SENATE

TUESDAY, MARCH 26, 1946

(Legislative day of Tuesday, March 5, 1946)

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

Rev. Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou eternal God, whose greatness our finite wisdom cannot comprehend, we pray that Thou wilt make our minds and hearts the sanctuaries of Thy presence, Thy peace, and Thy power.

Grant that this may be a day of unclouded vision. May our faith never become eclipsed by doubt. Give us insight and inspiration for every task. May all the barriers that impede the progress of the kingdom of truth and righteousness be broken down.

Show us how we may release the hidden splendor of humanity, emancipating it from fear and want and everything that defiles and degrades. Help us to bring about a more ethical and equitable distribution of those blessings which Thou hast purposed for all mankind. May men and nations everywhere live together in the blessed fellowship of peace and good will.

Hear us in the name of the Christ. Amen.

THE JOURNAL

On request of Mr. HATCH, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, March 22, 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 March 22, 1946:

S. 396. An act providing for the transfer of a certain fish hatchery in Comanche County, Okla., to the city of Lawton, Okla.;

S. 1162. An act to convey certain lands to the State of Wyoming; and

S. 1185. An act to change the designation of Custer Battlefield National Cemetery in the State of Montana, to Custer Battlefield National Monument, and for other purposes.

On March 23, 1946:

S. 1354. 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.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, 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 House to the bill (S. 1821) to amend section 502 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, so as to authorize the appropriation of funds necessary to provide additional temporary housing units for distressed families of servicemen and for veterans and their families.

The message also announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 2008. An act for the relief of the village of Cold Spring, Minn.;

H. R. 2670. An act for the relief of the legal guardian of Kathleen Lawton McGuire;

H. R. 3012. An act for the relief of George W. Murrell and Kirby Murrell, a minor; and

H. R. 3904. An act for the relief of Raymond C. Campbell.

The message further announced that the House had passed the following bills in which it requested the concurrence of the Senate:

H. R. 844. An act for the relief of John P. Hayes, postmaster, and the estate of Edward P. McCormack, former postmaster, at Albany, N. Y.;

H. R. 845. An act for the relief of Mrs. Luther S. Sykes;

H. R. 2063. An act for the relief of Peter Paul Bacic, Charles C. Cox, H. Forest Haugh, and Luther M. Durst;

H. R. 2092. An act for the relief of the Growers Fertilizer Co., a Florida corporation; and

H. R. 2501. An act to authorize the Secretary of Agriculture to continue administration of and ultimately liquidate Federal rural rehabilitation projects, and for other purposes.

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. 2008. An act for the relief of the village of Cold Spring, Minn.;

H. R. 2670. An act for the relief of the legal guardian of Kathleen Lawton McGuire;

H. R. 3012. An act for the relief of George W. Murrell; Kirby Murrell, a minor; and the estate of Mamie W. Murrell, deceased;

H. R. 3904. An act for the relief of Raymond C. Campbell; and

H. R. 5201. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1947, and for other purposes.

EXECUTIVE COMMUNICATIONS, ETC.

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

NOVEMBER 1945 REPORT OF RECONSTRUCTION FINANCE CORPORATION

A letter from the Chairman of the Reconstruction Finance Corporation, transmitting, pursuant to law, a report of the activities and expenditures of the Corporation for the month of November 1945 (with an accompanying report); to the Committee on Banking and Currency.

LANDS IN RESERVATION OF VETERANS' ADMINISTRATION HOSPITAL, LEBANON, PA.

A letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to authorize the Administrator of Veterans' Affairs to grant an easement for highway purposes to the Commonwealth of Pennsylvania, in certain lands in the reservation of the Veterans' Administration Hospital, Lebanon County, Pa., and for other purposes (with accompanying papers); to the Committee on Finance.

REPORT OF BOY SCOUTS OF AMERICA

A letter from the chief scout executive of the Boy Scouts of America, transmitting, pursuant to law, the thirty-sixth annual report of the Boy Scouts of America for the year 1945 (with an accompanying report); to the Committee on Education and Labor.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

The memorial of G. Allison Phelps, founder-director, United States Americans, Montrose, Calif., remonstrating against the proposed loan to Great Britain; to the Committee on Banking and Currency.

A resolution adopted by the Southeastern Synagog Conference, an organization comprising religious bodies of the Southeastern States assembled in Chattanooga, Tenn., calling upon the British Government to annul the policy of the white paper and favoring the establishment of a democratic Jewish commonwealth in Palestine; to the Committee on Foreign Relations.

A resolution adopted by the board of directors of the Verhovay Fraternal Insurance Association, representing citizens of Hungarian descent, of Pittsburgh, Pa., favoring relief for the starving and suffering Hungarian people; to the Committee on Foreign Relations.

A resolution adopted by the Public Forum of Spokane and the Inland Empire, Spokane, Wash., protesting against any treaty or alliance with Great Britain or any other country; to the Committee on Foreign Relations.

A resolution adopted by the Public Forum of Spokane and the Inland Empire, Spokane, Wash., approving the stand taken by Congressmen COFFEE and SAVAGE against State capitalism; to the Committee on Education and Labor.

Resolutions adopted by the Public Forum of Spokane and the Inland Empire, Spokane, Wash., relating to the atomic bomb; ordered to lie on the table.

By Mr. BARKLEY:

A concurrent resolution of the Legislature of the Commonwealth of Kentucky; to the Committee on Post Offices and Post Roads:

"House Resolution 118

"Concurrent resolution urging the Congress of the United States to pass H. R. 5059, providing pay raises for postal clerks

"Whereas it is common knowledge that our Federal postal clerks are notoriously underpaid; and

"Whereas there is now pending in the National Congress a measure which would give our postal clerks an increase in salary: Now, therefore, be it

"*Resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky (the Senate concurring therein)*:

"1. That the Congress of the United States is urged to pass, as soon as possible, H. R. 5059, which would provide increased compensation for postal clerks.

"2. The clerk of the senate is hereby directed to send copies of this resolution to the House of the Congress, and to the Kentucky delegations in the United States Senate and House of Representatives.

"Attest:

"EMERSON BEAUCHAMP,
"Clerk of the Senate."

RESOLUTIONS OF BOARD OF COUNTY SUPERVISORS OF MILWAUKEE, WIS.

Mr. WILEY. Mr. President, I ask that there be noted in the RECORD two resolutions adopted by the County Board of Supervisors of Milwaukee, Wis., one relating to extension of feeder air lines into Milwaukee, Wis., and the other being a

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resolution forwarded to Hon. Wilson Wyatt, Director of Federal Housing, relating to the housing shortage in Milwaukee County.

The PRESIDENT pro tempore. Without objection, the resolutions will be received and appropriately referred.

By Mr. WILEY:

A resolution adopted by the Board of Supervision of Milwaukee County, Wis., relating to extension of feeder air lines into Milwaukee, Wis.; to the Committee on Commerce.

A resolution adopted by the Board of Supervisors of Milwaukee County, Wis., relating to the housing shortage in Milwaukee County, Wis.; to the Committee on Banking and Currency.

INVESTIGATION OF BETTER MOBILIZATION OF NATIONAL RESOURCES OF THE UNITED STATES—INCREASE IN LIMIT OF EXPENDITURES

Mr. KILGORE, from the Committee on Military Affairs, reported an original resolution (S. Res. 245), which, with an accompanying paper, was referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Resolved, That the limit of expenditures of the subcommittee of the Military Affairs Committee authorized by Senate Resolution 107 of the Seventy-eighth Congress and Senate Resolution 146 of the Seventy-ninth Congress, to investigate the better mobilization of the national resources of the United States, is hereby increased by $57,000.

