. Mr. President, I heartily agree with the remarks made by the junior Senator from Alabama [Mr. HILL]. This amendment should not be considered in connection with an appropriation bill. I grant that technically, under the precedents as they have been broadened and further broadened, it can be held that this is a limitation on the appropriation; but, in fact, it is a fundamental change in the substantive act creating the Rural Electrification Administration, and the amendments thereto. If any such change is to be made, it should be made as the result of hearings before the standing committee having jurisdiction over such legislation, where those who are for or against the amendment can have an opportunity to be heard.

One will search in vain the record of the Committee on Appropriations, which took the testimony on this bill, to find such a suggestion as this. I grant that some questions were raised concerning the policy of constructing generating plants; but so far as this specific proposal is concerned, which would amputate the right arm of the rural electrification cooperatives, there is not one word in the hearings which would put on notice either the Rural Electrification Administration or Senators who are genuinely interested in seeing this organization continue its beneficial service to the farmers of the United States. That is not proper legislative procedure; and every Senator who will stop to consider the question knows that I am stating the fact.

Mr. President, it is all well and good for Senators to rise and say how much they love the farmers, how much they love the Rural Electrification Administration, and that this amendment is in the best interest of the farmers and the extension of rural electrification in America. But every person who is familiar with the history of the activities of the power corporations before the Rural Electrification Act was passed, and everyone who is aware of the policies they have pursued since it was enacted, knows that this amendment would take away from the rural electrification cooperatives and the Rural Electrification Administration a power which, when appropriately exercised, usually results in compelling the private power companies to give the cooperatives bulk power at reasonable rates. When the power companies are adamant and refuse, as they have done in several instances, even after the cooperative had been granted that bargaining power, the cooperatives have gone ahead and built plants and secured lower rates as a result.

I do not wish to burden the RECORD by repeating what the Senator from Vermont [Mr. AIKEN] placed in the RECORD. However, I am familiar with the Dairyland Power Cooperative and the other cooperatives in my own State. I know that unless that cooperative had the ability to construct plants it would have had to take power from the power companies at 1.8 cents per kilowatt-hour. Instead, it was able to obtain power at 1.28 cents per kilowatt-hour, which resulted in saving the Dairyland Cooperative alone $330,000 a year.

The Senator from Washington [Mr. MAGNUSON] stated that he did not believe it was necessary to go into the history of this program; but apparently it is necessary to remind the Senate that before the REA was created and farmers were given the opportunity to band themselves together in cooperatives for the purpose of getting rural electrification, it was the policy of the power companies generally—with some exceptions, of course—to enter only territory where the return was lucrative, and to build lines at great expense to the farmers. It was the usual practice to require the farmers to pay rates which would cover the cost of building lines. There were other additional costs and charges, which made it very expensive for the farmers who were served. The power companies would go into a rural community, skim off the cream, so to speak, and leave the majority of farmers without any service whatsoever.

That situation became so prevalent that sentiment was built up in the Nation and among Representatives in Congress, and legislation was enacted to take care of the problem and give the farmers of America the benefits which come with electrical energy, heat, light, and power on the farms.

Any Senator who is familiar with the condition of rural areas before rural electrification, and who has gone into the same areas since knows that the character of the communities which have received this service has been transformed. Even if one could not see the power lines, he could see the change in the character and appearance of the farms after they were electrified.

We should move cautiously in connection with any substantive change in the law. I submit that there is not sufficient evidence before us to justify it. With all due respect to the Senator from Kansas [Mr. REED], who has investigated a certain project which was authorized several years ago, I say that even in that situation we should have more than his testimony before we pass judgment upon the project.

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

Mr. LA FOLLETTE. I yield.

Mr. McCLELLAN. Were there any hearings before the Committee on Appropriations on this question, to determine what the facts were?

Mr. LA FOLLETTE. I stated before the Senator entered the Chamber that this matter was handled in such a way before the Committee on Appropriations that no Member of the Senate who is not a member of the committee, no Member of the House, and no one in the Rural Electrification Administration knew anything about this specific amendment until it appeared when the bill was reported to the Senate.

Mr. McCLELLAN. Was not the amendment reported by the Committee on Appropriations? I understand that it is a committee amendment.

Mr. LA FOLLETTE. Certainly it was; but I say that unless the Senator has the privilege of sitting on that august committee, he had no notice. I received no notice. I have been in the thick of every rural electrification fight since the project was first proposed. If I had been given notice that such a proposal as this was to be considered by the committee, I would have appeared before the committee and requested an opportunity to be heard. But I did not know about it. No one could know anything about it except members of the committee.

Mr. McCLELLAN. We naturally assume, when a committee reports an amendment, that it was discussed.

Mr. LA FOLLETTE. I have no doubt it was discussed. I was told by someone else that the Senator from Kansas presented a statement, similar to the one he has made on the floor of the Senate, about the Kansas cooperative to which he has referred and which he claims is located in an area where there is a surplus of power and no justification for building a plant. But that is the only case of that sort which has come to my attention—if the Senator's facts are correct, and I know he believes them to be correct. Certainly there is no case of that kind in Wisconsin, and I am proud to be able to say that I believe Wisconsin in proportion to its population has one of the highest percentages of rural electrification line mileage of any State in the entire United States.

Mr. McCLELLAN. Mr. President, will the Senator from Wisconsin yield there?

Mr. LA FOLLETTE. I am glad to yield.

Mr. McCLELLAN. I know the Senator understands my position. I am seeking information about this matter.

Mr. LA FOLLETTE. Yes; I understand the Senator's position.

Mr. McCLELLAN. I am seeking information about it because the proposal is legislation; it is not an appropriation.

Mr. LA FOLLETTE. Of course, that is so.

Mr. McCLELLAN. As I understand the amendment, it would change the existing law.

Mr. LA FOLLETTE. There can be no question about that.

Mr. McCLELLAN. That is why I am trying to ascertain upon what basis the proposal is made or what evidence was presented in connection with it or what there is to sustain or substantiate the proposed change in the basic law.

Naturally, I like to go along with committees when I can do so—both the Appropriations Committee and others. I do not always do so, let me say to the Senator. But I am trying to obtain information and enlightenment upon this particular amendment and what prompted it to be recommended or inserted by the Appropriations Committee—whether it was based on hearings held and information obtained, or whether it was merely one of those amendments which someone offers and which are adopted in committee.

Mr. LA FOLLETTE. There was some discussion of this question, and of course it is perfectly legitimate to raise the question, whether the Rural Electrification Administration should approve the application of a cooperative for a loan for the construction of a generating plant in an area where reasonable rates can be obtained from an already existing private utility.

Generally speaking, I would say that is a sound policy; and, so far as I know, it has been the general policy of the Rural Electrification Administration.

There was a brief discussion between Mr. Wickard and the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Oklahoma [Mr. THOMAS] and the Senator from Georgia [Mr. RUSSELL], but the Senator can read that record until he is blue in the face and he will not find this amendment suggested in it. I submit that the Senator will not find from the record that Mr. Wickard could assume that the committee was about to consider or report such an amendment. There was no testimony before the committee regarding how long it would take the Power Commission to function in this kind of procedure.

I am sure the able Senator from Arkansas has tried some rate cases or participated in some of them when he was practicing law in his own State, and I believe he has some appreciation of the length of time required to settle the question of whether rates are reasonable, when the parties proceed under the procedures of a commission, which naturally has to hear both sides, take expert testimony, accept exhibits, and so forth. The Senator knows what happens.

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

Mr. LA FOLLETTE. I yield.

Mr. McCLELLAN. I am trying to determine what has prompted the proposal to make a change in the basic law. I am trying to determine that question.

Mr. LA FOLLETTE. Very well; I can summarize for the Senator what the proponents of the amendment have said. The rub of the statement made by the Senator from South Dakota [Mr. GURNEY]—I think I am fair to him—was that he wished to have this money spent for the purpose of building lines into the rural areas; he did not want any of the money to be spent for generating plants unless the parties interested had gone to the Commission and had gotten a determination that the power company was not offering a reasonable rate.

I think the Senator from Kansas [Mr. REED] stated he was basing his advocacy of the amendment on something which happened 2 or 3 years ago. He said he raised the question several times in the Appropriations Committee, and I am sure he believes in his facts and is sure of them so far as he is concerned. His contention is that the Commission authorized the construction of a generating plant which was not warranted because the farmers were getting a low rate from the power company.

The Senator from Vermont [Mr. AIKEN] stated that Mr. Wickard told him that that particular case involved several irrigation districts which represented the cream of the business in that community; that the other farmers were spread out over long distances and that the only way they were able to get from the power company the low rate which they are getting now was to agree that they would not take the irrigation district and the pumping systems into the cooperative.

Mr. McCLELLAN. Mr. President, will the Senator permit me to interrupt him again? I hope he will pardon me, and I am sorry if I interfere with the thread of his discourse.

Mr. LA FOLLETTE. No; I am glad to yield.

Mr. McCLELLAN. But I seek information. I am sure the Senator from Wisconsin appreciates my lack of information about the matter. Possibly other Senators find themselves in a similar position, since most of us are not on the committee.

Mr. LA FOLLETTE. I am not on the committee either, and I am as much in the dark about this matter as is the Senator from Arkansas.

Mr. McCLELLAN. I thought the Senator from Wisconsin was on the committee.

Mr. LA FOLLETTE. No. If I had been, I think I might have been able to insist on the making of some kind of a record.

There is not a word of testimony, so far as the Power Commission is concerned, regarding how long it would take them; but we can be very sure that any time there was any trouble, the power companies would take advantage of the situation and would delay the proceeding as long as they could.

The Senator from Arkansas knows that if a group of farmers organize a cooperative and then have to take 6 or 8 or 10 months to go before the Federal Power Commission in Washington and have a hearing, and then return, the cooperative in the meantime will have dissolved. That is what would happen.

Mr. McCLELLAN. Mr. President, if the Senator will further yield to me, I should like to make an observation. As a matter of administrative policy, possibly this amendment states a fairly sound general policy. But we have not legislated on that basis as yet. Regardless of whether the amendment states in a general sense a sound administrative policy, it raises an issue which should be determined on the basis of proper and adequate hearings.

I do not know whether the amendment is properly worded. I do not know whether in its practical effect it would create conditions which would be impractical in carrying out the rural electrification program.

I think we should have more information about how the amendment would operate. That is why I am seeking information.

Mr. LA FOLLETTE. Mr. President, I appreciate the Senator's interest. Before he rose, I was going to say that this issue has been fought out before a legislative committee in the House of Representatives. As the Senator knows, a bill for a general revision of the Rural Electrification Act is under consideration before one of the committees of the House of Representatives, and perhaps it has already been reported to the floor of the House of Representatives. I am not currently informed as to that. But the committee has been taking a great deal of testimony on the question. The power companies have appeared before the committee, the REA has testified, and persons interested pro and con have testified. I say that is the way any legislative matter should be handled.

Mr. McCLELLAN. Is the hearing now in process?

Mr. LA FOLLETTE. Yes; it is now in process.

But, Mr. President, this amendment would be a "quickie" job. No doubt it was felt that if the amendment, under the guise of a limitation, was reported as a part of the bill and the point of order was overruled, it would afford a method of gaining the objective quickly and having it sewed up into the law.

Of course, the proponents might contend that this amendment affects only this particular appropriation, which is correct. But if I were in Mr. Wickard's shoes and if the Congress went on record as saying that, with regard to this large sum of money, it did not want any of it spent for the construction of generating plants until the matter had been reviewed by the Federal Power Commission, I think I would hesitate a long time before I would grant a loan for that purpose from funds which did not have this limitation on them.

The Senator knows that the Rural Electrification Administration has been swamped with requests. Of course, during the war it was necessary to go to the War Production Board and make a showing of absolute necessity to the war effort before it was possible to obtain any materials or before it was possible to get anything done. Consequently this backlog of demand has grown up.

So, Mr. President, it seems to me that the adoption of this particular amendment at this time would have a very unfortunate effect upon this program.

The Senator from Kansas said he wanted to get the Rural Electrification Administration back on its legitimate track, or words to that general effect. I wish to read from section 4 of the act, as amended:

The Administrator is authorized and empowered from the sums hereinbefore authorized to make loans to persons, corporations, States, Territories, and subdivisions and agencies thereof, municipalities, people's utility districts, and cooperative nonprofit or limited dividend associations organized under the law of any State or Territory of the United States, for the purpose of financing the construction and operation of generating plants, electric transmission and distribution lines or systems for the furnishing of electric energy to persons in rural areas who are not receiving central station service—

And so forth.

Mr. McCLELLAN. That is the basic law which authorizes the appropriation.

Mr. LA FOLLETTE. Precisely; and I contend that under the law as it now stands this is a perfectly legitimate purpose for which the Rural Electrification Administration can make a loan.

Mr. McCLELLAN. With respect to the money provided in this bill, the proposed amendment would simply repeal the basic law insofar as it authorizes the building of generating plants.

Mr. LA FOLLETTE. Absolutely. The Senator from Arkansas has stated it better than I can.

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

Mr. LA FOLLETTE. I shall yield in a moment.

Mr. President, first let me say that so far as I know, as I have stated before, it has been the policy of the Rural Electrification Administration since it was established to grant loans for generating plants only in cases where it was either necessary to use such loans as a bargaining lever with a power company, so as to get the power company's offer of exorbitant rates down to a reasonable level, or, where that lever did not work, to permit the cooperative to proceed to build a plant.

If the Senator will read the testimony of Mr. Wickard, who is now the Administrator, which was given before the committee, he will see that Mr. Wickard stated four ways from the middle that it is his policy, and will continue to be his policy, to make loans only where they are necessary for use as a bargaining lever, or for the purpose of building a plant when it becomes finally evident that the private power company will not offer reasonable rates. I assert that this amendment takes a meat ax and performs an operation on the fundamental substance of the Rural Electrification Act. The only case which has been cited so far in the debate is the one cited by the Senator from Kansas, which occurred several years ago.

Mr. AIKEN. Mr. President, the Senator from Wisconsin referred to this proposal as "quickie" legislation. To show how "quickie" this proposal is, I wish to say that the amendment was called to my attention only about 20 minutes before 12 o'clock on the day the Appropriations Committee expected to bring it before the Senate for action. I immediately called Mr. Wickard to find out if the amendment had received his approval. I found that he not only had not been given an oportunity to testify before the Senate committee—the testimony which was referred to was given before a House committee—on this proposed change in the basic REA law, but that he himself had no knowledge of the existence of this amendment which would change the REA law, until a few minutes before I had known of it. Of course, he never approved the amendment. As I have said, it was only about 20 minutes to 12 o'clock of the day on which the amendment was to be brought before the Senate that I learned of it. I asked the acting chairman of the Appropriations Committee to postpone consideration of the amendment until the following day, which he kindly agreed to do.

Mr. LA FOLLETTE. I may say, Mr. President, that I had practically the same experience as that had by the Senator from Vermont. I was anxious to have appear in the RECORD a statement justifying myself with the people in Wisconsin who are behind this program. I wished to make clear my reasons for not presenting to the subcommittee testimony in oposition to the amendment. I wished to show that I did not know that the amendment was under consideration.