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:

By Mr. JOHNSON of Colorado (for Mr. THOMAS of Utah):

S. 1980. A bill to continue in effect section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities; to the Committee on Military Affairs.

By Mr. KILGORE:

S. 1981. A bill granting a pension to Lenore Anderson; to the Committee on Pensions.

S. 1982. A bill providing credit for unused leave accumulated prior to retirement by officers placed on the retired list; to the Committee on Military Affairs.

By Mr. CAPEHART:

S. 1983. A bill authorizing the Indiana State Toll Bridge Commission to construct, maintain, and operate a toll bridge or a free bridge across the Ohio River at or near Mauckport, Ind.; and

S. 1984. A bill authorizing the Indiana State Toll Bridge Commission to construct, maintain, and operate a toll bridge or a free bridge across the Wabash River near Mount Vernon, Ind.; to the Committee on Commerce.

By Mr. RUSSELL:

S. 1985. A bill for the relief of Mrs. J. E. Shealy, Jr.; to the Committee on Claims.

By Mr. BILBO:

S. 1986. A bill to regulate the manufacture, sale, distribution, and use, of barbiturates in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. MEAD:

S. 1987. A bill to amend the act of July 6, 1945, relating to the classification and compensation of employees of the postal service, so as to provide proper compensation to supervisors in the largest post offices and in other postal services; to the Committee on Post Offices and Post Roads.

By Mr. CHAVEZ:

S. 1988. A bill to authorize the Secretary of the Interior to quitclaim to the heirs of Jesus Gonzales all right, title, and interest of the United States in a certain described tract of land within the Carson National Forest, N. Mex.; to the Committee on Public Lands and Surveys.

By Mr. PEPPER (for himself and Mr. ANDREWS):

S. 1989. A bill for the relief of the Florida Citrus Exchange, the Growers Loan & Guaranty Co., and the Guaranty Operating Co.; to the Committee on Claims.

By Mr. CAPEHART:

S. J. Res. 147. Joint resolution providing for observance of October 11, 1946, in commemoration of the death of Gen. Casimir Pulaski; to the Committee on the Judiciary.

JUSTIN P. HOPKINS—RECOMMITAL OF BILL

On motion of Mr. EASTLAND, the bill (H. R. 2962) for the relief of Justin P. Hopkins, was taken from the calendar and recommitted to the Committee on Claims.

TERMS OF OFFICE OF MEMBERS OF FEDERAL POWER COMMISSION—HOUSE BILL PLACED ON CALENDAR

Mr. BAILEY. Mr. President, House bill 3704, to amend section 1 of the Federal Power Act, with respect to the terms of office of members of the Federal Power Commission, came to the Senate and, by inadvertence, was referred to the Committee on Commerce. I now move that the Committee on Commerce be discharged from further consideration of the bill. I would move that it be referred, upon the discharge of the Committee on Commerce, to the Committee on Interstate Commerce, but for the fact that the Committee on Interstate Commerce has already reported a similar measure, stated in the precise language of the House bill.

Therefore, I move that the Committee on Commerce be discharged from further consideration of House bill 3704, and that it be placed on the calendar.

The motion was agreed to.

A MORATORIUM ON STUPIDITY

Mr. WILEY. Mr. President, centuries ago a man seeking to comprehend the problems of his day uttered the words "Lift up, Thou, mine eyes that I may see the wondrous glory of Thy law."

Mr. President, Barney Baruch said something about a moratorium on strikes, and he also said something about the need for productivity in this Nation getting under way. I think we need a moratorium on stupidity in order that we may find the answer to the strike situation and our failure to get production.

We all know that if there is anything that is needed in this country today it is labor working, labor producing. Without labor doing that, we are going to face a crisis so tremendous that no one can foresee the consequences. Perhaps, as has been suggested, there are those who want to weaken this great Nation. It is our strength today that gives us leadership throughout the world. Mr. President, we are not only feeding and sustaining the world but we are proceeding on the theory that we can continue to do it without production. Strikes in California have lost the Nation California's spinach and broccoli crops.

I should like to read a letter which I wrote to Hon. Clinton P. Anderson, Secretary of Agriculture, Washington, D. C. The letter is dated March 25, 1946, and is as follows:

MY DEAR MR. SECRETARY: I would appreciate hearing from your office as to your plans regarding improvement in the critical farm machinery and help situations.

I have been receiving many communications from my constituents to the effect that unless farm machinery and additional hands can be obtained, many a crop will not be planted and those that are planted may not be harvested.

I understand that there has been a strike underway in the International Harvester Co.—

Parenthetically I may say there is also a strike under way in the G. I. Case Co. in my State—

resulting in a failure to get production in this imperatively needed product. I wonder if the Department has been active in helping to secure an early end of this strike.

Surely in the face of the international food crisis Government can take positive steps to secure for the overworked farmer needed help and machinery. During the war the situation was bad; now it is worse. With machinery worn out and with many hands gone from the farms into private industry is Government so impotent now that it can only pass the buck from agency to agency?

I know that you are familiar with the situation as I have outlined it, but I should greatly like to hear from you as to the steps you propose to take to correct the grave problems I have cited.

Sincerely yours,

ALEXANDER WILEY.

Mr. President, this letter indicates a part of the stupidity on which I want a moratorium declared. The farmers of this country are calling for help, and I say to you, Mr. President, and I want it to be remembered, that if the farmers do not get help, our people will not be eating a lot of the canned goods they are eating now; the farmers will not put peas into the field; they will not be able to utilize their acreage.

Mr. President, I said that our farm machinery during the 4 or 5 years of war has been worn out and I know whereof I speak, because personally I have a problem of that kind, which can be multiplied by tens of thousands of cases throughout the farm area of this great country.

The question is, What are we going to do? Are we going to become weaker and weaker and weaker? The way to do that is to stop producing foodstuffs and farm products and farm machinery. Pay men to remain idle, and let OPA go on "balling up" our manufacturing.

Yes; the people of this country are expecting that the Committee on Education and Labor of the Senate will get down to brass tacks and report an appropriate labor bill to this body. Letters from laboring people and all segments of our society want this done. Mr. President to indicate how labor feels let me say that the last information I received came to me this morning from Milwaukee. In the largest industry in that city they are calling for a strike vote, but they cannot get a sufficient number of men to vote. Under our law 65 percent

must vote. They cannot get a sufficient number to enable a vote to be valid. Why are we so fearful to do that which is necessary?

I conclude, Mr. President, by saying that the country expects this body to declare a moratorium on stupidity.

FIFTIETH ANNIVERSARY OF NATIONAL FARM SCHOOL

Mr. GUFFEY. Mr. President, this year the National Farm School, located near Doylestown, Pa., is celebrating its golden jubilee.

The National Farm School is an agricultural school for Jewish and other lads. It has always been maintained on a nonsectarian basis. Students are admitted without any discrimination on account of race, creed, or origin. It is an outstanding undertaking, and has always performed a great work. I ask that there be included in the RECORD as a part of my remarks a letter addressed to the chairman of the board of trustees of the school by President Truman in connection with the golden jubilee, and an article about the school entitled "Pencils to Plowshares."

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

THE WHITE HOUSE,
Washington, January 17, 1946.

Mr. LEON MERZ,
Chairman, Board of Trustees,
National Farm School,
Farm School, Pa.

DEAR MR. MERZ: The origin of the National Farm School is as interesting as its subsequent history has been notable.

I am glad to send my hearty congratulations and warmest personal greetings as you celebrate the fiftieth anniversary of an institution founded with the blessing of one of my illustrious predecessors and in a measure inspired by the great Russian reformer, Count Tolstoy.

Both President Cleveland and Count Tolstoy, with clear vision and unerring insight, saw that nations like individuals draw their strength from the soil. Now, as always, agriculture is the Nation's bulwark. A society with its roots deeply imbedded in Mother Earth is a stable society.

The celebration of your golden jubilee will afford a splendid opportunity to appraise the achievements of the school's first half century and to glimpse its possibilities for further service in the decades that lie ahead.

Very sincerely yours,
HARRY S. TRUMAN.

PENCILS TO PLOWSHARES—LEO TOLSTOY'S IDEA, FARM SCHOOL NOW 50 YEARS OLD
(By David Taylor Marke)

NEW YORK.—Count Leo Tolstoy, great Russian novelist, never set foot on American soil, but his idea was responsible for the establishment of one of America's unique institutions—a school devoted exclusively to agriculture.

The story is told on the fiftieth anniversary of the National Farm School, located near Doylestown, Pa.

In 1894 a young American rabbi, Joseph Krauskopf, of Philadelphia, visited Russia with a plan for the removal of persecuted Jews to unoccupied lands in the interior of Russia, there to be colonized on farms.

Czar Alexander III was critically ill at the time and Dr. Krauskopf was unable to present his proposal personally.

However, Count Tolstoy, an ardent proponent of the agricultural life, invited Dr. Krauskopf to his home. There, seated under the poverty tree where Tolstoy usually received those who brought their woes to him, he heard the young rabbi out.

"Your plan to lead your people back to the soil," commented Tolstoy, "back to the occupation which your fathers followed with honor in Palestinian lands, is of some encouragement to me.

"It shows that the light is dawning. It is the only solution of the Jewish problem. Persecution, refusal of the right to own or to till the soil, exclusion from the artisan guilds, made traders of the Jew. And the world hates the trader.

"Make bread-producers of your people, and the world will honor those who give it bread to eat.

"There is little chance at present," Tolstoy continued, "for a Jewish colonization scheme in Russia." But, "if the plan cannot be entered upon in Russia," he asked, "why can it not be made successful in the United States?

"Lead your people to the country and to the farm. Start agricultural schools for them. Teach them to exchange the yardstick for the hoe, the peddler's pack for the seed-bag, and you will solve the problem while it may yet be solved.

"You will see the lands tilled by them overflow, as of old, with milk and honey. You will see them give of their plenty to the people of the land, and receive in return a goodly profit and esteem. And once again there will arise from among Jewish husbandmen prophets, lawgivers, inspired bards, and teachers to whom the civilized world will do homage."

Before Rabbi Krauskopf left, Tolstoy won his promise to found a farm school in America. In 1896, the National Farm School became a reality.

The school set up as its primary objective the education of city youth, particularly Jewish boys, in a type of farm training that would enable them to enter practical agricultural pursuits.

For 50 years the school has attracted most of its students from large cities. In those 50 years, the school has grown from a one-building, 122-acre farm to an attractive campus and multibuildinged 1,200-acre plant devoted to all phases of farming and farm management and marketing, as well as floriculture and landscape gardening.

The school is nonsectarian. The students (from 17-21 years of age when admitted) live together, work and study together in the fields and classroom, and play together on their athletic fields.

OPA PRICE CEILINGS ON MEAT

Mr. JOHNSTON of South Carolina. Mr. President, in a few days the Senate will be called upon to determine whether the OPA shall continue in existence. I desire to call to the attention of the Senate the effect the OPA is having on certain industries in my State. I hold in my hand a telegram from the Greenville (S. C.) Chamber of Commerce, signed by K. B. Miles, executive vice president, reading as follows:

GREENVILLE, S. C., *March 22, 1946.*

Senator OLIN D. JOHNSTON,
Senate Office Building:

Today our public has been shocked with an announcement of the Balentine Packing Co., in that it has become necessary for them to discontinue slaughtering and marketing of beef because they cannot operate at a profit with present ceiling prices as permitted by OPA. Surely there must be some governmental machinery that could be used whereby such action would not be necessary. We think it is imperative that OPA regulations and ceilings be changed to a more practical and businesslike application that will permit businesses to prosper rather than perish. The citizens of this community appeal for your vigorous cooperation to do something about this matter.

K. B. MILES,
Executive Vice President, Greenville Chamber of Commerce.

I also hold in my hand a letter from the Balentine Packing Co., Inc., of Greenville, S. C., signed by its president, Mr. W. Louis Balentine. It reads as follows:

BALENTINE PACKING CO., INC.,
Greenville, S. C., March 20, 1946.

Hon. OLIN D. JOHNSON,
Member United States Senate,
Washington, D. C.

DEAR SENATOR: I am enclosing copy of a statement and resolution adopted by the National Independent Meat Packers Association on March 14, 1946, and wish also to add the following remarks:

We were forced to discontinue our beef operations on February 1, 1946. We can no longer comply with ceilings on live cattle as established by OPA. In plain words, we cannot buy cattle today at or under ceiling prices. To exceed ceiling prices is a serious violation. We operate a legitimate meat-packing business and have no desire or intention to violate laws, absurd as they may be in some instances.

Obviously we were faced with a difficult situation. All during the war years and since we have slaughtered cattle, for the most part, at a loss in order to supply this community and adjacent areas with a fair share of beef.

Our decision to quit rather than violate OPA regulations is going to work a hardship on our retail customers as well as consumers. We deeply regret the absolute necessity for such action. We recognize that our company has a responsibility to furnish beef and other meats to this community, and we have made every effort to discharge this responsibility during these trying times.

We hope that soon OPA will realize that complicated, confusing, and theoretical regulations cannot put meat on your table. Until that occurs we are forced to discontinue our beef operation. Our plant will remain in business to slaughter and process pork to the extent that hogs are available.

Only through black-market operation would it be possible for us to remain in the beef business, and we refuse to become a party to this unlawful, nefarious practice.

Any support that you may be able to give this resolution will be greatly appreciated.

Yours very truly,
BALENTINE PACKING CO.,
W. LOUIS BALENTINE,
President.

Mr. President, attached to the letter are a statement and resolution approved by the board of directors of the National Independent Meat Packers Association, signed by its secretary. They read as follows:

STATEMENT AND RESOLUTION APPROVED BY THE BOARD OF DIRECTORS OF THE NATIONAL INDEPENDENT MEAT PACKERS ASSOCIATION, MARCH 14, 1946

STATEMENT

This association has consistently supported price control as essential to the war effort. Prevention of inflation is a necessary part of the program of reconversion. But price control on meat has completely broken down. Prices are dictated by the black market and not by the Government, and there is more inflation than there would be in a free market. The people are paying over $700,000,000 a year to maintain the fiction of price control, and countless additional millions are being paid by consumers in the form of black-market prices. Legitimate slaughterers are

unable to obtain cattle in competition with the black market, with the result that in all parts of the country beef slaughterers are closing down completely or drastically curtailing production, making it difficult for housewives to obtain beef in the usual channels. The Government is hurt by $700,000,000 spent to no purpose but to subsidize an enormous and vicious black market. The consumers are hurt in a two-fold way by extremely high black-market prices and by scarcity of meat in legitimate channels. The meat packers are hurt and many threatened with ruin because they cannot compete with the black market. Additional enforcement officers even at huge expense would not solve this problem because enforcement against the black market is as impossible as enforcing prohibition.