Mr. MAGNUSON. Mr. President, I am glad the Senator brought up that point, because his situation is similar to mine. I am sure that I would have to make some justification with the people in Washington. The first time I ever heard of this amendment was yesterday when the bill was called up. The amendment incorporates not only "quickie" language, but the same slick language was used by private power companies for years to justify the continuation of electrification being furnished by them to the farmers. The case cited by the Senator from Kansas is an isolated one, but I think it is the best argument which could be made for not tampering with the act, because in spite of an excess of power, many farmers do not have electricity on their farms. I know that the Senator from Wisconsin agrees with me that there can be no such thing as an excess of electric power in this country until every farmer has his home electrified.

Mr. LA FOLLETTE. I agree with the Senator that every single cooperative which can be organized on a sound basis should be organized.

Mr. President, I wish to point out that the people of Wisconsin are proud not only of their great industrial output and contribution to the war effort but also of the great record which, under most difficult conditions, the farmers of that State made during the war. When labor was scarce, when the draft policy stripped the farms of young men, when machinery was difficult to obtain, and when parts for all machinery were equally difficult to obtain, the farmers met the situation in a magnificent manner. Many older persons who had retired from the farms returned to work on the farms in order to produce food and help win the war. I assert that unless the electrification program had been carried forward in Wisconsin and in other agricultural States in order to provide power and thereby save labor on the farms, the great production achievements which we made during the war, would not have been possible. In my opinion our war effort would have been considerably hampered had we not made the progress in electrification which was made prior to the war and, in some few instances, during the war, in extending rural electrification to the farmers. Farmers are in a very difficult situation today because of the shortage of labor, and because of the wages which they are now required to pay for farm help. There is an additional argument for the extension of rural electrification: It is necessary in order that farmers may be enabled to reduce their cost of production.

I submit to the Senate that the pending proposal is not the proper way to undertake to amend the rural electrification act. I would be opposed to the amendment if it came from a standing committee of the Senate, but I certainly feel justified in opposing it when there is no testimony in the record to support it.

Mr. FULBRIGHT. Mr. President, I understood the Senator from South Dakota [Mr. GURNEY] to say in his initial statement that there were instances of several REA generating plants having been constructed when it was possible to purchase power at a rate cheaper than could be obtained by constructing the plants.

Mr. MAGNUSON. The Senator stated that there were several instances in the Pacific Northwest where the REA had gone into small towns and villages of less than 5,000 population. Am I correct in that statement?

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

Mr. LA FOLLETTE. I yield. I prefer that the Senator from South Dakota answer the question.

Mr. GURNEY. I did not, perhaps, make an accurate statement. I should have said the Central West. I do not know about the Pacific Northwest. Probably there are such instances there also.

Mr. MAGNUSON. Instances were given of municipal plants having been purchased in small communities. But the reason for purchasing municipal plants was that they were the only source from which power could be furnished to the surrounding areas.

Mr. LA FOLLETTE. That is my information.

Mr. FULBRIGHT. Did the Senator from South Dakota have in mind any substantial number of cases in which the REA had built a generating plant when electricity was already available at reasonable rates?

Mr. GURNEY. I did not intend to bring out on the floor of the Senate actual instances, but there are plenty of them. Information on that subject has been presented before the committee, and has been in the hands of the committee ever since I have been a member of it.

I do not believe that Congress intended that money which was appropriated for the REA should be used to buy municipal plants. Why did not the REA cooperative in the instance given make an arrangement with the municipal plant to buy the electricity? If that had been done more money would have been available for use in extending the power lines farther, and thereby serve more farmers.

Mr. LA FOLLETTE. I cannot answer the question as to any specific cases, but it is perfectly apparent that there are situations in which it would not be necessary to do what the Senator has suggested. In extending lines and service to the point where electricity is needed, the Rural Electrification Administration sometimes finds itself in the same position in dealing with municipal plants that it finds itself in when dealing with private power companies. It may not desire to serve the area involved if it is not highly productive in revenue.

Mr. FULBRIGHT. I wish to cite as an example a small town near my home which I think is typical of small towns of approximately 1,200 population. The municipality was not financially able to improve the plant and make it sufficiently large to serve all those who desired to use electricity, and very willingly and gladly sold the plant to the REA in order that the REA could serve, not only the municipality but the surrounding territory as well.

Mr. President, I am impressed by the fact, as the Senator from Wisconsin has pointed out, that there is nothing in this record that we can find which will justify the proposed change. As the Senator has said, the matter was brought before the Senate out of purely thin air.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield to me in order that I may make a short statement?

Mr. LA FOLLETTE. I yield.

Mr. THOMAS of Oklahoma. There is no issue here, so far as I can see, about the rates for power. The evidence before the committee shows that the rural electrification cooperatives are getting power at about 6 mills per kilowatt-hour.

At the present time there are three separate Federal agencies asking for public funds with which to build power plants in my State and in my section of the country. For example, there are the United States engineers asking for money to build flood-control dams, with the development of power as an incident. In my State the United States engineers are now engaged in building flood-control dams and power plants in connection with such dams. We already have one on the Red River at Lake Texoma, and now a second power plant is being built by the Government under the engineers' supervision at Fort Gibson, Okla.

So now we have the United States engineers in our section of the country building flood-control works, with power development as an incident.

Second, there is on the House side of the Capitol at this time hearings being held by the Committee on Appropriations on the Interior Department appropriation bill, wherein the Southwest Power Division, a Federal agency, is asking for some $23,000,000 with which to start a program of constructing steam-power generating plants in Oklahoma and in our section of the country.

If the $23,000,000 is appropriated for this second Federal agency that will be followed, as soon as those interested can get the ear of the Congress, by additional requests running into hundreds of millions of dollars. Now the evidence shows that the REA is using some 9 percent of its funds with which to build steam generating plants. No one complains about the building of such plants where necessary to provide REA cooperatives with power, because they must have power to serve their members.

This statement is to direct the attention of Senators to the fact that we have today three Federal agencies asking for funds with which to build plants to produce electricity. If the Congress provides funds for each of the three agencies for constructing such plants, then it seems to me to be in the public interest to have some Federal agency supervise this activity to see that plants are not duplicated and that public funds are used to build plants to produce electricity only where needed.

I think the Federal Power Commission should be authorized to correlate these three groups, and to see to it that they do not duplicate the activities of the others.

Such a program would, in my opinion, be helpful to the REA.

Should the Federal Power Commission recommend the construction of a plant to serve the REA, then I feel certain that the Congress would not hesitate to provide the funds for such purpose.

Mr. LA FOLLETTE. It is the obligation of the Administrator of the Rural Electrification Administration to grant a cooperative a loan only in cases where he thinks the cooperative is organized on a sound basis, and can repay the loan. It is as obvious as a pikestaff that no Administrator in his right mind is going intentionally to build competing plants which cannot possibly contribute to the success of the cooperative, and may sink it. Certainly, the REA cannot build generating plants and compete with power which is incidental to navigation and flood control and for which the rates are exceptionally low, and no such plant will ever be built so long as the man who is operating this agency is outside of an asylum for the feeble-minded; so that argument does not appeal to me at all.

There is no possibility of the Rural Electrification Administration authorizing a cooperative of farmers to borrow money to build a Diesel plant and generate electricity when they can buy it from a high line or at the bus bar of a Government multipurpose dam, where they can get it for 5 mills, as the Senator says. That argument does not hold any kind of water, so far as I am concerned.

In conclusion, Mr. President, let me say that, so far as I am concerned, the amendment before the Senate cannot be dressed up so as to make it appear to be anything except a proposal which will have the effect, intended or otherwise, of crippling the Rural Electrification Administration, and of depriving the farmers who organize themselves into cooperatives of the bargaining power whereby they may secure reasonable rates from public utility companies. If we make it difficult for them to obtain such bargaining power, we have gone about as far as we can in crippling the extension, indeed, about as far as if we denied it to them, because, as I said a few moments ago, though I do not know what the average size of a cooperative is—a few hundred, perhaps, or less—when a cooperative is organized its officers then get in touch with the Rural Electrification Administration, and surveys are made. When they reach the point where they have to bargain with the private utility, and as every Senator knows is often the case, it refuses to give them a reasonable rate. If the pending amendment becomes a part of the law, the case can be brought to the Federal Power Commission, and action delayed interminably. In many cases the farmers will be caused expense. They will have to hire a lawyer; they will have to come to Washington; they will have to bring their engineers to prove before the Federal Power Commission that the rate is unreasonable. How long would a small cooperative of a hundred or a hundred and fifty or two hundred farmers hold together under such circumstances? This is just the kind of amendment which the power companies will utilize to the utmost to delay and prevent the cooperatives from being successful in obtaining rural electrification.

I say, Mr. President, in all good conscience, we should not retard this great service to the farmers of America, needed now as never before except in wartime, without careful consideration, and it certainly should not be done by way of a rider on an appropriation bill, which never was presented in the testimony, and which no Senator not a member of the committee had any notice of before the bill was called up for consideration on the floor of the Senate.

Mr. BILBO. Mr. President, I realize this subject has been pretty thoroughly discussed, but I wish to register my opposition to the amendment, along with the opposition of the people of my State. There are between 20 and 25 REA associations in Mississippi, and I have about 25 telegrams here which bitterly oppose the pending amendment.

I want my colleagues to understand that in Mississippi there is not a single, solitary, generating plant built by the REA, but those who are operating the plants in Mississippi know what this amendment would do for them if they undertook to make a contract for rates with the utility interests of Mississippi, the power trust.

This is the substance of the telegrams:

> Hope you will oppose Appropriations Committee amendment to REA's urgently needed deficiency appropriation bill. Amendment to restrict generation will hinder our negotiations for wholesale rates and be a step in wrong general direction, and expression of your attitude on this will be appreciated.
>
> COAST ELECTRIC POWER ASSOCIATION.
> C. C. FERRELL, *Manager*.

Mr. President, the REA Act was passed 10 years ago, in 1936. The REA is today furnishing electric light to millions of American citizens throughout the entire Nation. I think in every State of the Union, except possibly one or two, people are enjoying the benefits of this service.

During these 10 years the basic law has provided that the directors of a cooperative association, or a group of such associations, may make application to the national director, who investigates and decides whether it is necessary to build a

generating plant. It is done at the expense of the associations themselves, and their directors are presumed to use good judgment in deciding whether the investment will be self-liquidating.

Mr. FULBRIGHT. Mr. President, will the Senator from Mississippi yield?

Mr. BILBO. I yield.

Mr. FULBRIGHT. The Senator says they are presumed to use good judgment. Is it not a fact that the rural electrification associations have been remarkably successful and have not been a great financial drain on anybody? Is not that true?

Mr. BILBO. Exactly so. I am glad to say that only about 9 percent of the money which has been appropriated for this purpose has been used in this period of 10 years to build generating plants.

What disturbs the people of my State is that they know that if this amendment is put into the law, and it is made necessary for applicants to come to Washington, to the Power Commission, with all the opportunities for litigation, lawyers, delays, and so on, the associations will have lost their bargaining power, they will have lost the club they can forever hold over the power companies in the effort to get decent and reasonable rates.

Mr. Wickard, or any other director who has sense enough to hold a job of that magnitude, along with the other directors, will not build a generating plant so long as there is adequate power available, and so long as the farmers can get reasonable rates.

Mr. McCLELLAN. Mr. President, will the Senator from Mississippi yield?

Mr. BILBO. I yield.

Mr. McCLELLAN. The Senator made the statement that up to the present, in the period of 10 years, only 9 percent of the moneys appropriated by the REA have been used for the purpose of building generating plants.

Mr. BILBO. I think that is the correct figure.

Mr. McCLELLAN. I do not know whether the Senator is on the Committee on Appropriations——

Mr. BILBO. I am not.

Mr. McCLELLAN. But I should like to ascertain if during that period of time, in the expenditure or use of that 9 percent of the funds, there have been any cases of abuse of discretion in granting loans for that purpose. Is there evidence of any such cases? I grant that there might be poor judgment used sometimes by anyone exercising discretion, or vested with the power of decision, but is there any evidence of any general abuse of this authority in the execution of the rural electrification program? Is there any charge of anything like that? Is there anything before the Congress or before the committees of Congress to indicate that there has been a general abuse of the powers granted?

Mr. BILBO. I am not a member of the Committee on Appropriations, but I am a member of the Committee on Agriculture and Forestry, and the REA and its activities were pretty well aired in the hearings on the question of the confirmation of Aubrey Williams to be Director. In all the hearings in which I have taken part I have never heard any complaint about any abuse by the Rural Electrification Administration in the building of generating plants anywhere in the country. There may be exceptions. There may be a case here and there where it is possible that abuses may have occurred, but in the entire Nation I have not heard of any.

Mr. McCLELLAN. Allowance should be made for an isolated case in a program of this magnitude, but what I mean to say is that there has been no general charge of such abuses during the 10-year period.

Mr. BILBO. That is correct, and I am glad to report that in Mississippi, with I think about 20 or 25 associations—perhaps more; I do not know the exact number—only one association has had any trouble or has had a deficit. That was brought about by the OPA. There was a locker system in connection with the unit, and the OPA refused to permit the unit to charge a decent rate for operating the refrigerators, and that put the organization in the red.

The question I wanted to ask the acting chairman of the committee is whether any testimony had been taken before his committee showing the need of the proposed change, after we have made a success of this REA for a period of 10 years?

Mr. McKELLAR. Mr. President, there was a great deal of testimony respecting it, but I think the greater part of it came from the Senator's colleagues in the Senate. I have forgotten how many testified, but quite a number did.

Mr. BILBO. There was no testimony on this amendment?

Mr. McKELLAR. There was no testimony from witnesses other than Senators who are members of the committee.

Mr. BILBO. And who are interested in the matter. I am sure my colleague, the Senator from South Dakota, did not appreciate just what he was doing by this amendment, because I think I can say with assurance that the law, as it is now written, which gives the Director of the REA and the directors of the units the power, when they cannot secure reasonable rates, to decide whether to build a generating plant has saved to rural American citizens millions of dollars. It has provided a great saving to those who are paying for this service. It has and is helping them to get electricity at such rates as to make them able to keep their accounts current, and it will enable them to be self-liquidating. But if we adopt this amendment it will cost millions of dollars to those who are now enjoying the benefits of REA throughout the Nation, because every power company which is furnishing electricity will at once begin to raise the rates, knowing that it can block establishment of generating plants.

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

Mr. BILBO. I yield.

Mr. McKELLAR. The Senator from Mississippi says he is in favor of furnishing electricity for the population in the rural areas. I know he is, and I am glad he is. I wish to say that I have voted for every rural electrification bill that has ever been passed by the Congress, because such bills began to be passed by the Congress after I came here. I voted for all of them, and I have been very strongly in favor of such measures, and still am. But the committee in adopting the amendment was more interested in building electric lines for the rural population than it was in affording utility companies the opoprtunity to sell their power. If power can be generated and sold at reasonable rates why expend in building power plants a large portion of REA's money which ought to go into the building of power lines for the benefit of the people? That is the only question in connection with this amendment. If the Senator is in favor of giving a bonus to interested parties, if he wants to do that, surely he should vote against this amendment. But if he is in favor of providing electricity for the rural population, and that is what I am in favor of, he should vote for the amendment.

Mr. President, I was born in a rural section and I am proud of it. I think the people in such areas ought to have all possible advantages, especially the advantage of electric light wherever it is possible to furnish it. So far as I know, during the 35 years I have been in Congress I have voted for every single bill ever proposed, designed to help the rural population obtain electricity for light, and other things, because power lines carry the current which operates devices and machines of many kinds. All manner of advantages go with electric power. This money ought to be spent for the purpose of building lines to provide power, and not for the purpose of building plants. I am in favor of furnishing electricity for the rural population, and not for giving bonuses to others who may be interested.

Mr. BILBO. In response to the Senator's observation, let me say that there is not a home in America which could not get electricity if the home owner were able and willing to pay the price. We do not need an REA to get electricity into the home. But what we are trying to do is to furnish electricity to the people in the rural areas at reasonable rates.

Mr. McKELLAR. Mr. President, will the Senator permit me to interrupt him again?

Mr. BILBO. Yes.

Mr. McKELLAR. That was the same question that the private power companies brought up when we had to sweat so much blood in order to succeed in the effort to build such plants as the TVA. They raised the question, "Why have the Government do it when many private utility companies are able to furnish it. Of course they charge a good price but that is all right. Somebody must prosper." But we persisted until we had built the TVA and other similar plants, to the enormous advantage of everyone who lives in the country districts and receives these benefits. I, for one, want to extend in every way possible the advantages of electric light and electric power to the homes and farms of those who live in the rural areas. For that reason I favor this money being spent for lines rather than for power plants.

Mr. BILBO. I regret the Senator's observation was not responsive to my statement.

Mr. McKELLAR. I regret it, too, if the Senator feels that way. I join in his regret.

Mr. BILBO. The point I am making is, and I will repeat it, that there is not a home in America that could not get electricity if the home owners were able to pay the price. I lived 6 miles from the line a few years ago, and it cost me several thousand dollars to have my home electrified, because I had to pay the power company large sums to build the line to my home, and I have been paying tribute to the Power Trust ever since. I am not on an REA line myself. I wish I were.

The further point I am making is that only 9 percent—the Senator from Tennessee, I think, was not present when that statement was made—of all the money which has been spent for the REA service in America has been used to build generating plants, whereas the money saved to the people who are paying for the electricity amounts to a great deal more than 9 percent. If it is really desired to help the country people, if we give them this bargaining power—I will call it a club over the heads of the power companies, to make them give the people decent rates—it will result in saving the people millions of dollars more than will ever be spent in the construction of generating plants.

So I am anxious to see an extension of REA service throughout the country, and I know that in voting against this amendment I am not going to interfere with the extension of that service, because REA has been in existence for 10 years, and during that 10 years only 9 percent of its money has been spent for construction of generating plants, in cases where the rates were unreasonable, or where the power was inadequate to serve those who constituted the subscribers to the units.

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

Mr. BILBO. Yes.

Mr. McKELLAR. I wish to read a telegram from one who is on the Senator's side of the question. A great furor seems to be raised about this amendment. The one who sent me the telegram is here in Washington. Whether he was ever in Tennessee I do not know. But listen to the reading of the telegram, and his reference to the feeling in Tennessee. Of course, in his view, I, a Senator from the State of Tennessee, know nothing about Tennessee; I do not know what the people of Tennessee are for or against, or anything of that sort. But this man knows it all. Listen to what he says in a telegram addressed to me at the Senate Office Building:

> We are advised that Senate Appropriations Committee amendment urgent deficiency bill H. R. 5458 to prohibit the use of any of the $100,000,000 REA item for generating plants until Federal Power Commission has determined that power in area is not sufficient at reasonable rates. This restriction would result in endless delays.

Just think of that. The power is available there now, and can be obtained at a reasonable price. People can get it now if the REA will put in the line to reach the poor farmer who lives out in the country. The rural population can get the power now. But here is a man who telegraphs me that the adoption of the amendment will bring about endless delays. At one time I had the good fortune—or misfortune—to help build an electric-light plant in which I was interested. My recollection is that nearly 12 months were required to complete the plant. But that is a delay according to this man. He could build it in 12 minutes, or 12 seconds. Let me read further from the telegram:

> This restriction would result in endless delays. The rural electric leaders of your State are strongly opposed to this restriction. Urge you not approve Senate committee amendment.
>
> CLYDE T. ELLIS,
> *Executive Manager, National Rural Electrification Administration.*

That man is on the other side. I have read his telegram to the Senate in order to point out that frankly I do not believe that the rural electric leaders, or any others in my State, are opposed to this amendment. They have not communicated with me, and I believe they know how to do it.

Mr. BILBO. I doubt whether they have heard about the amendment.

Mr. McKELLAR. They may not have heard about it; but they have a remarkable way of finding out things about which they wish to communicate with Senators, as every Member of the Senate can testify.

The truth is that someone in Washington is very much opposed to the amendment. Why? Because it is desired to spend a large sum of money in building electric-light plants which are not needed. The money would not be used for furnishing lines for the benefit of the country people who need the electricity.

Mr. President, the members of the committee who were present voted unanimously in favor of this amendment; and there was a goodly number present.

One's attitude on this question depends on whether he is on the side of the electric power user, the countryman who needs the line, or whether one is more interested in seeing new plants built. The whole rural-electrification program was started for the benefit of the farmer.

Mr. BILBO. Mr. President, I should like to ask the Senator from Tennessee a question. What does the Senator suppose is the attitude of the private power companies in reference to this amendment?

Mr. McKELLAR. Frankly, I have not heard from the power companies.

Mr. BILBO. I did not ask the Senator that question.

Mr. McKELLAR. Nor have I heard from those who are opposed to the power companies.

Mr. BILBO. That is not what I asked the Senator.

Mr. McKELLAR. I know of my own knowledge that there has been considerable propaganda to defeat this amendment since it was reported by the committee.

Mr. BILBO. The point I am seeking——

Mr. McKELLAR. If the Senator will be equally frank, he will say that people have been communicating with him to persuade him to vote against the amendment. We hear such propaganda everywhere.

I do not believe that we ought to legislate by propaganda. I am one of those old-fashioned persons who believe that the American people have chosen their representatives in this body, and that their representatives, rather than those sent here by special interests to lobby, should legislate. I think it is a reflection upon us when an amendment such as this is opposed.

Mr. BILBO. Mr. President, the Senator from Tennessee did not answer my question.

Mr. McKELLAR. I regret it. I apologize to the Senator. I am trying to answer his contention, whether I answer his question or not. The Senator's contention is that we ought to spend this money for building power plants which are not needed.

Mr. BILBO. No.

Mr. McKELLAR. I am opposed to that. I am on the other side. My committee unanimously upheld that position.

Mr. BILBO. Let me ask the Senator——

Mr. McKELLAR. We are for the people who need these facilities.

Mr. BILBO. Will the Senator answer my question? Let me repeat the question.

Mr. McKELLAR. Very well.

Mr. BILBO. I asked the Senator for his opinion. I did not ask him what lobbyists had said. In the Senator's honest opinion, what would be the attitude of the power companies with respect to this amendment?

Mr. McKELLAR. I have not the slightest notion.

Mr. BILBO. The Senator has no notion?

Mr. McKELLAR. I have no notion. I have never discussed the question with representatives of any of the power companies. I do not know.

Mr. BILBO. I am pleading for the people who have to pay for the REA electric service. If we make it possible to delay the construction of generating plants, and require the farmers to go first to the REA, and then to the Power Commission, with all the lawyers who will be engaged to fight the various applications it will be weeks, months, and years before the people back yonder who are trying to escape the high rates of the power companies can obtain relief, and it will cost them millions of dollars. That is what the telegram which the Senator read referred to, when it spoke about delays.

Mr. McKELLAR. I should like to ask the Senator about this telegram. Who is Mr. Clyde P. Ellis?

Mr. BILBO. I do not know him.

Mr. McKELLAR. Does any Senator know him? Is he one of the Government lawyers?

Mr. McCLELLAN, Mr. HILL, and Mr. FULBRIGHT addressed the chair.

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

Mr. BILBO. I yield first to the senior Senator from Arkansas.

Mr. McCLELLAN. Mr. Ellis is a former Member of Congress. He is from my State. He is now the head of the Rural Electrification Association, an association of cooperatives.

Mr. McKELLAR. The telegram says "National Rural Electrification Administration." Does that mean the Government Administration?

Mr. McCLELLAN. I do not know what the word "Administration" means.

Mr. McKELLAR. Or does it mean something else?

Mr. McCLELLAN. The association is an association of cooperatives, organized under the REA Act.

Mr. BARKLEY. And Mr. Ellis has been selected by those cooperatives as executive secretary of the entire association in the United States.

Mr. FULBRIGHT. He is not a Government employee.

Mr. BARKLEY. No; he is not.

Mr. McKELLAR. I am glad to know that.

Mr. BILBO. He is merely trying to protect the interests of the cooperatives.

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

Mr. BILBO. I yield.

Mr. HILL. The REA cooperatives, the farmers who own, operate, and administer the REA cooperative systems, have an association of cooperatives, and Mr. Ellis works for that organization. I do not know whether he is called the executive secretary, director, or what; but he is the man who works for and represents the farmers themselves, who are today members of the REA cooperatives. Is not that true?

Mr. FULBRIGHT. That is correct.

Mr. McKELLAR. Mr. President, I should like to ask the Senator from Alabama a question.

Mr. BILBO. I am glad to yield.

Mr. McKELLAR. When these plants are built, do they become the property of the cooperatives?

Mr. HILL. They do. The Government lends the cooperative the money to build the plant, just as the Government lends the cooperative the money to build the lines. The plants become the property of the cooperative, and the cooperative pays the money back to the Government. That is what happens.

Mr. BILBO. The cost of the generating plant is liquidated by increased rates. That is a part of the cost.

Mr. McKELLAR. Increased rates?

Mr. BILBO. Yes.

Mr. McKELLAR. And no one has control over those rates.

Mr. BILBO. Yes.

Mr. McKELLAR. Who has control over them?

Mr. BILBO. The board of directors.

Mr. McKELLAR. Of course, the board of directors of any corporation has control over the affairs of the corporation.

Mr. BILBO. They can pay for the building of their lines, for the poles, wire, and generating plant, and still save money as compared with paying the rates which the power companies charge them.

Mr. HILL. Mr. President, the distinguished Senator from Tennessee has been a strong friend of the REA and the REA cooperatives; but the difficulty is that the distinguished Senator's committee adopted an amendment without going into the facts and without really knowing just exactly what the generating plants have done for the cooperatives and for the benefit of the farmers.

It so happens that on the 21st day of last November there was a hearing before the House Committee on Agriculture on a bill embodying certain amendments to the basic REA Act. At that hearing the committee went into the very question of what the generating plants mean to the farmers, so far as getting electricity into the farm homes for the benefit of farm families is concerned. Mr. Wickard, as head of the REA, testified. He was examined by various members of the committee. He submitted to the committee the facts, which showed, in case after case, that the farmers were able to get cheaper power rates because of the provision in the law permitting the REA to lend money to the REA cooperatives to build generating plants. The record developed at that hearing showed that time and again the authority placed in the law by the Congress to enable the power cooperatives to build generating plants has enabled the REA cooperatives, the farmers, to get cheaper power rates.

Mr. FULBRIGHT. Mr. President, I realize that there is not much that I can add to this discussion; but I wish to go on record in opposition to the amendment.

I am particularly impressed by the arguments of the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Alabama [Mr. HILL]. It seems to me exceedingly unwise to take action on an amendment of fundamental importance which obviously has not had the benefit of consideration by a legislative committee. I am perfectly willing to agree that some Senators discussed the subject, but it is evident that no testimony, in the usual sense of the word, was presented to the committee regarding the advisability of this amendment. Personally, I believe that it would cripple the REA in the development of its program, and particularly in the achievement of reasonable, and lower, rates.

Mr. BARKLEY. Mr. President, I wish to add only a word or two. I regret exceedingly that I find myself in opposition to an amendment reported by the committee and sponsored—or at least defended—by my good friend from Tennessee, the acting chairman of the Committee on Appropriations. However, I am opposed to the amendment. I have not had a line from anyone in my State, or anywhere else, so far as I know, with reference to the amendment. I do not know whether the rural electric cooperatives in my State have learned about it. It was reported from the committee only 3 days ago, and evidently there was no advance notice of it and no hearings on it in the committee. It would not be strange if during the short space of 3 days the Rural Electrification Administration and the cooperatives in the States had not had an opportunity to acquaint themselves with the problem or with the effort, as I regard it, against their expansion.

We inaugurated the Rural Electrification Administration in order to bring electrical power to farmers. Until the REA was instituted, vast sections of the United States had no electrical facilities whatever, and the private power companies which operated within the cities would not go out into the country. They did not have to go there and they did not go. They began to get a little busy in that regard when the REA was established by the Congress. I am informed that since the establishment of the REA and the formation of cooperatives under it and the building of transmission lines, with their poles and facilities, out into the country, some of the private companies have run lines parallel to them in order that they might undertake to drive the cooperatives out of existence. I know that has happened in some sections of the country. The private power companies did not have to go to the Federal Power Commission in order to obtain consent to build a generating plant from which they would run along highway transmission lines which might tend to put a cooperative rural electrification association out of business. They do not have to obtain any consent of that kind from the Federal Power Commission. They do have to come to the Federal Power Commission if they wish to erect a dam for power purposes across a navigable stream, and we have authorized the Commission to grant consent permits for that sort of thing. But they do not have to obtain consent from the Federal Power Commission to build a generating plant, even though the plant is for the purpose of enabling them to run transmission lines along a highway, parallel to and in competition with lines of an REA cooperative already in existence.

So it seems to me that this amendment offers an additional handicap to the building of REA cooperative lines. The amendment applies to the right to build generating plants from which electricity will be sent along those wires.

The money obtained by the cooperatives from the Rural Electrification Administration is not a gift; it is a loan. The cooperatives have an excellent record in regard to the repayment of the loans they have obtained from the REA, and they pay interest on the loans they obtain. As has already been indicated, only 9 percent of the money they have borrowed in that way has been used for the building of generating plants.

Why is it desired to have these small electric cooperatives, which are made up of farmers all over the United States, come hot-footing to Washington in order to obtain consent from the Federal Power Commission to build a small generating plant somewhere? It seems to me that, regardless of the intention of the committee—and I cast no aspersions whatever upon the motives of the committee—I am satisfied that the committee thought the amendment was a wise provision, or else it would not have voted for it, and I am sure the Senator from Tennessee is a friend of the extension of electric power to the farmers—it is amazing how the REA has brought to the farmers and rural areas electricity which they would not otherwise have had. Certainly they

would not have had it if it had not been for the creation of the Rural Electrification Administration.

Now to put this handicap in their way, so that they could not expand unless they should come to Washington and obtain the consent of the Federal Power Commission to build a generating plant or unless they should enter into a contract with a private power company to buy power from them, it seems to me would be a mistake. The ways I have just mentioned are the only ways they can expand their operations. It seems to me we should not throw this obstacle in their way; we should not hobble them by requiring that they come to Washington and obtain consent from the Federal Power Commission to build a generating plant somewhere in the United States in order to serve farmers and their wives and children.

For that reason, Mr. President, I am opposed to the amendment.

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

Mr. BARKLEY. I yield.

Mr. HILL. The amendment would put a hobble on them and it would impede them and harass them. We must realize that in dealing with these cooperatives we are not dealing with large corporations which have high-priced lawyers and lobbyists and representatives who come to Washington. The fact is that the adoption of this amendment would discourage the REA cooperatives and groups of farmers from going forward with their programs throughout the country. Is not that true?

Mr. BARKLEY. Yes; it is true. The people who are concerned with these matters are not wealthy. They are humble farmers, living on farms. They wish to have electrical power in order that it may no longer be necessary for the housewives to spend hours bent over washboards or washtubs. They wish to have electric power so that they may use washing machines which can be connected with an electric line and thereby eliminate much of the drudgery from housework on the farms. Of course, we should not do anything to prevent that.