RESOLUTION

In view of these facts—

"*Resolved*, That the National Independent Meat Packers Association urge upon Congress the complete elimination of price control on meat and meat animals effective July 1, 1946."

I hereby certify that the above statement and accompanying resolution was approved by the unanimous vote of the board of directors at a meeting held in Washington, D. C., Thursday, March 14, 1946, and that is so recorded in the official minutes of that meeting.

C. B. HEINEMANN,
Secretary.

Mr. President, I think the plight in which the people of the United States now find themselves is most serious, and I believe they and all Members of the Senate wish to have something done about it. We do not wish to spend $700,000,000 to subsidize the production of meat, and then have concerns which are supposed to be engaged in legitimate businesses appeal to this body and to the people of the United States for relief, saying that they cannot stay in business legitimately under the varying OPA prices.

So, Mr. President, it is our duty to study this problem and see what we can do to solve it. We should do everything that can be done and we should bring all possible pressure to bear upon the OPA to do what is right and just in the matter.

CONTINUATION OF RENT CONTROL

Mr. MEAD. Mr. President, I ask unanimous consent to have printed in the RECORD a forthright letter which I have received from the progressive mayor of one of our progressive New York State cities. The letter is under date of March 6, 1946, and comes from Hon. Stanley W. Church, mayor of the city of New Rochelle, N. Y.

In his letter Mr. Church points out the necessity of continuing rent control beyond the June 30 dead line, and thereby helping to prevent a catastrophe taking place which would adversely affect more than 100,000 residents of his community. Mr. President, I compliment the mayor on his courageous and enlightened stand.

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

OFFICE OF THE MAYOR,
CITY OF NEW ROCHELLE, N. Y.,
March 6, 1946.

Hon. JAMES M. MEAD,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MEAD: In the spring of 1944, it became evident to me that housing shortages were becoming acute and that landlords were taking advantage of the situation by substantially increasing their rents. The situation then was bad, but it is downright frightening to contemplate future chaotic conditions in Westchester County, should Congress fail to enact legislation to continue rent control.

Thousands of persons who have made their residence here for years, many of them for decades, were saved their homes by the prolonged fight, which I initiated and led almost single-handedly and fought for rent ceilings, which were finally established in Westchester County on October 20, 1944.

There is no question in my mind, that if rent control is eliminated on June 30, that rents throughout Westchester will increase from 50 to 100 percent, forcing thousands upon thousands of our residents to vacate their homes, with no place to go. There would not be sufficient moving vans, trucks or other vehicles to handle the exodus out of the county, of our old residents and neighbors, driven out by high and unreasonably inflated rents.

May I call your attention to the fact that December, last, I introduced a resolution, which was adopted, at the annual convention of the United States conference of mayors held in New York City, requesting the continuation of rent control until the housing emergency has passed.

Therefore, I urge you to do everything possible to continue rent control beyond the June 30 deadline, and thereby prevent a catastrophe from taking place, which would adversely affect over a hundred thousand of our residents.

Respectfully yours,
STANLEY W. CHURCH,
Mayor.

FINANCING OF MORTGAGES FOR HOME BUILDING BY VETERANS

Mr. JOHNSTON of South Carolina. Mr. President, I wish to read to the Senate a brief letter which I have written to the Honorable George E. Allen, member of the Board of Directors of the Reconstruction Finance Corporation, which vitally affects the Veterans' Administration sponsored program for financing mortgages for home building by veterans of World War II.

The proposal which I make in this letter is within the power of the Reconstruction Finance Corporation to put into effect if its officials so desire. If they do not put it into effect it would almost mean derelection of duty on their part. The letter is as follows:

MARCH 22, 1946.

Hon. GEORGE E. ALLEN,
Reconstruction Finance Corporation,
Washington, D. C.

DEAR MR. ALLEN: I fully realize that the Reconstruction Finance Corporation was largely responsible for the immediate success of the Federal Housing Administration program at its inception by establishing a secondary market for FHA insured mortgages. I, therefore, am now appealing to you in behalf of the veterans to establish a similar secondary market for all mortgages originating under title III of the Servicemen's Readjustment Act of 1944, Public Law 346, Seventy-eighth Congress, as amended by Public Law 268, Seventy-ninth Congress—the so-called GI bill of rights for the benefit of veterans of World War II.

As you know, the Veterans' Administration guarantees mortgage loans to veterans for the purchase of homes, farms, and financing of business ventures. In the case of the purchase of existing homes or the construction of new homes, the Veterans' Administration is willing to guarantee a full 100-percent mortgage on the purchase price established by a reasonable value appraisal to the extent of the top 50 percent of any possible loss to the lender, not to exceed $4,000. This is a liberal guaranty and one that should be helpful to many veterans in building or purchasing homes. So far, however, a majority of the smaller banks and mortgagees are unable to process and finance the required number of loans because of the unavailability of a suitable secondary market.

By your agency establishing a secondary market for veterans' loans under the Veterans' Administration's sponsorship the benefit to our veterans would be tremendous. It would permit our small banks and/or mortgagees in the small communities throughout the Nation to assist the veterans. I believe you can readily see the advantages to the veterans of being able to do business with his home-town banker whom he knows and is known by. This secondary market established by you for these Veterans' Administration-sponsored mortgages under time limits and conditions as your agency established for Federal Housing Administration mortgages would open a large market and enable veterans to secure a home with minimum delay in financing and would undoubtedly speed up and facilitate the home-building program sponsored by the President and Mr. Wilson Wyatt and so much desired by us all.

I have the advice of experts in the fields of construction and financing that such action on your part would facilitate the building of approximately 200,000 additional homes under the President's home-building program. I realize the desire of your agency to cooperate in all matters for the public good that are financially sound. Since all mortgages financed by the Veterans' Administration are guaranteed to the top 50 percent of any possible loss to the lender, not to exceed $4,000, it seems to me that they are as sound an investment as any Federal Housing Administration insured mortgage.

I, therefore, urge your agency to take immediate steps to afford a secondary market for Veterans' Administration-sponsored mortgages, thereby providing for veterans to receive the benefits to which they are now entitled under the Servicemen's Readjustment Act of 1944.

I shall appreciate your early consideration of this matter.

With kindest regards, I am,
Sincerely yours,
OLIN D. JOHNSTON,
United States Senator.

Mr. President, I urge my colleagues in the Senate to give this matter their careful attention and to join with me in requesting Mr. Allen immediately to establish a secondary market for Veterans' Administration-sponsored home financing loans in order that our veterans may receive the benefits to which they are entitled under the so-called GI bill of rights for the benefit of veterans of World War II.

FRATERNALISM IN THE ATOMIC AGE—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address entitled "Fraternalism in the Atomic Age," delivered by him before the Potomac Lodge of Odd Fellows, at Alexandria, Va., March 22, 1946, which appears in the Appendix.]

ROLE OF UNITED NATIONS IN WORLD PEACE—ADDRESS BY SENATOR VANDENBERG

[Mr. VANDENBERG asked and obtained leave to have printed in the RECORD an address delivered by him on March 23, 1946, at a civic homecoming in Grand Rapids, Mich., which appears in the Appendix.]