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

Mr. BARKLEY. I yield.

Mr. HILL. Of course, it is our obligation to make sure that the loans made for these purposes are sound, but it is true, is it not, that practically all the money that has been borrowed by the cooperatives has been paid back with interest?

Mr. BARKLEY. Undoubtedly it is true.

Mr. HILL. And is it not also true that only 9 percent of the money which has been borrowed has been used for the construction of generating plants?

Mr. BARKLEY. That is also true. But the generating plant is an integral part of the facilities. It does no good to erect electric-line poles and construct the transmission lines unless it is possible to generate electric power and thus have the juice to send over the transmission lines.

Mr. HILL. Not only is it necessary to generate the power, but it is necessary to have a fair rate for the power, so that the farmers can purchase it.

Mr. BARKLEY. Of course, all those questions are involved in the program. Obviously it is necessary to have rates which the farmers can pay.

Mr. President, I cannot avoid the suspicion, which is justified by the experience we have had since the establishment of the REA, that in many communities the private power companies would not have run transmission lines out into the country, thus enabling the farmers to obtain electric current, except for the existence of the REA and the possibility of competition which might drive them out of business.

I shall not vote for an amendment which would prevent the farmers from enjoying that opportunity.

Mr. McKELLAR. Mr. President, the Senator said they could not get the juice.

Mr. BARKLEY. No; I said unless the farmers have an opportunity to have a generating plant they cannot have electricity sent over the transmission lines unless the private power companies make their facilities available to them.

Mr. McKELLAR. But does the Senator know where there is a transmission line which does not have electrical energy available to it? This has been one of the most successful projects for the benefit of the people.

Mr. BARKLEY. I agree with that. It may be that my use of the word "juice" was unfortunate.

Mr. McKELLAR. No; that word is frequently used in reference to electric current.

But it seems to me there is something very peculiar about the furor which has been raised over this amendment. The amendment would not hurt anyone. If it is possible to obtain electric power at a reasonable price, why build another generating plant with money which could be used to give so many housewives relief from the drudgery that they have to put up with? Why not use this money for the benefit of the housewives, for the benefit of the farmers who live in the country, for the benefit of all people who live in the country?

Mr. President, this amendment cannot hurt any one, because Heaven knows it is an easy thing to determine whether a reasonable price is being charged by a private power company. I am one of those who have approached the task on the side of public ownership, and I have been in favor of public ownership for this kind of electricity and other kinds of electricity. But I am not opposed to private industry simply because it is private. I wish to have private industry prosper in the same way that I wish to have all the people of the country prosper. I am not opposed to private industry because it is private.

Every Senator has received these telegrams——

Mr. BARKLEY. I have not.

Mr. McKELLAR. Then, the Senator has not been back to his office in the last 10 minutes.

Mr. BARKLEY. It makes no difference; I am opposed to the amendment, even though I have not received any telegrams.

Mr. McKELLAR. I know the prominence of the Senator from Kentucky in this body. Probably he would receive two telegrams in his office at the same time when the others of us were receiving only one.

Mr. BARKLEY. Mr. President, I am sure the Senator will agree that if I got them after I returned to my office it would be too late, because I made up my mind as soon as I saw the amendment.

Mr. McKELLAR. I agree that by that time it would be too late, because by then the Senator would already have made up his mind. No doubt the Senator made up his mind instantly.

Mr. BARKLEY. I do not know that I made it up that quickly, but I have made it up.

Mr. LA FOLLETTE. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. LA FOLLETTE. In response to the statement made by the Senator from Tennessee, let me say that the reason why so many people are disturbed about this matter is that they sincerely believe that this amendment will be a great deterrent to the carrying forward of this program.

The Senator from Tennessee has said that it is very simple to find out whether a rate is reasonable. Any Senator who has ever observed a rate case knows that it can be dragged out indefinitely—and usually that seems to happen—by the introduction of expert testimony, resort to technicalities, and so forth.

There is not a word of testimony in the subcommittee hearings to show what procedure would be followed under this amendment, because the amendment was not mentioned in the testimony. No one knew that the amendment was going to be proposed.

Mr. McKELLAR. Mr. President, will the Senator yield to me for a moment?

Mr. LA FOLLETTE. I shall yield in a moment.

Mr. President, I can see that if the Federal Power Commission were really to discharge its responsibility in connection with the amendment, it would have to make an additional and separate finding as to whether the electric power rates offered by a private power company to a cooperative were reasonable. This issue is a good deal like the issue which has so frequently come before the Senate in regard to transmission lines from multipurpose dams. The great help which the authority to grant loans to cooperatives for the purpose of building plants has been due to the opportunity it afforded of bargaining with private utility companies in attempting to obtain reasonable rates. The power companies knew that if they did not grant a reasonable rate, the cooperative had the power to apply to the Administration for money to construct or buy a generating plant, and the Administration had the power to grant a loan for the purpose of building such a plant.

In his testimony before the subcommittee, when the general question of his policy was under consideration, Mr. Wickard said over and over again, that he did not believe in granting loans when power could be obtained at a reasonable rate, and that in the future he would

not grant loans under those circumstances. He said he had not believed in such a policy in the past, and that he would not pursue such a policy in the future.

Mr. President, once before in this debate I cited the annual savings which have accrued to the Dairyland Cooperative. Because they could not obtain a reasonable rate they received a loan to be used in building their generating plant, and thereby saved more than $300,000 a year in rates. That is a substantial sum of money. It puts the cooperative on a sounder basis and makes it possible for the cooperative to pay its loan to the Government.

It is the sincere belief of those who are opposed to the pending amendment that such a substantive change in the law as is being proposed should not be made without the most careful consideration being given to it, and hearings being held before a committee where the pros and cons may be thoroughly brought out. There was not a word of warning concerning this amendment, so far as the testimony was concerned. The bill was brought up on the floor of the Senate before any member of the Senate, outside of the committee, knew that such an amendment was under consideration.

Mr. BARKLEY. I appreciate the Senator's observation. I wish to picture, if I may, what would be necessary, and what the mechanics would be in obtaining a loan if the pending amendment were adopted. It is not easy to organize a rural electrification cooperative. Meetings must be held among the farmers; a cooperative program must be worked out, and the farmers must adopt the program, which they themselves have understood to mean not only the stringing of lines along highways, but the building of generating plants if that should become necessary. Suppose they hold a meeting in a section where there is no REA cooperative, and they wish to build a generating plant. They say, "Well, we can borrow the money to build the line, but we cannot obtain money to build a generating plant if the Federal Power Commission finds that there is adequate power already available in the community at reasonable rates." If the cooperative organizes for the purpose of building a line without knowing whether it can obtain a generating plant, it will, in a sense, put the cart before the horse. But suppose it organizes on the assumption that it can obtain a loan for building a generating plant. Before it can complete its organization it must come to the Federal Power Commission and ask it if it may have a generating power plant for the purpose of distributing power over its lines. To me that situation presents an almost insuperable barrier, in the first instance, against the REA. I cannot help but suspect that if the cooperative is met with refusal on the part of the Federal Power Commission, and is not able to borrow the money for the acquisition of a generating plant, it will be left at the mercy of some power company from whom it must buy power in order to furnish electricity to the consumers along its lines.

Mr. YOUNG. Mr. President, I live on a farm in my State a half mile from a small town with a population of about 135. About 15 years ago a power company built a line approximately a half mile from that village. They charged the village $3,500 to bring its facilities into it, and thereafter gave no reduction in rates because of this gift.

At the present time the farmers in my home county are organized into an REA cooperative. If, because of this amendment, they were to lose the bargaining power which they now have they would be in much the same position as this village is in, and no doubt would have to pay very high rates.

Mr. BARKLEY. When those who are desiring to establish a cooperative and supply electric power come to Washington to obtain consent of the Federal Power Commission to build a generating plant they will, of course, be confronted with the compulsion of going back and making the best deal they can with the private company in the event the Federal Power Commission turns them down in the first instance.

Mr. YOUNG. If their experience with the REA were the same as it was in the small village to which I have referred they would probably be compelled to pay a bonus on top of whatever rate they could obtain.

Mr. MAYBANK. Mr. President, I ask the distinguished Senator from Kentucky if there are not certain State laws which govern the activities of cooperatives in Kentucky?

Mr. BARKLEY. Yes; there are certain State laws. The control is vested, in a measure, in the public utilities commission of the State.

Mr. MAYBANK. I thank the Senator for his statement, because in my State of South Carolina the public service commission has certain jurisdiction over electric rates and other matters. I may say to the Senator that in a small community in South Carolina, where a private company owned the utility, the rate was 25 cents a kilowatt-hour. I repeat, 25 cents a kilowatt-hour. The rate remained at that figure until the cooperative was able to buy electricity from a competing line. The private power company finally reduced the rate considerably, and a great deal of money is now being saved.

Mr. President, I believe that the people of my State do not want jurisdiction over their affairs to be exercised in Washington. I am opposed to bureaucratic methods, and I certainly do not intend to put the people of South Carolina under a Federal bureau, although I am not saying to the distinguished Senator from Kentucky that I do not have the utmost confidence in the members of the Federal Power Commission. But I see no reason for persons to occupy hotel space, and space on trains, in coming to Washington to find out whether or not the farmers and other people of the land can obtain cheaper electricity in order to carry on agricultural pursuits.

Mr. BARKLEY. I appreciate what the Senator from South Carolina has said, and I share his comment with regard to the Federal Power Commission. What I have said is no reflection whatever on them. They are able, honest, and sincere public servants. But regardless of that fact, I think that we should not require farmers in any section of the country to come to Washington, or send someone to Washington before they can even organize a cooperative, to ascertain whether the Federal Power Commission will give them authority to construct generating plants.

Mr. MAGNUSON. Mr. President, the smaller cooperatives really cannot afford to send anyone to Washington to argue their case for them. The private power company can send their lawyers to Washington and the farmers are whipped before they start. Secondly, even after coming to Washington there would be a long series of delays, because the establishment of rates before a committee, a court, or a commission is a most difficult task. Even after a ruling has been made by the Federal Power Commission, there is nothing which would bind the private power company to accept the ruling. So, as the Senator has said, many of the small cooperatives are whipped before they start.

Mr. BARKLEY. I agree with the Senator.

Mr. GURNEY. Mr. President, I hope the Senator does not mean to leave the impression that the poor little cooperative representative will have to come all the way to Washington.

Mr. BARKLEY. That is where the Federal Power Commission is located.

Mr. GURNEY. I am sure the Senator knows that the REA has representatives in every State. The representatives in the field make up reports and send them to Washington. The Washington representatives then contact the Federal Power Commission. That is all there is to it.

Mr. BARKLEY. All decisions must be made in Washington. Decisions even on the question of whether there shall be established a cooperative, must be made in Washington. The loan, if any is to be granted, must be made in Washington. It is not made in the field. It is made by the REA in Washington. If the Senator means to intimate that the REA organization within the Department of Agriculture must argue before the Federal Power Commission in behalf of every rural cooperative which wants to build a generating plant, then he must admit that two rival organizations in Washington are arguing against each other.

Mr. GURNEY. Why does the Senator call them rival organizations?

Mr. BARKLEY. If one must go to another in order to induce it to approve or disapprove a loan, in a sense they thereby represent two discordant organizations, and may be representing different viewpoints.

Mr. GURNEY. Allow me to read the Federal Interagency agreement from part III of the Federal Power Act:

> The Commission is party to an agreement entered into jointly with the Department of War, Interior, and Agriculture, under date of December 29, 1944, to permit agencies of these departments and the Commission to cooperate more completely in the preparation of reports on multipurpose reservoir projects and to correlate the results to the greatest practicable extent.

Mr. BARKLEY. That does not give one department the right to nullify what another is trying to do in making reports.

Mr. GURNEY. If I may intrude on the Senator's time, the purpose of it is to arrange that all the information as to all the power produced by not only public utilities, but also private utilities, and by the Bureau of Reclamation, the Interior Department, and the independent boards we have set up, such as the Grand Coulee organization, and the like, may be gathered together by one agency of the Government, which can determine what power is available, and then pass it out to any other agency of the Government, such as the REA, when a request for power is received.

Mr. BARKLEY. That is entirely another thing. Let me observe, in reply, that the result would be that we would have the REA here in Washington going over to the Power Commission with hat in hand, on bended knee, and saying, "Mr. Power Commission, will you please let us lend some money to a little cooperative in West Virginia, or Kentucky, or Wisconsin, so that it can build a generating plant?"

Mr. LA FOLLETTE and Mr. HILL addressed the Chair.

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

Mr. BARKLEY. I yield first to the Senator from Wisconsin.

Mr. LA FOLLETTE. The point I wish to make is that I do not believe the Senator from South Dakota or any other Senator can state what procedure the Power Commission will require if it has to accept the responsibility of making the required certification. There is not a line in the testimony about it, and I do not believe any Senator knows what procedure they would have to establish. But it certainly is obvious that any conscientious commission charged with this responsibility by the Congress will have to provide some kind of procedure whereby they can ascertain, first, whether the power is available in the area; and, second, whether it is available to the farmers' little cooperative at a reasonable rate. If that does not mean some kind of a special hearing and investigation with regard to all the areas throughout the United States, I do not know what it can mean. If it does mean that, it means interminable delay, and it means in the last analysis that we will have taken the bargaining power away from the cooperatives and thrown them on the good graces and the mercies of the private utilities everywhere in the United States. No one need try to tell me that that does not strike at the heart of the whole rural electrification program, and that, too, at a time when we are appealing to the farmers to increase their production in order that they may help feed the starving millions all over the world.

Mr. BARKLEY. Not only that, Mr. President, but if we may assume that the local REA cooperatives have gathered all the facts they need or think they need to bring to Washington and submit to the Power Commission, the Power Commission could then say, "We will send our own representatives into that community and make our own investigation and our own decision." That would add to the time required to get action.

I now yield to the Senator from Alabama.

Mr. HILL. Mr. President, we may well know that if we put this provision into the law, what the Senator from Kentucky and the Senator from Wisconsin have suggested will come to pass. The private power companies will be here demanding that they be heard, asserting that they have a right to participate in some kind of a hearing and present what they think is their side of the case against the REA, against the loan, against the farmer. They will be here with their high-priced lawyers, with their high-priced rate experts, with their high-priced engineers, with their high-priced lobbyists, swarming to the Federal Power Commission, arrayed with their wealth and their power and their expert help and technical advice against the poor helpless farmers. That is what we are opening the door for, that is what we are inviting, if we adopt this amendment.

Mr. BARKLEY. I thank the Senator. I have said all I wish to say on the subject, and more than I had intended to say.

Mr. MAYBANK. Mr. President, will the Senator from Kentucky yield to me so that I may ask the Senator from Alabama a question?

Mr. BARKLEY. I yield for that purpose.

Mr. MAYBANK. In addition to what the Senator has suggested, is it not possible that court injunctions might be issued, so that it would be 10 years before anything was done?

Mr. HILL. The Senator from South Carolina knows the history of the whole REA program under the REA administration. The Senator from South Carolina knows that the power companies have never let slip any opportunity to go into court and sue for injunctions, and resort to any other possible kind of proceeding to delay, hamper, impede, harass, and defeat the REA. We would be opening the door, extending an invitation to the power companies to carry on as they have in the past, to do everything possible with their wealth and their power and their brains to defeat the REA.

Mr. McKELLAR. Mr. President, I hope we may have a vote, but before a vote is taken I wish to make one observation.

The opponents of the amendment refer to the construction of generating plants as involving 9 percent of the appropriation. That is all that is involved, 9 percent out of 100. Anyone would think the whole rural electrification system was involved. There is nothing of that sort. After 30-odd years of hard work for rural electrification, how could I ever explain it if I tried to do something that would help the power companies rather than the people of the rural areas? I have no other desire except to assist them.

All I ask, Mr. President, is that we have a vote on the amendment, and I should like to have a yea-and-nay vote. I ask for the yeas and nays.

The yeas and nays were ordered.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Aiken	Gurney	Overton
Austin	Hart	Radcliffe
Bailey	Hatch	Reed
Ball	Hayden	Revercomb
Bankhead	Hickenlooper	Robertson
Barkley	Hill	Russell
Bilbo	Huffman	Saltonstall
Brewster	Johnson, Colo.	Shipstead
Bridges	Johnston, S. C.	Smith
Briggs	Knowland	Stanfill
Bushfield	La Follette	Stewart
Butler	Langer	Taft
Capper	McCarran	Thomas, Okla.
Carville	McClellan	Thomas, Utah
Cordon	McFarland	Tobey
Donnell	McKellar	Tunnell
Downey	McMahon	Tydings
Ellender	Magnuson	Vandenberg
Ferguson	Maybank	Walsh
Fulbright	Mead	Wherry
George	Millikin	Wiley
Gerry	Mitchell	Willis
Gossett	Moore	Wilson
Green	Murdock	Young
Guffey	O'Mahoney	

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Seventy-four Senators having answered to their names, a quorum is present.

Mr. GURNEY. Mr. President, I wish to make a very short statement. I am surprised at the furor caused by this amendment. In committee it was generally agreed, as attested to by the unanimous vote of about a dozen members present in the committee when the amendment was agreed to, that it was sound, common, good sense to adopt the amendment. It was the belief of all Senators present—I think I speak truthfully—that there should be one Government agency which had the knowledge of power produced by every other governmental agency which is presently engaged in producing power, and there are several of them, and it was believed also that the Federal Power Commission was the agency which should be responsible for gathering the information and correlating it, and making it available.

I call the attention of the Senate also to the fact that there is presently before the Appropriations Committee request for the building of several hundred Federal flood-control projects where the generation of incidental power is, of course, a part of each project. We all realized that there would be power available from these flood-control projects, and we were concerned about the market for that power. Of course, it is conceivable that one agency, not getting its information from the central gathering agency, could authorize the building of a generating plant where, in a few years, hydroelectric power, developed at the expense of the taxpayer, would not then have a market. The amendment seemed to be a sound, common-sense amendment. Certainly we could not envision that it would cause any delay about which there has been so much oratory here today. I do not believe it is necessary for anyone to fear that there would be rival Government agencies, as I heard the majority leader say. Certainly they ought to cooperate. The

REA has representatives in the field who certainly report to Washington. They could pick up the telephone and ask the Federal Power Commission if a proposed rate was reasonable, and that is all that would be necessary, because the Federal Power Commission is not held down by any rule in dealing with such questions. It would be a simple matter.

If Senators think that $100,000,000 is not a great deal of money, let them remember that when we first heard about the cost of the greatest Federal project in history, the Boulder Dam, its cost was a little under $200,000,000. Here it is proposed to appropriate $100,000,000 in this bill, which is a deficiency bill. Two and one-half times this amount is going to be called for in the regular appropriation bill. And still it is said that 9½ percent of all this money is not much; it is only a small amount. Mr. President, it is a huge amount. Ten percent of all the money appropriated for REA can run up to $100,000,000.

Mr. President, I want to see the Federal money which is appropriated to REA go into lines which serve farms, where it is economically sound to put in the lines. If it is necessary to build a generating plant, then by no stretch of the imagination would this amendment stop the building of a necessary generating plant.

Mr. President, until someone got to members of the committee—I do not know who it was—every member of the committee said about the amendment, "That is fine; we are all for it." And the members of the committee present were unanimously in favor of it. I am sure the vote today, though, will not be unanimous.

I am glad the amendment came up for consideration, for Congress has certainly taken time out at least to stop, look, and listen in appropriating money for what the REA find to be cooperatives, but we should also remember that whenever a cooperative is organized somebody else pays the taxes that supply the money from which comes the $100,000,000 appropriated in this particular bill.

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

Mr. GURNEY. I yield.

Mr. OVERTON. Objection has been made to the provision that the Federal Power Commission should approve the rates. Is it not the policy of the Government today that the Federal Power Commission shall approve the rates in the case of projects for which Federal money is expended?

Mr. GURNEY. That is the responsibility of the Federal Power Commission under the act creating it. I read the provisions of that act a few minutes ago.

Mr. OVERTON. I am sorry but I was not present at that time. I was called out of the Chamber.

Mr. GURNEY. As I understand the Federal Power Commission approves the rates charged by all Federal projects which are built with Federal money.

Mr. CORDON. Mr. President, I do not want to delay consideration of this matter for more than a few moments, and I assure the Senate I shall take but a few moments. I rise in support of the committee amendment. I do so because I believe that my action is in the interest, the true interest, of the farming population of the United States.

Mr. President, this amendment does not in anywise prevent rural electrical cooperatives from producing their own power where there is not in the area adequate power available at a reasonable price. The amendment does provide that a finding shall be had in that field by the Federal Power Commission.

Argument has been made that the time element involved in securing a certification would be fatal to the rapid development of the REA program. I recognize, Mr. President, that there is some force in that argument. If those who have gone into the matter feel that it would be helpful, I should be glad to support an amendment to the committee amendment giving a priority to any application for such certification so as to hasten the decision by the Federal Power Commission. If those who have examined into the matter feel that it would be helpful, I should be glad to support an amendment providing that State public utilities commissioners or persons holding equivalent office might also make the investigation and certification. Anything which would expedite the determination would in my opinion be advisable, and should have general support.

However, I feel that every safeguard possible should be thrown around those who are seeking to help themselves, and who must turn aside from their everyday duties and occupations into a new field in order to do so. The distinguished majority leader called attention to the procedure by which REA cooperatives are organized—the calling together of the farmers, the presentation of the matter, the initiation of the contract or basic agreement, and so on, until finally the cooperative is evolved. I call attention to the fact that that must all be done by men and women who are making their living doing something else. They must turn aside from their regular occupations and endeavor to inform themselves in a new field. They must necessarily seek technical and expert advice. Ultimately they must have technical and expert employees, and they must control and operate the entire program and still continue their major and primary occupation in the field of agriculture.

I feel that it is the duty of the Congress to do everything possible to minimize that extra effort, not only from the standpoint of assistance in reducing the amount of time necessary for consideration by men and women on the farms, but because the more we can simplify the operation the less danger there will be of great loss to those who engage in it.

I invite attention to pages 53, 54, 55, and 56 of the Senate committee hearings on this matter. There are listed approximately 80 REA organizations which are in default, either as to payment of principal or interest, or both. The total amount in default is $632,946.

Mr. President, I do not call attention to that situation critically. I am not at all of the opinion that it is too great a default to be expected, particularly under the circumstances with which we are faced, having just emerged from a war period. I call attention to it only because there is listed opposite each REA organization which has defaulted the Rural Electrification Administration's reason for the default. Those reasons are many and varied. Among them are such reasons as these: In connection with a default of $90,000—

> High power cost from small generating plant installed when project started because utility refused to supply power at reasonable rate. Construction of additional distribution lines retarded by WPB restrictions.

Again, in connection with a $3,800 default—

> Too small to be efficient operating unit; high wholesale power cost.

And so forth. The reason is given in each instance. A careful consideration of this list leads one inescapably to the conclusion that the major reason is lack of time and expert knowledge on the part of those in the rural and farming sections who are attempting to maintain a business foreign to their experience. Because that is true, I feel that it is our duty, so far as we can, to simplify the REA administration. I believe we do that when we limit it so far as we can to the construction, operation, and maintenance of the lines and their outlets. We add complexity when we add generating plants. They represent a highly technical business. To me they represent a very great danger to every unit which undertakes such construction. I believe it would be helpful to those who are engaged in operating the REA organizations if they had the benefit of the consideration which would be given by the Federal Power Commission or by a State utility commissioner or equivalent officer. An examination would be made prior to the issuance of a permit to the REA to engage in the technical field of power generation. I believe that would be a help to the farmers themselves. For that reason, Mr. President, I feel compelled to support the amendment as it has been reported by the committee.

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

Mr. CORDON. I am glad to yield.

Mr. AIKEN. When the Senator says that certain cooperatives are in default, does he mean that they are behind in their payments? He does not mean that they have utterly failed, does he?

Mr. CORDON. I give to the word "default" its usual meaning—default in payment of either principal or interest.

Mr. AIKEN. The Senator realizes, does he not, that there are approximately a thousand REA cooperatives, and that a great many of them are far ahead in their payments?

Mr. CORDON. As I stated, I did not mention these cooperatives critically. I particularly called attention to the fact that I felt that there were very few in default. I was astonished that there were so few in default, in view of the conditions from which we have recently emerged. I do not intend to be critical in any sense.

Mr. AIKEN. Does the Senator know whether any of the large power developments in the country are in default? Is the Bonneville Dam project, for example, fully paid out?

Mr. CORDON. The Bonneville Dam project is not fully paid out. I think the plans contemplate its paying out in 40 or 50 years. The latest report from a commercial accountant indicates that it is well on its way and is making adequate payments.

Mr. AIKEN. I believe that most of the REA cooperatives are well on their way.

Mr. CORDON. I believe that is correct.

Mr. AIKEN. The one which gets so far behind that is must be taken over has, so far as I know, never generated a kilowatt-hour of electricity for itself, but was in such a position that it had to pay a very high rate to a private utility company because it could not get the power anywhere else.

Mr. CORDON. Certainly I do not oppose the right resting in the REA cooperative to generate its own electricity at any time that it cannot secure electricity from another source at a reasonable rate.

Mr. AIKEN. I agree with the Senator from Oregon that in the long run the Bonneville project will pay out, and pay out handsomely; but I also maintain that nearly all of the 80 REA cooperatives will also come through all right.

Mr. CORDON. I agree with the Senator from Vermont in that statement.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 4, beginning in line 9.

Mr. WILEY. Mr. President, the State of Wisconsin has made a success of the REA, and also of private utilities. I shall not discuss this issue. Because I happen to have a few shares of stock in some private utilities, and because there seems to be a conflict of interest, I ask unanimous consent that I be excused from voting on this question.

The PRESIDING OFFICER. Without objection, the Senator from Wisconsin is excused from voting.

The question is on agreeing to the committee amendment on page 4, beginning in line 9. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REED (when his name was called). I have a general pair with the senior Senator from New York [Mr. WAGNER]. On this vote, I transfer that pair to the senior Senator from New Jersey [Mr. HAWKES] and, therefore, I shall vote. I vote "yea."

The roll call was concluded.

Mr. GUFFEY. My colleague [Mr. MYERS] is unavoidably detained on public business. If he were present, he would vote "nay."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], and the Senator from New York [Mr. WAGNER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. HOEY], the Senator from West Virginia [Mr. KILGORE], the Senator from Illinois [Mr. LUCAS], the Senator from Texas [Mr. O'DANIEL], the Senator from Florida [Mr. PEPPER], and the Senator from Montana [Mr. WHEELER], are detained on public business.

The Senator from Montana [Mr. MURRAY] and the Senator from Idaho [Mr. TAYLOR] are absent on official business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a representative of the United States to the General Assembly of the United Nations.

On this question, the Senator from Montana [Mr. WHEELER] has a general pair with the Senator from Maine [Mr. WHITE].

If present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from West Virginia [Mr. KILGORE], the Senator from Montana [Mr. MURRAY], the Senator from Florida [Mr. PEPPER], the Senator from Idaho [Mr. TAYLOR], and the Senator from New York [Mr. WAGNER], would vote "nay."

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] is recovering from a recent operation.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate on official business of the Small Business Committee, of which he is a member.

The Senator from Delaware [Mr. BUCK] and the Senator from Oregon [Mr. MORSE] are necessarily absent.

The Senator from New Jersey [Mr. HAWKES] is absent on official business of the Interstate Commerce Committee. If present, he would vote "yea."

The Senator from Maine [Mr. WHITE] is detained in an important committee meeting. He has a general pair with the Senator from Montana [Mr. WHEELER].

The result was announced—yeas 21, nays 52, as follows:

YEAS—21

Austin	Gerry	Reed
Bailey	Gurney	Revercomb
Ball	Hart	Robertson
Bankhead	McKellar	Smith
Brewster	Millikin	Taft
Bridges	Overton	Thomas, Okla.
Cordon	Radcliffe	Tydings

NAYS—52

Aiken	Hayden	Murdock
Barkley	Hickenlooper	O'Mahoney
Bilbo	Hill	Russell
Briggs	Huffman	Saltonstall
Bushfield	Johnson, Colo.	Shipstead
Butler	Johnston, S. C.	Stanfill
Capper	Knowland	Stewart
Carville	La Follette	Thomas, Utah
Donnell	Langer	Tobey
Downey	McCarran	Tunnell
Ellender	McClellan	Vandenberg
Ferguson	McFarland	Walsh
Fulbright	McMahon	Wherry
George	Magnuson	Willis
Gossett	Maybank	Wilson
Green	Mead	Young
Guffey	Mitchell	
Hatch	Moore	

NOT VOTING—23

Andrews	Glass	O'Daniel
Brooks	Hawkes	Pepper
Buck	Hoey	Taylor
Byrd	Kilgore	Wagner
Capehart	Lucas	Wheeler
Chavez	Morse	White
Connally	Murray	Wiley
Eastland	Myers	

So the committee amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on engrossment of the amendments and third reading of the bill.

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

The bill (H. R. 5458) was read the third time and passed.

Mr. McKELLAR. I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. RUSSELL, Mr. BROOKS, Mr. BRIDGES, and Mr. GURNEY conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the joint resolution (H. J. Res. 301) to amend Public Law 30 of the Seventy-ninth Congress, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SPENCE, Mr. BROWN of Georgia, Mr. PATMAN, Mr. WOLCOTT, and Mr. CRAWFORD were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

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

H. R. 2348. An act to provide for the coverage of certain drugs under the Federal narcotic laws; and

H. R. 4571. An act to amend the First War Powers Act, 1941.

MODIFICATIONS IN THE AUTHORIZATION FOR CERTAIN SUBSIDIES

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the joint resolution (H. J. Res. 301) to amend Public Law 30 of the Seventy-ninth Congress, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

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

The motion was agreed to; and the Presiding Officer appointed Mr. BARKLEY, Mr. DOWNEY, Mr. MURDOCK, Mr. TOBEY, and Mr. TAFT conferees on the part of the Senate.

ALBERT E. SEVERNS—CONFERENCE REPORT

Mr. ELLENDER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2335) for the relief of Albert E. Severns, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

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

In lieu of the sum inserted by the Senate amendment, insert $2,500; and the Senate agree to the same.

ALLEN J. ELLENDER,
ARTHUR CAPPER,
Managers on the Part of the Senate.

DAN R. MCGEHEE,
W. A. PITTENGER,
Managers on the Part of the House.

Mr. ELLENDER. I move the adoption of the conference report.

The report was agreed to.