OUR FAITH IN AMERICA—ADDRESS BY SENATOR WILLIS

[Mr. TAFT asked and obtained leave to have printed in the RECORD an address entitled "Our Faith in America," delivered by Senator WILLIS before the Sons of the American Revolution at Washington, D. C., on March 20, 1946, which appears in the Appendix.]

RURAL ELECTRIFICATION IN THE NATION'S FARM PROGRAM—ADDRESS BY THE SECRETARY OF AGRICULTURE

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an address entitled "Rural Electrification in the Nation's Farm Program," delivered by Hon. Clinton P. Anderson, Secretary of Agriculture, before the National Rural Electric Cooperative Association, Buffalo, N. Y., March 4, 1946, which appears in the Appendix.]

ROAD TO WORLD PEACE—ADDRESS BY ERIC A. JOHNSTON

[Mr. REVERCOMB asked and obtained leave to have printed in the RECORD an address entitled "Road to World Peace," delivered by Eric A. Johnston, at the Commodore Hotel, New York City, on March 20, 1946, which appears in the Appendix.]

GLOBAL RELIGION—SERMON BY REV. PAYSON MILLER

[Mr. McMAHON asked and obtained leave to have printed in the RECORD a sermon entitled "Global Religion," by Rev. Payson Miller, broadcast on the Church of the Air program on Sunday, November 25, 1945, which appears in the Appendix.]

CIVILIAN CONTROL OF ATOMIC ENERGY—EDITORIAL FROM MANCHESTER (CONN.) EVENING HERALD

[Mr. McMAHON asked and obtained leave to have printed in the RECORD an editorial entitled "Should Be Civilian Control," dealing with the control of atomic energy, published in the Manchester (Conn.) Evening Herald of March 13, 1946, which appears in the Appendix.]

INAUGURAL ADDRESS OF RONALD P. BRIDGES ON BECOMING PRESIDENT OF PACIFIC SCHOOL OF RELIGION

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD the inaugural address delivered by his brother, Ronald P. Bridges, on the occasion of his becoming president of the Pacific School of Religion, which appears in the Appendix.]

RUSSIA'S STAND ON FOOD HARD TO EXPLAIN

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an article entitled "Communist Tactics in France," written by Marquis Childs, an article entitled "Soviet Deaf to UNRRA, Sells Wheat," written by Ruth Montgomery, and an article entitled "Russia Sells France Grain; Silent on Plea from UNRRA," all published in the Washington Post of March 21, 1946, which appear in the Appendix.]

SECRETARY WALLACE—ARTICLE FROM THE RICHMOND (IND.) PALLADIUM-ITEM

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD an article entitled "The Dangerous Fascism of Wallace Still Threatens You," from the Palladium-Item, of Richmond, Ind., of March 21, 1946, which appears in the Appendix.]

HOME BUILDING—ARTICLE FROM THE INDIANAPOLIS STAR

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD an article entitled "Home Building Volume Equals 17-Year Record," from the Indianapolis Star of March 22, 1946, which appears in the Appendix.]

THE ST. LAWRENCE PROJECT—ADDRESS BY MATTHEW WOLL

[Mr. MEAD asked and obtained leave to have printed in the RECORD an address on the subject of the St. Lawrence project, delivered by Matthew Woll, vice president of the American Federation of Labor, at Rochester, N. Y., on March 7, 1946, which appears in the Appendix.]

STRIKES AT GENERAL ELECTRIC CO. AND WESTINGHOUSE CORP.—STATEMENT OF UNITED ELECTRICAL RADIO AND MACHINE WORKERS OF AMERICA

[Mr. MEAD asked and obtained leave to have printed in the RECORD a statement of the United Electrical Radio and Machine Workers of America regarding a strike of employees of General Electric Co. and Westinghouse Corp., which appears in the Appendix.]

AMENDMENT OF FAIR LABOR STANDARDS ACT

The Senate resumed consideration of the bill (S. 1349) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Arkansas [Mr. FULBRIGHT] to the amendment proposed by the Senator from Louisiana [Mr. ELLENDER] on behalf of himself and the Senator from Minnesota [Mr. BALL].

Mr. PEPPER. 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	Myers
Austin	Hart	O'Daniel
Bailey	Hatch	O'Mahoney
Ball	Hawkes	Pepper
Bankhead	Hayden	Reed
Barkley	Hickenlooper	Revercomb
Bilbo	Hoey	Robertson
Brewster	Huffman	Russell
Bridges	Johnson, Colo.	Saltonstall
Briggs	Johnston, S. C.	Shipstead
Brooks	Kilgore	Smith
Buck	Knowland	Stewart
Byrd	La Follette	Taft
Capehart	Lucas	Taylor
Capper	McClellan	Thomas, Okla.
Chavez	McFarland	Tobey
Connally	McKellar	Tunnell
Cordon	McMahon	Vandenberg
Donnell	Maybank	Walsh
Eastland	Mead	Wheeler
Ferguson	Millikin	White
Fulbright	Mitchell	Wiley
Gerry	Moore	Young
Guffey	Murdock	

Mr. BARKLEY. I announce that the Senator from Virginia [Mr. GLASS], the Senator from Maryland [Mr. TYDINGS], and the Senator from New York [Mr. WAGNER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Georgia [Mr. GEORGE], and the Senator from Alabama [Mr. HILL] are necessarily absent.

The Senator from Louisiana [Mr. ELLENDER], the Senator from Idaho [Mr. GOSSETT], the Senator from Rhode Island [Mr. GREEN], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MURRAY], the Senator from Louisiana [Mr. OVERTON], the Senator from Maryland [Mr. RADCLIFFE], and the Senator from Utah [Mr. THOMAS] are detained on public business.

The Senators from Nevada [Mr. CARVILLE and Mr. McCARRAN], and the Senator from California [Mr. DOWNEY] are absent on official business.

Mr. WHITE. The Senator from Nebraska [Mr. BUTLER] and the Senator from Indiana [Mr. WILLIS] are necessarily absent by leave of the Senate.

The Senator from North Dakota [Mr. LANGER], the Senator from Oregon [Mr. MORSE], the Senator from Kentucky [Mr. STANFILL], and the Senator from Nebraska [Mr. WHERRY] are necessarily absent.

The Senator from Iowa [Mr. WILSON] is absent because of illness in his family.

The Senator from South Dakota [Mr. BUSHFIELD] is absent because of illness.

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

Mr. BALL. Mr. President, I rise to speak briefly in support of the Ellender-Ball amendment to S. 1349 and in opposition to the bill as reported by a majority of the Committee on Education and Labor.

Mr. President, there has been quite an effort by its proponents to make the vote on this bill and on the pending amendment the crucial test as to whether Senators are liberals or reactionaries. This effort appears to me to be very similar to the proposal made last week by the Secretary of Commerce that a few individuals be set up as the arbiters of which side of any given issue is liberal and which is reactionary, which is Republican and which is Democratic. I am reminded also of the various articles and tables I have seen in certain magazines purporting to give the voting records of Members of Congress. It is significant that these articles do not list how Congressmen and Senators voted on the hundreds of issues which come before us each session. They do not list Members as voting "yes" or "no." Instead, these so-called unbiased voting records pick out around a dozen particular issues, and they list Members as voting right or wrong. Sometimes they merely indicate whether the vote was right or wrong by a plus or minus sign. I am sure that all my colleagues have seen some of these so-called voting records.

Mr. President, I submit that if I or any other individual or group was given the right to determine for the final record what issues were really important and which side was right and which was wrong, I could by my choice of issues make any individual Member of this body appear on the record as either 100 percent wrong or 100 percent right.