MRS. S. P. BURTON—CONFERENCE REPORT

Mr. HUFFMAN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2487) for the relief of Mrs. S. P. Burton, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment.

JAMES W. HUFFMAN,
ALLEN J. ELLENDER,
Managers on the Part of the Senate.

DAN R. MCGEHEE,
J. M. COMBS,
JOHN JENNINGS, Jr.,
Managers on the Part of the House.

Mr. HUFFMAN. I move the adoption of the conference report.

The report was agreed to.

BUREAU OF SCIENTIFIC RESEARCH

Mr. MEAD. Mr. President, as chairman of the subcommittee of the Committee on Commerce, which considered Senate bill 1248, which was introduced by the Senator from Arkansas [Mr. FULBRIGHT], I should like to have the bill considered by the Senate this afternoon. I doubt whether it can be considered by unanimous consent, but if it cannot I shall move, if it be agreeable to my colleagues, that the Senate proceed to the consideration of Senate bill 1248.

Mr. TAFT. What is the calendar number?

Mr. MEAD. Calendar No. 918.

The PRESIDENT pro tempore. The clerk will state the bill by its title for the information of the Senate.

The CHIEF CLERK. A bill (S. 1248) to establish a Bureau of Scientific Research, and for other purposes.

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

Mr. TAFT. I object.

Mr. MEAD. Mr. President, I move that the Senate proceed to the consideration of Senate bill 1248.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from New York.

Mr. TAFT. Mr. President, there have been introduced three or four bills representing many different theories with respect to the proper method of establishing a Bureau of Scientific Research. It seems to me that more notice should have been given of the intention to ask that the Senate consider a bill of such importance as the one which the Senator from New York seeks to bring up. I think the Senator should wait until next Monday or Tuesday before asking that the Senate take up the bill. Many Senators are not present and cannot now consider the matter. Other bills have been introduced which have yet to be given a hearing, as I understand, before the committee to which they were referred.

Mr. MEAD. Mr. President, it would be perfectly agreeable to me to make Senate bill 1248 the unfinished business of the Senate. The bill has been on the calendar for some time. The sponsors of the other bills to which reference has been made have, as I understand, agreed on a simple proposal. That is a matter entirely different than the one now before us. The proposal represented by the other bills deals with basic research and basic science. Senate bill 1248 deals with the application of the sciences and research work to the problems of today. It is an aid primarily to small business. It would provide a service which has not otherwise been provided, and cannot be provided by small independent business.

Mr. TAFT. Mr. President, the bill which was introduced by the Senator from Virginia [Mr. BYRD] has been on the calendar much longer than the bill to which the Senator from New York has referred. The bill introduced by the Senator from Virginia would establish a research board for national security. It is Calendar No. 549, Senate bill 825. A somewhat different question is there involved, and it seems to me that the entire subject should come up at one time, and that sufficient notice should be given that the subject is to be considered.

Mr. REVERCOMB. Mr. President, with reference to the subject now being discussed, I invite attention to the fact that there is now pending before the Military Affairs Committee a bill which was only recently reported by a subcommittee of that committee which gave months of time to hearings on the subject. The bill to which I refer is Senate bill 1850. It deals with the general subject of establishing a foundation for scientific research. Undoubtedly it will incur a great deal of discussion in the full committee before which it is now pending. I am advised that the bill referred to by the Senator from New York is somewhat different, but is along the same line. I have not had an opportunity to study the bill which the Senator from New York has moved that the Senate proceed to consider. I know however, as a member of the subcommittee of the Military Affairs Committee, that the general subject is one which will precipitate an extended discussion both in the Military Affairs Committee, and perhaps on the floor of the Senate. The report from the subcommittee is now pending before the Commitee on Commerce, and is pending there today because there was introduced in the Senate and referred to the Committee on Commerce a bill dealing with a proposed foundation for scientific research.

Moreover, I am advised that pending before the Committee on Commerce is another bill dealing with the same subject. The bill was introduced by the Senator from Indiana [Mr. WILLIS].

Mr. President, it seems to me that if we are to approach the subject properly, all the bills to which reference has been made should be before the Senate, or certainly we should have an opportunity to study them and know what differences may exist between them, and not take up the matter piecemeal by discussing and considering only one bill which deals with any one phase of the subject.

I hope the Senator from New York will not urge his motion, but instead will wait until the other bills on the subject are before the Senate so that we may then consider the subject in its entirety, and not consider only one of the bills on the general subject of scientific research.

Mr. MEAD. Mr. President, I may say that we now have within the Government the necessary technological research facilities. They are widespread in various agencies of the Government. The purpose of the bill which I have moved that the Senate proceed to consider is to coordinate the services which now exist, and make them more readily available to small independent businesses which will require those services if they are successfully to compete in the modern industrial age in which we now live.

At any rate, Mr. President, I shall be governed in great part by the wishes of the author of the bill.

Mr. FULBRIGHT. Mr. President, I may say for the information of the Senate that this bill was called up on the calendar at a time when, unfortunately, I was not present in the Chamber. It was passed over. I have discussed with the minority members of the committee as to when would be a proper time to bring the bill before the Senate. There is some confusion with reference to the purpose of the bill. I may say that it is not designed to further research in the basic sciences. So far as research is concerned, the bill is designed merely to coordinate what is already within the Government. One of the principal purposes of the bill is to maintain an index of technological knowledge which already exists within the Government. One of the principal subjects with which the bill deals in the immediate future is the mass of industrial secrets of the Axis countries now being gathered by experts of the Army and the Department of Commerce.

I invite attention to an article by a writer by the name of Ball which appeared a few days ago in the Washington Post. In his article he commented on the number of industrial secrets which are being brought to our Department of Commerce from Germany and are being declassified by the Department of Commerce.

Senate bill 1248 would provide for the establishment of technical services within the Department of Commerce. It is entirely different from the bill which is commonly known as the Kilgore or Magnuson bill.

It may be that further opportunity should be given to Senators to study the bill. However, there is no reason to consider it together with the other bill, because there is no real connection between the two. It is true that when the other bill was drawn the subject of atomic energy was in mind. But Senate bill

1248 is not designed to conduct research into the subject of atomic energy, or basic science, but to make available to the public the knowledge we already have. It should be made available to small business as soon as practicable.

Mr. REVERCOMB. Mr. President, I may say to the Senator from Arkansas that the bill now pending before the Military Affairs Committee, known as the Kilgore-Magnuson bill, provides for an over-all treatment and study to be made of scientific research, and is bound to reach into a field which will bring it into conflict, it would seem to me, with any other bill dealing with a definite or particular department of the Government.

I do not object to the bill of the Senator from Arkansas, but I assert that the Senate should not consider the subject piecemeal. It should be done with the whole subject of scientific research brought on for hearing on the bill of the Senator from Arkansas, the bill now pending before the Committee on Military Affairs, and other bills such as the one introduced by the Senator from Indiana. If we take this matter up piecemeal, we are going to find conflicts in some of the provisions of particular bills, such as the one now sought to be considered.

Mr. WILLIS. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. WILLIS. I should like to say, in this connection, that while the bill introduced by myself and some of my colleagues perhaps does not conflict in any way with the bill the Senator from Arkansas is presenting, yet this whole subject should be reviewed in the light of the over-all definitions. It is a subject to which I presume very little attention has been paid by the laymen of the Senate, and I think it would be most unwise to take up this segment of scientific research work without having the whole picture before us. I believe it would be unwise, and I do not think the Senator from New York should press his motion at this time.

Mr. FULBRIGHT. Mr. President, one further comment. I am not disposed to press the bill until Senators can have an opportunity to study it. But this is not a piecemeal approach. There are different subjects involved. It is no more piecemeal than a steel plant is a piecemeal research operation. This is a practical matter. True, there is some connection between the laboratory in the University of Indiana or the laboratory at MIT, and the industrial manufacturing plants, but they are generally conceded to be performing different functions. One subject is involved in my bill, and different subjects in the other bills. There is a relationship, but no identity of purpose or function.

Mr. WILLIS. Will the Senator yield further?

Mr. FULBRIGHT. I yield.

Mr. WILLIS. Does the Senator think a majority of the Senators have a clear picture of this field of legislation? Even if it is a distinct measure the Senator is sponsoring, would it not be better to give the Senate a little time to study it?

Mr. FULBRIGHT. I doubt that I have a clear picture of any bill except the ones from my own committees. I am not disposed to press the bill today, but I think that in the very near future these bills should be passed. For example, the one dealing with the declassification of the industrial secrets being discovered in Germany is very important. Information is being sent out every day, and I think it would be very helpful if the facts could be developed and made available to the people.

Mr. TAFT. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. TAFT. I do not quite understand the Senator's argument that his bill does not overlap others, because its terms seem exceedingly broad. It authorizes the Secretary "to undertake engineering or technological research on industrial, commercial or related problems of an important general nature, including the development of such inventions, products, and processes as may be qualified for future utilization."

That is almost broad enough to include every basic research. Certainly it is broad enough to include intermediate basic research. Then it authorizes him "to initiate and sponsor engineering or technological research or development, to be carried on by public departments and agencies or by private profit or nonprofit institutions and persons, by entering into contracts or other arrangements pursuant to which he may finance."

Here we have a proposal for a department to finance research in institutions throughout the United States. Then there is the other bill proposing to finance research on some other subject. Then, there is the Navy bill, and the Army bill, perhaps, to finance military and naval research.

It seems to me the subject is broad, and if we are to have the Government finance research throughout the United States, one agency should do it, and we should decide what that agency should be. I do not believe we should approach the problem in a piecemeal way.

Mr. FULBRIGHT. In the hearings in the subcommittee of the Committee on Military Affairs, which I attended last fall, all the scientists who were present, including many who have been appearing before the Special Committee on Atomic Energy, were conscious of the distinction between research in pure science and research in applied science; that is, engineering and the technology of production. They certainly have no trouble in making that distinction, and they think they are entirely different proceedings. We would not expect Mr. Urey or Mr. Oppenheimer to be engaged in investigating how one sets up a plant, or how one develops an invention for use in everyday commercial life.

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

Mr. FULBRIGHT. I yield.

Mr. BARKLEY. Inasmuch as we are planning to recess until Tuesday, it strikes me it might be well to let the matter go over until that time, and determine what we want to do.

Mr. FULBRIGHT. I am not disposed to push it today, but the confusion referred to has been in the minds of many people, and I hope Senators will give some thought to the distinction between the various bills.

Mr. MEAD. Mr. President, agreeable to the wishes of my colleague from Arkansas, the sponsor of the bill, and for the added reason that I believe we have emphasized the importance of such legislation as is proposed, I ask unanimous consent to withdraw my motion.

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

DISPOSITION OF THE RECLAMATION FUND—BILL INTRODUCED

Mr. O'MAHONEY. Mr. President, on behalf of the senior Senator from Arizona [Mr. HAYDEN] and myself, I ask unanimous consent to introduce for appropriate reference a bill, to provide for the flow of revenues from the Federal reclamation projects into miscellaneous receipts of the Treasury, and to provide that revenues from the Federal reclamation projects hereafter financed wholly from general funds of the Treasury shall be covered into miscellaneous receipts of the Treasury.

The PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred.

The bill (S. 1881) to provide for the flow of revenues from Federal reclamation projects into miscellaneous receipts of the Treasury and to provide that revenues from Federal reclamation projects hereafter financed wholly from general funds of the Treasury, shall be covered into miscellaneous receipts of the Treasury, was read twice by its title, referred to the Committee on Irrigation and Reclamation.

Mr. O'MAHONEY. Mr. President, by the Reclamation Act of June 17, 1902, a national Federal reclamation policy was adopted for the public land States of the West under which thousands of acres of dry land have been brought under water and formerly uninhabited areas have been transformed into productive agricultural communities, with a consequent stimulation of business and industrial activity. New markets have been created for manufactured goods produced in other parts of the country and the tax revenues of the Federal Government and of States and counties have been greatly increased. The truth is that the returns in the form of taxes alone far exceed the amounts expended on all reclamation projects since the original law was passed.

Moreover, thousands of homes were created for veterans of the last World War, and thousands of homes can now be created for veterans of this war by the continuation of the policy.

The Reclamation Act set up a special reclamation fund in the Treasury of the United States into which it was directed should flow the receipts from the sale and disposal of public lands in 16 Western States, namely, Arizona, California, Colorado, Idaho, Kansas, Montana, Nebraska, North Dakota, Nevada, New Mexico, Oklahoma, Oregon, South Dakota, Utah, Washington, and Wyoming. Later, in 1906, the Reclamation Act was extended to include the State of Texas, although there were no public lands in

that State which could be sold to increase the reclamation fund.

The great value to the Nation of the creation of new reclamation projects resulting, as described, in the stimulation of agriculture, business, and industry, was recognized by Congress, which from time to time, by new statutes, provided new sources of income to the reclamation fund. For example, the act of March 3, 1905, provided for covering into the reclamation fund proceeds from the sale of property and money refunded in connection with any operations under the Reclamation Act. By subsequent acts Congress provided that the proceeds from the sale of town lots should go into the fund. In 1917, when Congress adopted the principle of leasing valuable deposits upon the public land, it was provided that certain royalties and rentals should go into the fund. This was the case with the General Leasing Act of 1920, under which 70 percent of all receipts on past production and 52½ percent of all receipts on future production, from sales, bonuses, royalties, and rentals derived from the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain outside of Alaska, were covered into the reclamation fund. Other similar acts have been passed, because it was realized that with the settlement of the public land States the source of revenue for the reclamation fund would tend constantly to diminish.

It was found that the cost of initiating the program was exceeding the accretions to the reclamation fund, and in 1910 Congress provided for a loan of approximately $20,000,000 to the fund from the Treasury. This loan was to be repaid beginning 5 years after the first advance by diverting 50 percent of the annual receipts of the reclamation fund into the Treasury. In 1917 this act was amended so as to provide that the reimbursement should be made at the rate of $1,000,000 annually beginning July 1, 1920. These payments were made until the depression, when, as a result of moratorium acts relieving farmers from repayment obligations, the receipts of the reclamation fund were cut off. As a result, Congress authorized the postponement of the annual repayments to the Treasury.

When the public works program was launched in 1933, new appropriations were made from the general fund for reclamation projects, and in 1938 the distinguished senior Senator from Arizona [Mr. HAYDEN] and I sponsored an amendment to the Interior Department Appropriation Act for the fiscal year 1939 providing for the eventual full repayment of all of these advances to the Treasury out of reclamation project receipts after the costs of development had been met. This provision reads as follows:

All moneys received by the United States in connection with any irrigation projects, including the incidental power features thereof, constructed by the Secretary of the Interior through the Bureau of Reclamation, and financed in whole or in part with moneys heretofore or hereafter appropriated or allocated therefor by the Federal Government, shall be covered into the reclamation fund, except in cases where provision has been made by law or contract for the use of such revenues for the benefit of users of water from such project: *Provided*, That after the net revenues derived from the sale of power developed in connection with any of said projects shall have repaid those construction costs of such project allocated to power to be repaid by power revenues therefrom and shall no longer be required to meet the contractual obligations of the United States, then said net revenues derived from the sale of power developed in connection with such project shall, after the close of each fiscal year, be transferred to and covered into the General Treasury as miscellaneous receipts.