This angle of the debate is not too important because I am sure that most Senators will agree with me that under our system only the people of the United States, and not any particular group or set of individuals, will decide finally which is the liberal side of this or any other issue. However, I do question seriously whether those who insist that the sole criterion of whether a public official is liberal or not should be whether he is willing or not to support any and all legislation which purports to give additional rights, immunities, privileges, or benefits to some particular group are really serving the cause of liberalism. I notice that

those who seek to determine political labels by that formula always insist that the group receiving these special benefits or privileges must be a very large one with plenty of votes. If it happens to be a small group which does not carry too much weight at the polls, then voting for special privileges or immunities or benefits for that group becomes a symbol of reaction. This seems to be a widespread idea, Mr. President, that by simply passing a law here in Congress we can give a great many people something for nothing. I cannot agree with that theory. In my life I have never received something for nothing, and I have never seen that theory work. We always pay in some coin or other for progress. It is my conviction, and I have attempted to demonstrate it from time to time, that many of the measures proposing to give large groups something for nothing—measures such as the full-employment bill as it was originally introduced, or the amendment proposed to the unemployment compensation bill to guarantee everybody $25 a week for 26 weeks, actually proposed benefits to large groups which inevitably in the long run would have been paid for in the precious coin of human freedom. In other words, Mr. President, I do not subscribe to the proposition that through government we can eliminate all risks, economic or otherwise, from our system of society without at the same time eliminating all freedom both political and economic.

I particularly regret that it is proposed to make this bill the vital test of liberalism, because this bill is concerned solely with dollars and cents, and the issue involved is fundamentally economic.

I have the idea, which may sound a little quaint in these days, that to be a liberal one must be devoted to liberty. I mean liberty, not for any particular group, whether it be workers, farmers, or businessmen, but liberty for all individuals and all citizens. And human liberty, Mr. President, cannot be measured solely in dollars and cents. I believe that a liberal judges issues as they arise primarily on whether their net effect will be to expand or contract the sum total of opportunities and freedoms enjoyed, not by any particular group, but by all of the people of this country as individuals.

Mr. President, I think the majority of the committee would admit that the issue raised by this bill and by our amendment is an economic question fundamentally. Otherwise they would have proposed in their bill a minimum wage, not of 75 cents an hour, but of $1 an hour, which their own figures show to be the minimum which they regard as necessary for a worker to maintain a family on an adequate American standard of living. They did not propose a minimum of $1 an hour because they recognize the economic fact that if a minimum wage is raised too high, it will either: First, force prices up so high as to cancel out the gains in income for the workers affected; or second, it will make many individual businesses noncompetitive and force them to close, thereby throwing a great many people out of work.

The economic question at the root of this issue, therefore, is: Where is this economic danger point? Where can we fix this statutory minimum wage with a reasonable assurance that it is not going to be so high that it will force many employers to discharge their least efficient people and force them onto public relief? I think we must recognize that the average American employer—I grant there may be exceptions—does not want to employ so-called cheap labor. He wants the best and most productive employees he can get, and he is perfectly willing, generally again, to pay them a wage which is proportionate to their contribution to his business. In our society there are vast differences in ability and productive capacity among people. Generally those individuals who are being paid today the lowest wages are those who are the least productive. A great many of them are in the so-called service industries, where experience has shown that there is a very definite economic ceiling on the price which the public will pay for those services. I know, for instance, that laundries have found that when they increase the price of home laundry above a certain point they do not increase their own business; they only sell more washing machines. Obviously if we force an industry like this to pay a wage which in turn will force a price increase greater than the public is willing to pay, we will only create unemployment and not raise the living standards of anybody. I don't think either the proponents or the opponents of the committee bill would argue that it is not much better for an individual to have a productive job at 55 cents an hour, rather than no job at all at 75 cents an hour, if that is the choice.

The facts are, Mr. President, that as to this basic economic question of when we reach the danger point to our economy in raising this minimum wage, the testimony before the committee provides no real answer. True, we have plenty of estimates that American productive capacity is great enough and our economy strong enough to pay this minimum without any real danger and without creating any serious unemployment. But none of those who testified to this effect, and most of them were either Government officials or economists employed by one or another of the groups supporting this legislation, had any economic facts or experience on which to base their estimates. They had no facts, because the statutory minimum wage of 40 cents did not finally become effective for all American industry covered until 1944, and it was effective for the majority of industry only in 1942. I do not think anyone on this floor would contend that the year 1942, when we were striving to increase war production to the maximum and when we had a shortage of labor and a sellers' market, was a normal period for American industry.

Because of that situation, we were unable in the committee to get any kind of statistics as to how even the 40-cent minimum has affected small business concerns operating in previously low-wage areas in any normal times. Obviously, to predict the future without any real facts as to what has happened in the past is to proceed on very slim evidence on an issue which contains such great potential dangers to our economy.

I myself think it was rather significant that no representatives of large industries appeared before the committee to oppose the committee bill. Throughout this war, as we all know, there has been a tendency to concentrate American industry more and more in large concerns, and there have been very heavy casualties among smaller businesses, not because of financial losses during the war, but because we deliberately forced their closing, through various policies, in order to leave the larger industries with all the materials necessary for war production. Large business in America has never shown any deep concern for the welfare of its smaller competitors, and I do not think big business would worry at all if legislation of this type eliminated some of that so-called marginal competition. In fact, some of the proponents of this committee bill admit quite frankly their belief that a marginal small business cannot afford to pay 65 or 75 cents an hour and keep going should go out of business.

Mr. President, I think that is a very dangerous philosophy for this Government to adopt if we really want to preserve a free economy in the United States. When the Government, which inevitably in our system must be guided more by political considerations than by economic facts, begins to decide by itself what is an efficient and proper business and what is not, and which business should survive and which should not, we are dangerously close to totalitarianism.

But, further than that, there are two basic fallacies underlying the argument made for the 75-cent minimum in the committee report and arguments supporting it on the floor of the Senate. The first fallacy is that there is no substantial difference in living costs throughout the length and breadth of this great land. The committee majority contends that the only reason it seems to be cheaper to live in a small town or rural region is because living standards are lower.

What are the facts? Admittedly there are not too many good studies; but one was made by the WPA as of June 15, 1943, and that particular study showed a range in living costs of 20 percent between the extremes reported for 33 cities. And, mind you, these were all good-sized cities, with no small towns among them. Another WPA study made in March of 1935 concluded that it cost considerably less to live in smaller cities and also in the South. Actually, they found the difference in living costs a little less than 10 percent between the cities they covered as compared to their size, and about 10 percent difference between living costs in New England and the South, which were the regional extremes.

Beyond that, I think any Member of this Senate who has ever lived in both a small town and a large city knows from experience the complete fallacy of the argument that there is no real difference in living costs between them. The workman in a small town usually walks to work. He does not have to pay car fare.

He can live in a house with quite a bit of land around it. He can have a large garden and keep chickens, or even a cow, if he wants to. I have traveled quite a bit over my State, and I know that in literally hundreds of small towns and villages in Minnesota I can buy a good dinner for 40 or 60 cents—a dinner which in Minneapolis or St. Paul would cost anywhere from $1 to $2. Differences in living costs are very great between small towns and large cities.