All advocates of reclamation have recognized from the beginning that all advances from the Federal Treasury in addition to the reclamation fund should be repaid to the Treasury. During the last session of Congress, when appropriation bills were under consideration, some members, particularly of the Appropriations Committees, expressed the belief that the date when reclamation-project receipts should begin flowing into the Treasury should be expedited. With this objective, the Senator from Arizona [Mr. HAYDEN] and I are in agreement, and by the bill which I am introducing today on his behalf as well as my own, we have undertaken to modify the provisions of the earlier act so as to expedite repayment to the Federal Treasury.

This bill would amend existing law so as to provide, first, that all net revenues from reclamation projects hereafter financed wholly from the general fund of the Treasury should be turned over to the Treasury and, second, that a suitable portion of net revenues received from projects partly financed out of the general fund should likewise be paid into the Treasury.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill, S. 1881, was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the act of May 9, 1938 (52 Stat. 291), is hereby amended by striking out the first proviso in the provision of such act relating to the disposition of moneys received by the United States in connection with any irrigation projects, including the incidental power features thereof, constructed by the Secretary of the Interior through the Bureau of Reclamation, and inserting in lieu thereof the following: "*Provided*, That, after the close of each fiscal year, there shall be covered into the General Treasury as miscellaneous receipts that proportion of the net revenues not required to meet contractual obligations of the United States received from each such project during such fiscal year which the sum of general fund appropriations made after the effective date of this proviso for each such project bears to the aggregate of all appropriations and allotments made for such project: *Provided, further*, That when the sum of transfers from the reclamation fund to miscellaneous receipts of the Treasury with respect to a project equals the sum of all general fund appropriations made for such project subsequent to the effective date of this proviso then the amount to be transferred to miscellaneous receipts of the Treasury with respect to each such project, after the close of each fiscal year, shall be that proportion of the net revenues received from each such project during such fiscal year which the sum of all general fund appropriations and allotments bear to the aggregate of all appropriations and allotments made for such project."

SEC. 2. This act shall become effective upon the first day of the fiscal year following the fiscal year in which it shall become law.

AUTHORIZATION FOR FILING OF A REPORT BY THE JOINT COMMITTEE ON THE ORGANIZATION OF CONGRESS

Mr. LA FOLLETTE. Mr. President, in view of the statement made a few moments ago by the majority leader that it was his purpose to move that the Senate adjourn until Tuesday next, I ask unanimous consent that the Joint Committee on the Organization of Congress may be authorized to file a report with the Secretary of the Senate on Monday.

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

CONDITIONAL PROHIBITION OF LOAN TO GREAT BRITAIN

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to prohibit the making of a loan to Great Britain until all persons who have been compelled to transfer their property for the purpose for qualifying for old-age pensions are reimbursed.

Out of 48 States there are 17 in which, in some instances, before old pioneers could get one single penny for old age assistance they had to transfer everything they owned. I know of one case of a woman who had to transfer even her wedding ring. I know of an old lady who had a cow and a calf, and before she could receive any old-age assistance she had to turn the cow and the calf over to the welfare board. I think every Senator present coming from the States in question is familiar with the fact that even life insurance policies are not exempt. Certainly it is not fair that these 17 States, out of 48, should require the old pioneers who live within their borders to transfer their property before they may receive old-age assistance. In my opinion it is not fair that England should be loaned three or four billion dollars, money which is to be sent abroad, before the old pioneers, who made this country what it is, are reimbursed.

I ask unanimous consent that the bill be printed in full at this point in my remarks.

There being no objection, the bill (S. 1882) prohibiting the making of a loan to Great Britain until all persons who have been compelled to transfer their property for the purpose of qualifying for old-age assistance have been reimbursed for such property, was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) notwithstanding any other provision of law, no funds shall be used for the purpose of carrying out the provisions of the agreement dated December 6, 1945, between the United States and the United Kingdom, until there shall have been paid to each person entitled to receive a payment under subsection (b), the amount to which such person is entitled thereunder.

(b) The Federal Security Administrator is authorized and directed to pay to each person who has transferred his home or other property for the purpose of qualifying for old-age assistance under any plan approved under section 2 of the Social Security Act, as

amended, an amount equal to the market value of such property at the date of such transfer plus interest thereon at the rate of 4 percent per annum from such date.

(c) No benefits under any such plan shall be denied to any person because of the receipt or ownership of funds paid in accordance with subsection (a), and the Secretary of the Treasury is authorized and directed to withhold payments under section 3 of the Social Security Act, as amended, from any State which denies benefits to any person because of the receipt or ownership of funds paid in accordance with subsection (b).

(d) There are hereby authorized to be appropriated such sums as may be necessary to make the payments provided for in subsection (b).

PREVENTION, DIAGNOSIS, AND TREATMENT OF CANCER

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference another bill authorizing the appropriation of $3,750,000,000 for use in making studies relating to the prevention, diagnosis, and treatment of cancer.

Certainly, Mr. President, with the scourge of cancer prevalent all over this great country, it is more important that cancer be treated here, and that our own people be taken care of than that we loan the sum of $3,750,000,000 to a foreign country.

I ask unanimous consent that the bill may be printed in full at this point in my remarks.

There being no objection, the bill (S. 1883) authorizing the appropriation of $3,750,000,000 for use in making studies relating to the prevention, diagnosis, and treatment of cancer, was received, read twice by its title, referred to the Committee on Education and Labor, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That in addition to amounts heretofore authorized to be appropriated for the purposes of title IV of the Public Health Service Act (58 Stat. 707), relating to programs for the prevention, diagnosis, and treatment of cancer, there is hereby authorized to be appropriated for such purposes the sum of $3,750,000,000.

AGRICULTURAL COLLEGES IN ALASKA, HAWAII, AND PUERTO RICO

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill authorizing the appropriation of $3,750,000,000 for the establishment and maintenance of agricultural colleges in Alaska, Hawaii and Puerto Rico.

I may say that I have been in two of these Territories. We have owned Alaska for 75 years. It is a Territory almost entirely destitute of agriculture. The Territory does not even have a department of agriculture. It has only a small university, with very few buildings and only a very limited section devoted to agriculture. Hundreds of thousands of our veterans want to go to Alaska and establish themselves. I think it more important that a study be made of the agricultural possibilities of this Territory and other Territories than to make a loan of $4,400,000,000, or some similar amount, to Great Britain or to any other country.

I ask unanimous consent that the bill may be printed in the RECORD at this point in my remarks.

There being no objection, the bill (S. 1884) authorizing the appropriation of $3,750,000,000 for the establishment and maintenance of agricultural colleges in Alaska, Hawaii, and Puerto Rico, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated the sum of $3,750,000,000, which shall be available for expenditure under the direction of the Secretary of Agriculture for the establishment and maintenance of agricultural colleges in Alaska, Hawaii, and Puerto Rico. The funds herein authorized to be appropriated may be used for the acquisition of land, the erection of buildings, the purchase of equipment and supplies, the payment of compensation of instructors, and any other necessary costs of maintenance and operation of colleges established hereunder. Such funds shall also be available for use in paying the necessary costs of operation and maintenance of existing public agricultural colleges, including the Agricultural College and School of Mines of the Territory of Alaska provided for in the act of March 4, 1915, and the act of January 21, 1929 (U. S. C., title 48, secs. 354 and 354a).

PROHIBITION OF LOAN TO GREAT BRITAIN CONTINGENT ON CANCELLATION OF DOMESTIC CROP PRODUCTION AND HARVESTING LOANS

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference another bill prohibiting the making of a loan to Great Britain until certain crop production and harvesting loans shall have been canceled.

During the period of the great drought in this country, at a time when there was a tremendous food shortage all over America, hundreds of thousands of farmers in the United States did not have a single penny with which to seed a crop. They went to the Government and secured feed and seed loans. Some of these loans were made in 1931, others in 1932, others in 1933, and in 1934, 1935, 1936, and so on.

When I came to the Senate I introduced a bill giving the Department of Agriculture authority to cancel or to adjust this indebtedness. There were instances among the farmers in the dust bowl where men had worked and slaved with their families for 30 or 35 years. Then came the drought. Then came 4 or 5 or 6 or 7 and in some places 10 years without a crop. Nevertheless our Government is still charging interest on those loans. Time and time again in cases where farmers owed money by reason of seed loans, the Government has taken all the profit from the farm in payment of the old feed and seed loans and the interest thereon, and the widows and children have gone upon relief. If any Senator doubts that statement I can produce scores of letters to prove it, and I can show it even by the records of the Federal Government itself.

Mr. President, I believe that rather than help the farmers or the taxpayers of any foreign country to whom it is proposed that we lend $4,400,000,000, that we should help the farmers of our own country, who went through that trying period and produced food for this country, and that the loans made at that time should be canceled before loans are made to any foreign country.

Mr. President, I ask unanimous consent that the bill may be printed at this point as a part of my remarks.

There being no objection, the bill (S. 1885) prohibiting the making of a loan to Great Britain until certain crop production and harvesting loans shall have been canceled, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) the Secretary of Agriculture is authorized and directed to provide for the immediate cancellation of all loans made to farmers pursuant to the act entitled "An act to provide for loans to farmers for crop production and harvesting during the year 1937, and for other purposes", approved January 29, 1937, as amended and supplemented, or pursuant to any prior act or joint resolution, under the terms of which loans of a similar character were authorized to be made either by the Secretary of Agriculture, or by the Governor of the Farm Credit Administration.

(b) The Secretary of Agriculture is also authorized and directed to release all liens given to secure the loan or loans made to any such farmer pursuant to such act, and to notify each such farmer that no further payments of principal or interest shall be required after the date of enactment of this act with respect to any loan so made to him.

(c) Notwithstanding any other provision of law, the Secretary of the Treasury shall make no payments for the purpose of carrying out the provisions of the agreement dated December 6, 1945, between the United States and the United Kingdom, until he shall have been notified by the Secretary of Agriculture that all loans referred to under subsection (a) have been canceled.

LOANS TO STATES FOR CONSTRUCTION AND REPAIR OF SECONDARY AND FEEDER ROADS

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference another bill to authorize the appropriation of $3,750,000,000 for making loans to States for the purpose of enabling them to construct and repair secondary and feeder roads.

I may say that all over this country, and particularly in the West, there is a serious shortage of money for the purpose of constructing highways. The State of Arkansas does not have the money necessary for that purpose. The same is true of some of the Western States. In my own State of North Dakota we are short of money with which to match Federal funds. The result is that a farmer residing some distance in the country finds it impossible to get to a main highway 4 or 5 miles away from his farm. Sometimes, Mr. President, simply because there is one mud hole in the road it may be necessary for the farmer to go an extra distance of 2 or 3 miles in order to get to the main highway. It seems to me that before we lend to any country $4,400,000,000, or even the sum of $3,750,000,000, we should take steps to see to it that our own feeder roads and our own secondary roads are made usable in States which want to repair or to build them, and that loans should be made to those States so the roads can be made usable in order that farmers may bring their produce to market.

Mr. President, I ask unanimous consent that the bill may be printed in the RECORD at this point in my remarks.

There being no objection, the bill (S. 1886) authorizing the appropriation of $3,750,000,000 for making loans to States for the purpose of enabling them to construct and repair secondary and feeder roads, was received, read twice by its title, referred to the Committee on Post Offices and Post Roads, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) there is hereby authorized to be appropriated the sum of $3,750,000,000, which shall be available to the Commissioner of Public Roads for making loans to States for the purpose of enabling them to construct and repair secondary and feeder roads and bridges and approaches thereto situated on such roads.

(b) The amounts appropriated pursuant to subsection (a) shall be apportioned among the States in accordance with the formula contained in section 21 of the Federal Highway Act, as amended. The amount apportioned to a State shall be available to the Commissioner, during the period beginning on July 1, 1946, and ending June 30, 1951, for making loans to such State for the purposes specified in subsection (a).

(c) Loans made to States hereunder shall mature in not to exceed 50 years from the date of making thereof and shall bear interest at the rate of 2 percent per annum, except that (1) no interest shall accrue or be payable for any period prior to July 1, 1951, and (2) in the case of any State, the Governor of which certifies to the Commissioner of Public Roads that any portion of the principal or interest on any such loan cannot be repaid upon maturity, such unpaid portion shall be canceled.

APPROPRIATION FOR RURAL ELECTRIFICATION

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference another bill authorizing the appropriation of $3,750,000,000 for the purpose of rural electrification.

Mr. President, every Senator is familiar with the fact that even in the State of Rhode Island only 95 out of every 100 farmers have rural electrification. My own State of North Dakota is at the very bottom of the list of 48 States. Not 7 farmers out of 100 in my State have rural electrification. In the State of Minnesota to the ast of us 25 farmers out of 100 have rural electrification. In the State to the west of us, Montana, 40 farmers out of every 100 have rural electrification. In the State of South Dakota to the south of us 10 farmers out of every 100 have rural electrification.

Let us consider foreign countries. In Norway, Sweden, Finland, and Denmark there is 100 percent rural electrification. The wives of the farmers in those countries in doing their household work do not have to perform all the drudgery which the wives of farmers in the United States of America have to endure.

Let us consider Germany. We have heard a great deal of late about Germany being such a barbaric country. But in Germany before the war 95 farmers out of every 100 had rural electrification.

The record of our own Department of Agriculture shows that before the war 95 farmers out of every 100 in Japan had rural electrification.

Mr. President, it is proposed by a bill introduced on December 6, 1945, to lend $4,400,000,000 to foreign countries, when as a matter of fact our own farmers are sadly in need of rural electrification.

Mr. President, I ask unanimous consent that the bill may be printed in the RECORD at this point as a part of my remarks.

There being no objection, the bill (S. 1887) authorizing the appropriation of $3,750,000,000, for the purposes of rural electrification, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) there is hereby authorized to be appropriated the sum of $3,750,000,000, which shall be available for making loans in the several States and Territories of the United States for rural electrification and the furnishing of electric energy to persons in rural areas who are not receiving central-station service.

(b) Loans made from funds authorized to be appropriated under subsection (a) shall be made in accordance with the Rural Electrification Act of 1936, as amended, except that such loans shall mature in not to exceed 50 years, shall bear no interest for a period of 5 years after the date of making thereof, shall bear interest at the rate of 2 percent per annum beginning with the sixth year after the date of the making thereof, and any amounts of principal and interest unpaid at the date of maturity shall be canceled if, in the opinion of the Administrator of the Rural Electrification Administration, the borrower is unable to pay such amount.

CONTROL OF INFANTILE PARALYSIS

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to authorize an appropriation of $3,750,000,000 for use in combating infantile paralysis.

In connection with this subject I may say that some time ago the Senate passed a bill providing for an appropriation of $3,000,000 to be expended for combating the disease of sleeping sickness, which we thought was akin to infantile paralysis. It seems to me that with the scourge of infantile paralysis which we have had, it is much more sensible for us to make an appropriation of $3,750,000,000 to combat infantile paralysis in this country than to lend the money to a foreign country.

I ask unanimous consent that the bill be printed in full at the conclusion of my remarks.

There being no objection, the bill (S. 1888) to authorize the appropriation of $3,750,000,000 for use in combating infantile paralysis, was received, read twice by its title, referred to the Committee on Education and Labor, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) there is hereby authorized to be appropriated the sum of $3,750,000,000, which shall be available for disbursement to Sister Elizabeth Kenny for use in establishing and maintaining facilities for the hospitalization and treatment of persons suffering from infantile paralysis, and for investigation and research with respect to the origin, causes, and means of control, of infantile paralysis.

(b) The funds authorized to be appropriated under subsection (a) shall be disbursed by the Secretary of the Treasury upon vouchers approved by Sister Kenny.

AUTOMOBILES AND JEEPS FOR VETERANS

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill authorizing an appropriation of $3,750,000,000 for the purpose of supplying automobiles and jeeps to certain veterans making application therefor.

I have received scores of letters from veterans, particularly in Italy, informing me that over there our automobiles and jeeps are being sold at 1 or 2 cents on the dollar. Yet our veterans here are unable to purchase them. I have received numerous letters from various parts of the United States indicating that veterans cannot buy an automobile or a jeep. It seems to me that rather than give away $3,750,000,000—although it is called a loan—to veterans of foreign countries, such as England, it would be much more desirable to give our own veterans, who fought the war and made the world safe for democracy, $3,750,000,000 so that they may purchase automobiles and jeeps in this country.

I ask unanimous consent that the bill be printed in full at the conclusion of my remarks.

There being no objection, the bill (S. 1889) authorizing the appropriation of $3,750,000,000 for the purpose of supplying automobiles to certain veterans making application therefor, was received, read twice by its title, referred to the Committee on Post Offices and Post Roads, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) there is hereby authorized to be appropriated the sum of $3,750,000,000 to enable the Commissioner of Public Roads to carry out the provisions of subsection (b).

(b) The Commissioner of Public Roads is authorized and directed, within the limitation of the funds above authorized to be appropriated, to purchase and deliver free of charge to each person who served in the armed forces as an enlisted man or woman at any time during the period beginning on December 7, 1941, and ending on September 2, 1945, and who makes an application therefor, a new and completely equipped automobile of such body style and color as such person shall specify in such application. The funds authorized to be appropriated in subsection (a) hereof shall also be available for use in paying the necessary costs of delivering automobiles purchased pursuant to this act.

(c) The Commissioner of Public Roads is authorized to make such rules and regulations as he may deem necessary concerning the manner in which such applications shall be filed and delivery of such automobiles be made.

REDUCTION OF DEBT LIMIT OF THE UNITED STATES

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to reduce the debt limit of the United States by $3,750,000,000.

The distinguished acting chairman of the Committee on Appropriations [Mr. McKELLAR] who is now presiding over this honorable body, will remember that last week upon this floor I asked him how it happened that $3,000,000,000 had

been paid on the national debt. The distinguished Senator replied that he did not know exactly how it happened. All he knew about it was what appeared in the press.

Mr. President, I believe it would be much more sensible, with our debt approaching $300,000,000,000, if we were to pay off $3,750,000,000 of the debt rather than to lend England $3,750,000,000 when we do not have the money, and when we must borrow it in order to make the loan.

I ask unanimous consent that the bill be printed in full at the conclusion of my remarks.

There being no objection, the bill (S. 1890) to reduce the debt limit of the United States by $3,750,000,000, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the aggregate of the face amount of obligations authorized to be issued under authority of section 21 of the Second Liberty Bond Act, as amended, and the face amount of obligations authorized to be guaranteed as to principal and interest by the United States (except such guaranteed obligations as may be held by the Secretary of the Treasury), is hereby reduced by the sum of $3,750,000,000.

DETECTION OF CERTAIN DISEASES

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to protect the public health through the detection of certain diseases, and for other purposes, and to authorize an appropriation of $3,750,000,000 for that purpose.

This bill deals particularly with the matter of procuring specimens of urine from the citizens of this country. The medical profession informs us that by proper examination 22 diseases can be detected in this manner. Some years ago the Rockefeller Foundation endorsed a similar bill, not carrying an appropriation of this size, but a small appropriation for that purpose.

I ask unanimous consent that the bill be printed in full at the conclusion of my remarks.

There being no objection, the bill (S. 1891) to protect the public health through the detection of certain diseases, and for other purposes, was received, read twice by its title, referred to the Committee on Education and Labor, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) there is hereby authorized to be appropriated the sum of $3,750,000,000 or so much thereof as may be necessary to enable the Surgeon General of the Public Health Service to carry out the provisions of subsection (b).

(b) The Surgeon General of the Public Health Service shall, with such equipment and facilities as may be available to him and with the cooperation of agencies and officials of the States and the municipalities and counties thereof, and of other Federal agencies, provide the means for securing a specimen of the urine of each person in the United States and the examination and analysis of such specimen. Upon making such an examination and analysis, a report of the findings shall be made to the person furnishing such specimen. If such examination and analysis discloses that such person has some disease, a report of such fact shall be made to the health authorities of the municipality or county wherein such person resides. No person shall be permitted to obtain an examination and analysis of a specimen furnished by him more often than once every 6 months.

(c) The Surgeon General of the Public Health Service is authorized to make such rules and regulations as he deems necessary to carry out the provisions of this act.

TERMINATION OF THE WAR FOR PURPOSES OF WAR LEGISLATION

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to declare the termination of the present war for purposes of war legislation.

From my State I have received a great many letters from people saying that in their opinion the war is over, and yet boys are being drafted. Boys are being kept on the other side of the water, although the war ended many months ago. I ask that it be printed in full at the conclusion of my remarks.

There being no objection, the bill (S. 1892) to declare the termination of the present war for the purposes of war legislation, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That any provision contained in any law enacted by Congress rendering the operation or effectiveness of such law, or any part thereof, contingent upon the cessation of hostilities in the present war or upon the termination of the present war or the present or existing emergency, in whatever words expressed, shall be construed and interpreted to refer to and indicate, in lieu of the date of the cessation of hostilities in the present war or of termination of the present war or the present or existing emergency, the date of the enactment of this act, irrespective of any provision to the contrary contained in any such law.

RESTORATION OF POSTAL SERVICE TO AUSTRIA, GERMANY, POLAND, AND RUMANIA

Mr. LANGER. Mr. President, more than 3 months ago the Senator from Michigan [Mr. VANDENBERG] and I submitted petitions signed by thousands of people, asking that postal service to Austria, Germany, Poland, and Rumania be restored. The Department of State has done nothing about it. Hundreds of thousands of our citizens are still unable to write to their relatives in those countries.

In view of those facts, I ask unanimous consent to have printed in the RECORD an article by John O'Donnell, published in the Washington Times-Herald of March 1, 1946.

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

CAPITOL STUFF

(By John O'Donnell)

The more we talk with scores of honest American newspapermen who have been working in Germany in the last year, the more we are shocked at the news dispatches that have been filed from the Reich.

To put the matter bluntly and coarsely, the American citizens have been lied to, been flatly and coldly misinformed, by a group of journalistic breast-beating Roosevelt lovers, Moscow sycophants, self-anointed world-savers, and other zealots with respect to the all-important facts within Germany.

Facts are that the United States military government, the Army generals, and the State Department big shots are trying to do a decent job.

But they are under attack on the home front and are frightened out of their skins by the threat that they will be kicked out in disgrace by higher-ups in Washington if they do not toss their honest opinions out the window and follow "public opinion."

"Public opinion" in such cases being the photostats of news stories, sent back to American headquarters in Germany from our War and State Department big shots in which the so-called "crusading American journalists" both here and in Germany are supposed to reflect honest American opinion.

So far as we know, none has ever told the story of the German underground—the groups who battled Hitler from the start and died for it. That story has been killed off in Germany by our own writers.

And failure to tell it is just as shocking a lie as that smug and shocking observation of Mrs. Eleanor Roosevelt, who made a VIP (very important person) trip through Germany (where President Truman now announces there is starvation), and came out with the gentle observation that some of the children in the Reich "actually have chubby faces and pink cheeks."

This, of course, coming from an area where American officials report the death of one-fifth of the infants born because of starvation of the mothers or lack of medical supplies, is really something—something that makes an American slightly sick to his stomach.

Now comes a very frank report from Lt. Comdr. Alexander B. Maley, of Navy Intelligence, who went into Germany with the Seventh Army under the late General Patch on a special mission, remained there for 5 months and now comes out to tell his story. The former Navy lieutenant, writing with first-hand knowledge in Human Events, a weekly analysis of world news edited by Felix Morley, former editor of the Washington Post and president of Haverford College, and foreign correspondent Frank Hanighen, states:

"For some strange reason the epic of German liberal resistance has been suppressed. Its heroism has not been told; its sacrifices remain unsung.

"We have been led to believe that almost without exception the German Nation concurred in the crimes of its leaders. No evidence to the contrary has ever been allowed to come from the Nuernberg trials, a serious psychological error since nothing would impress the German people more than to know the stories of their countrymen who sacrificed so much for them."

Now the story of Navy Intelligence expert Commander Maley appears in type. It is braced with excerpts of the November 1939 diary of then Washington Post editor Morley. And, this above all, it reveals the shocking loss of human life caused directly by the ill-considered and boastful declaration of Franklin D. Roosevelt that only unconditional surrender would be considered by the Allied command.

This edict was tossed into the air without the consent of Congress or the American people and against the advice of our military leaders (including Eisenhower), the Navy, the State Department, and—incidentally—Winston Churchill.

As the United States Naval Intelligence officer reported, although the anti-Hitler underground wanted to end the war, made contacts with British and American representatives in Sweden and Switzerland, the result was the same. He reports:

"Contacts were sympathetically received at lower levels. But always, from White House

and Whitehall, came the rebuff of 'unconditional surrender.' On this basis many German generals, not without patriotism and pride, could not persuade themselves to raise the standard of revolt."

Going back to the attempted assassination of Hitler July 20, 1944, the American informant points out that this had been the result of months of careful planning—in which outside aid from Washington was rebuffed and, since F. D. R. was running the international show at that time, from London.

The German Army officers implicated in the plot to kill Hitler were promptly shot or hanged, but then, the narrator reports, began the destruction of the German civilian underground that during the war received no aid from Washington and are now suffering at Allied hands for their anti-Hitler efforts. Writes Maley:

"Protestant and Catholic clergy, employers and former trade-union leaders, university professors and students, civil servants and members of the nobility were rounded up in batches—shot, hung, or herded into concentration camps together with their families.

"The number of liquidated will never be exactly known, but 20,000 is a conservative estimate. When the concentration camps were finally opened, and advertised as proof of German bestiality, Americans were not told that many of the miserable victims were heroic German men and women who had given their all to overthrow the Nazis."

AUTHORIZATION TO SIGN BILLS, ETC.

Mr. BARKLEY. Mr. President, I ask unanimous consent that during the adjournment of the Senate the Presiding Officer of the Senate be authorized to sign bills and resolutions, and that the Secretary of the Senate be authorized to receive messages from the House of Representatives.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. LA FOLLETTE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

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

Commodore James E. Maher, United States Navy, to be a commodore in the Navy, for temporary service, while serving as Chief of Base Maintenance, Office of the Chief of Naval Operations, and to continue during any assignment which is commensurate with the rank of commodore, or until reporting for other permanent duty;

Commodore Arthur Gavin, United States Navy, to be a commodore in the Navy, for temporary service, while serving as commander, aircraft, Philippine Sea Frontier, and commander, Fleet Air Wing 10, and to continue during any assignment which is commensurate with the rank of commodore, or until reporting for other permanent duty;

Capt. Arleigh A. Burke, United States Navy, to be a commodore in the Navy, for temporary service, while serving as chief of staff and aide to commander, Eighth Fleet, and to continue during any assignment which is commensurate with the rank of commodore, or until reporting for other permanent duty;

Commodore Lemuel P. Padgett, Jr., United States Navy, to be a commodore in the Navy, for temporary service, while serving as petroleum attaché, Middle East, and to continue during any assignment which is commensurate with the rank of commodore, or until reporting for other permanent duty;

Pay Director Robert F. Batchelder, to be a pay director in the Navy, with the rank of commodore, for temporary service, while serving in the Material Division, Office of the Assistant Secretary of the Navy, and to continue during any assignment which is commensurate with the rank of commodore, or until reporting for other permanent duty; and

Capt. John A. Snackenberg, United States Navy, to be a commodore in the Navy, for temporary service, while serving as chief of staff to commander, Joint Task Force 1, and to continue during any assignment which is commensurate with the rank of commodore, or until reporting for other permanent duty.

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent that the Executive treaties may be passed over.

The PRESIDENT pro tempore. Without objection, it is so ordered.

If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

UNITED STATES COAST GUARD

The legislative clerk read the nomination of Admiral Russell R. Waesche to be placed on the retired list of the Coast Guard, with the rank of admiral, effective January 1, 1946.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COAST AND GEODETIC SURVEY

The legislative clerk read the nomination of Lorne G. Taylor to be junior hydrographic and geodetic engineer, with rank of lieutenant (junior grade) in the Coast and Geodetic Survey, from October 24, 1946.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. LA FOLLETTE. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters are confirmed en bloc.

Mr. LA FOLLETTE. I ask unanimous consent that the President may immediately be notified of all nominations confirmed this day.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

ADJOURNMENT TO TUESDAY

Mr. LA FOLLETTE. I move that the Senate adjourn until Tuesday next.

The motion was agreed to; and (at 4 o'clock and 32 minutes p. m.) the Senate adjourned until Tuesday, March 5, 1946, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 1 (legislative day of January 18), 1946:

DIPLOMATIC AND FOREIGN SERVICE

Josiah Marvel, Jr., of Delaware, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Denmark.

REGISTER OF LAND OFFICE

Thomas F. Corbally, of Montana, to be register of the land office at Great Falls, Mont. (Reappointment.)

UNITED STATES ATTORNEYS

John H. Manning to be United States attorney for the eastern district of North Carolina, vice Charles F. Rouse, resigned.

David C. Walls, of Kentucky, to be United States attorney for the western district of Kentucky, vice Eli H. Brown 3d, resigned.

Powless W. Lanier, of North Dakota, to be United States attorney for the district of North Dakota. (Mr. Lanier is now serving in this office under an appointment which expired February 25, 1946.)

Donald C. Miller, of Ohio, to be United States attorney for the northern district of Ohio. (Mr. Miller is now serving in this office under an appointment which expired January 14, 1946.)

Carl L. Sackett, of Wyoming, to be United States attorney for the district of Wyoming. (Mr. Sackett is now serving in this office under an appointment which expired February 12, 1946.)

CONFIRMATIONS

Executive nominations confirmed by the Senate March 1 (legislative day of January 18), 1946:

UNITED STATES COAST GUARD

Admiral Russell R. Waesche to be placed on the retired list of the Coast Guard, with the rank of admiral, effective January 1, 1946.

COAST AND GEODETIC SURVEY

Lorne G. Taylor to be junior hydrographic and geodetic engineer with rank of lieutenant (junior grade) in the Coast and Geodetic Survey, from October 24, 1946.

POSTMASTERS

ALABAMA

J. Kent Ellard, Ragland.

ARKANSAS

Hays C. McArthur, Lepanto.
Charles A. Hill, Okolona.

CALIFORNIA

Donald R. Ellis, Oxnard.

GEORGIA

Walter T. Britt, Grayson.
Paul G. Laird, Hiram.
Cecil W. Cox, Junction City.
Ovendar L. Webb, Lenox.

HAWAII

Alfred R. Menino, Hilo.

KANSAS

Kenneth L. Kincheloe, Centerville.

NEBRASKA

D. Maye Chandler, Republican City.

VIRGINIA

B. Frank May, Falls Church.
Charles B. Lovelace, South Boston.

HOUSE OF REPRESENTATIVES

FRIDAY, MARCH 1, 1946

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Most gracious Power behind human weakness, enable us to free ourselves from the love of sin and to give ourselves fully to the things which are lovely and of good report. Grant that we may realize that he who is monarch of him-