But I submit that even this difference in actual dollars and cents in living costs does not fully measure the difference in living standards in small towns and large cities. Living standards are not measured for me solely in the price of food, clothes, and shelter. Measured by my standards of value, the family in a small town, living perhaps in an old and ramshackle, but spacious home, with plenty of lawn and garden and within 5 minutes walk of open country, knowing their neighbors intimately, as one does in a small town, is living on a far higher and better standard than the factory worker in a large city, jammed into a dinky apartment or a dingy row house, with nothing but brick and pavement for miles around, even though the small town family's income is only half that of the city dweller.

The other major fallacy, Mr. President, on which the majority of the committee bases its recommendations is that this increase of 87.5 percent in the statutory minimum wage is justified by the tremendous increase in worker productivity which is inevitably coming, as industry completes reconversion to peacetime production. In support of that position, the majority cites the very large admitted increases in productivity per man after the last war.

Mr. President, I submit that the situations after the last war and after this one are in no way comparable. After the last war we only had three or four million of our industrial workers organized into labor unions. Today we have around 15 million of our industrial workers organized into labor unions. And, Mr. President, I do not believe that anyone can successfully refute the proposition that when workers are organized into unions, the initial result is generally a lowering of productivity per worker. Most unions in my experience tend to limit output per worker. Instances of that sort occuring on war production, even at the height of our war effort, could be cited by the hundreds. I have sought some statistics on this question of productivity, and I have not found any accurate and reliable figures. In the hearings on labor legislation before the Education and Labor Committee, and also before the Mead war investigating committee, we did have some testimony on this point. The testimony indicated that there has been an increase in productivity in two major industries—steel production and aircraft production, neither of which would be affected by this bill. On the other hand, all the evidence I have seen indicates a considerable decrease in productivity per man in the automobile industry and in the electrical industry. I think it is taking a very dangerous gamble with the future prosperity of America to base a minimum wage on what we hope will happen when what actually has been happening is the reverse.

Mr. President, the proponents of the committee bill cite the very much larger national income today as proof that we can afford this increase in the statutory minimum wage without any substantial increase in prices—this despite the testimony, I may say, of Chester Bowles that under this proposal a price increase of at least 5 percent would be required for the lumber industry. I have the figures on the national income and its division as among wage earners, corporate net income after taxes, net income of proprietors, and interest and net rents and royalties from 1909 through 1945, as compiled by the Department of Commerce.

I averaged out those figures for the 5 years 1909 to 1913 inclusive, and then for the last 5 years 1941 through 1945, inclusive. The results are very interesting. They show that in the 5 years from 1909 to 1913, wage earners on the average received 58.2 percent of the total national income which averaged around $30,000,000,000. Corporate net income after taxes accounted for 7.8 percent, and net income of proprietors for 21 percent, while interest and net rents and royalties made up the remainder, or 13 percent.

Now what happened in the last 5 years from 1941 to 1945 when our national income averaged close to $150,000,000,000 a year? Wage earners received 70.3 percent of that total income, or 12 percent more of the national income than they received from 1909 to 1913. On the other hand, corporate net income accounted for only 6.6 percent of the total, or a drop of 1.2 percent, while the net income of proprietors dropped from 21 percent in the earlier 5 years to 16 percent of the total in the most recent period. Interest and net rents and royalties totaled only 7.1 percent of the national income in the past 5 years, as compared to 13 percent in the first 5 years.

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

Mr. BALL. I yield.

Mr. FULBRIGHT. What is included in the word "proprietors"? Does the Senator refer to small business proprietors?

Mr. BALL. I refer to individuals who own their businesses and operate them individually.

Mr. SALTONSTALL. Mr. President, the Senator has quoted figures showing that the income of the country between 1909 and 1913 was $30,000,000,000 as compared with the income in the period 1941 to 1945 of $150,000,000,000.

Mr. BALL. I was referring to the average yearly income.

Mr. SALTONSTALL. Are those figures comparable? I ask the question because I did not realize that the gross income of the country was as low as $30,000,000,000 annually during the period 1909 to 1913.

Mr. BALL. I may say that these figures have not been adjusted with regard to prices. Obviously, when the income is adjusted for prices, we had a much larger income than $30,000,000,000 in the period to which I have referred. However, the standard is the same for both periods, and it shows the percentage of the total national income which each group received.

Mr. SALTONSTALL. Can the figure $30,000,000,000 be compared with the figure $150,000,000,000 for working out percentages of what was received in wages, and what was received in dividends?

Mr. BALL. Yes. I had reference to the total original income. I believe the figure refers to total gross income.

Mr. AIKEN. Mr. President, I understood the Senator to say that during the period 1909 to 1913 the workers received 58.2 percent of the total national income.

Mr. BALL. The Senator is correct.

Mr. AIKEN. And that during the period 1941 to 1945 they received 72 percent.

Mr. BALL. It was 70.3 percent.

Mr. AIKEN. The point which the Senator is trying to make, if I understand him correctly, is that it is worse for the country to have the workers receive a higher percentage of the national income.

Mr. BALL. No; I believe on the whole that such a development has been a healthy one. I think we may be approaching a danger point, as I shall attempt later to show in my remarks.

Mr. AIKEN. The point which the Senator is attempting to make is that wages should not rise above a certain percentage, is it not?

Mr. BALL. No. Later, I shall make a point concerning profit. The point I was trying to make was that steadily during the years, and particularly during the past year, the percentage of the total national income going to wage earners has increased greatly.

Mr. AIKEN. I do not dispute that statement. Does the Senator have any figures with regard to the total number of employees involved? Of course, during the period 1909 to 1913 there were a great many small establishments throughout the country which have since been integrated into large corporations.

Mr. BALL. I do not have any figures on that point. I would assume that the number of establishments has decreased somewhat, but not very greatly. Of course, the labor force has increased tremendously, but that does not alter, particularly, the percentages.

Mr. AIKEN. I thank the Senator.

Mr. BALL. Mr. President, the figures which I have quoted also show that the increase in per capita national income has been 263 percent in the same period from 1909 to 1945. The average per capita income in dollars increased from $317 in 1909 to $1,153 in 1945. The increase has been steady throughout the period, but of course it did jump very heavily during the war years. In fact from 1938 to 1945 it increased approximately 130 percent.

Mr. President, I have before me a table which I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks.

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

National income by distributive shares, 1909–44

[In billions of dollars]

Year	Total income originating [1]	Compensation of employees			Corporate net income after taxes	Net income of proprietors	Interest and net rents and royalties	Per capita national income
		Total [1]	Wages and salaries [2]	Supplements to wages and salaries [3]				
1909	28.7	16.4	16.2	0.3	2.2	6.3	3.8	$317
1910	30.4	17.7	17.4	.3	2.3	6.4	4.0	329
1911	30.5	18.0	17.7	.3	2.0	6.3	4.2	325
1912	32.9	19.2	18.9	.3	2.5	7.0	4.3	345
1913	34.8	20.5	20.2	.3	2.8	7.0	4.5	358
1914	33.9	20.2	19.9	.3	1.9	7.1	4.7	342
1915	37.0	21.1	20.8	.3	2.9	8.1	4.9	368
1916	44.8	24.4	24.1	.3	5.3	9.9	5.2	439
1917	53.7	28.0	27.8	.2	6.1	14.0	5.6	520
1918	58.3	35.0	34.9	.2	3.9	13.3	6.1	565
1919	68.2	38.3	38.0	.3	5.7	17.1	7.1	653
1920	69.5	45.1	44.6	.4	3.9	13.3	7.1	653
1921	51.7	36.1	35.8	.4	------	8.5	7.1	476
1922	59.5	37.6	37.2	.4	3.9	10.3	7.6	541
1923	69.5	44.2	43.7	.4	5.2	12.0	8.2	621
1924	69.1	44.1	43.6	.5	4.3	12.1	8.6	606
1925	73.7	45.8	45.4	.5	5.5	13.7	8.7	636
1926	76.6	48.8	48.4	.5	5.8	13.4	8.5	652
1927	75.9	49.2	48.7	.5	5.1	12.9	8.8	638
1928	78.7	50.1	49.6	.5	6.3	13.1	9.2	653
1929	83.3	53.1	52.6	.5	7.2	13.6	9.4	684
1930	68.9	48.2	47.7	.5	1.7	10.0	8.9	560
1931	54.5	40.6	40.0	.6	−1.6	7.3	8.2	439
1932	40.0	31.7	31.0	.6	−3.6	4.8	7.1	320
1933	42.3	29.8	28.7	1.1	−.6	6.5	6.6	337
1934	49.5	34.5	32.6	1.9	.5	7.5	6.9	392
1935	55.7	37.5	35.6	1.9	1.7	9.5	7.1	438
1936	64.9	43.0	40.0	3.1	3.8	10.9	7.3	507
1937	71.5	48.3	45.0	3.3	3.9	11.9	7.4	555
1938	64.2	45.1	41.2	3.9	1.7	10.1	7.3	495
1939	70.8	48.1	44.2	3.8	4.2	11.2	7.4	541
1940	77.6	52.3	48.6	3.7	5.8	12.0	7.5	588
1941	96.9	64.5	60.8	3.7	8.5	15.8	8.0	727
1942	122.2	84.1	80.8	3.3	8.7	20.6	8.8	907
1943	149.4	106.3	103.1	3.2	9.8	23.5	9.7	1,095
1944	160.7	116.0	112.8	3.2	9.9	24.1	10.6	1,164
1945	161.0	114.5	111.4	3.1	9.0	25.6	11.8	1,153

[1] Detail will not necessarily add to total because of rounding.

[2] Includes payments made to Federal civilian and military personnel stationed outside continental United States.

[3] Includes employer contributions to social insurance funds (including Government retirement systems), industrial pensions, compensation for industrial accidents, military reserve and retirement pay, and fees to bank directors.

NOTE.—Estimates for 1929–45 are those of the U. S. Department of Commerce. Estimates for 1909–28 are extensions of the Commerce series on the basis of data published by the National Bureau of Economic Research.

Source: National Income Unit, U. S. Department of Commerce, September 1945.

Mr. BALL. Mr. President, I think these figures from the Department of Commerce show very clearly that the trend for the past 40 years has been toward increasing the wage earners' share of the national income at the expense of profits of both corporations and individual proprietors. I know that it is politically inexpedient today to defend profits. But as I learned economics, reasonable profits are absolutely essential in the operation of the competitive capitalistic system, and I am for that system. I think that there is a danger point below which we cannot force profits by legislation or regulations without running a serious risk of drying up and sterilizing the whole capitalistic system. It is the contention of the majority that in large part the increase in manufacturing costs which would be brought about by a 75-cent statutory minimum wage could be absorbed out of profits which since 1909 have dropped for all categories, from 42 percent of the national income to 29.8 percent of the national income. I may remind those supporting the majority report that in the long run it is profits invested in new capital equipment and new machinery which must increase the productivity and thereby the real wages and living standards of the workers in this country. If we in our somewhat political attacks on profits so penalize them and dry them up that that flow of new capital is decreased or eliminated completely, then our living standards inevitably will begin to drop.

Mr. President, as this bill was introduced originally it included in section 8 a provision which would have given industry committees authority, with the approval of the administrator, to fix minimum wages for various classifications above the unskilled level. In other words, as it was originally proposed, S. 1349 was not a minimum wage bill at all, but a bill to give the Government authority to fix all wages for any type of work. The inevitable result of such wage fixing by the Government would be a complete Government control of our whole economy, because we could not fix wages without fixing prices and profits and eventually regulating all of business to such an extent that we would have to take it over and run it. I am opposed to that. The original section 8 has been eliminated, but I think the purpose behind it still remains.

There seems to be a tendency on the part of many groups to regard a statutory minimum wage as a device gradually to boost wage earners' incomes and living standards by legislation, regardless of the total productivity of this country's industry and workers. I think that concept is fundamentally unsound. I believe that every time the Government starts tinkering with the economy in this direct fashion in an effort to force higher living standards without regard to the economic factors which must bring about such higher living standards, we take one step nearer the totalitarian form of government.

Mr. President, my concept of a statutory minimum wage is that it is a part of our basic social-security program to fix minimum—and they must be minimum—economic-security standards for all the people, leaving it to individual initiative and enterprise to achieve the economic progress we expect. In other words, the proper function of a minimum wage, it seems to me, is to place a floor under the incomes of productive workers, just as old-age annuities and unemployment-compensation benefits place a floor under the living standards of the inevitable casualties in a free economy. Beyond placing this floor under our citizens' economic security, I believe the obligation of government is to see to it that all the people get an even break and as nearly as possible equal opportunities, and to leave the rest to their individual initiative. If, as seems to be the case, it is the ultimate purpose of those favoring the committee bill to force the minimum wage up to $1 an hour, which would provide the $2,000 annual income which they regard as the minimum necessary to maintain an American standard of living, regardless of the effort put forth by the individual, then I think they are writing the death sentence of initiative and enterprise, which are essential to a free economy.

Personally, I should like to see a minimum wage of 40 or 50 cents applied to every worker in the country, with no exemptions. I do not think that would be possible today under price control, but I would vote for it the day price control is lifted. That, it seems to me, would fulfill the real function of a minimum-wage law, of placing a floor under individual economic security.

To sum up, Mr. President, I think it is exceedingly dangerous to gamble with the economy of America on the basis of pure guesses and estimates. I shall support the Ellender-Ball amendment; and if it fails, I shall have to oppose S. 1349.

Mr. TUNNELL. Mr. President, with regard to the pending bill I cut from the Philadelphia Inquirer of recent date a clipping which I shall read:

> Administration leaders have privately admitted that they haven't a prayer of getting the broad new minimum-wage bill—as is—through the Senate. They know they're licked, and they're willing to compromise.

I call attention to this sort of propaganda which is being put into the newspapers for the purpose of fighting the minimum wage bill.

What I have read is followed by this language:

> Just as it did in the House, where the administration lost control of its housing, labor, and full-employment programs, the leadership once more has run afoul of the now familiar coalition of Republicans and southern Democrats.
>
> The minimum wage bill had hardly been brought onto the floor of the Senate before the southern Democrats were hard at work.
>
> On the other side of the aisle, Republicans contented themselves with working behind the scenes. They held their fire while Senator RICHARD B. RUSSELL (Democrat of Georgia), representing the farm bloc, proposed an inflationary amendment that would raise food prices an estimated 15 to 20 percent, and Senator JAMES O. EASTLAND (Democrat of Mississippi), suggested tacking on the Hobbs antiracketeering bill verbatim.

The peculiar situation with regard to this comment is that the writer seems to assume that this bill is one that affects the administration and not one that affects the people of the United States. It does not seem to occur to him that the worker is interested at all; it is only a political game in which as he says, southern Democrats and northern Republicans are combined. I do not know, but it seems to me that that is rather a slander on both of them. I do not think either the southern Democrats or the northern Republicans would admit such a partnership; but this writer seems to take it for granted that all the members of this so-called combination will admit that they are working together, regardless of the merits of the case, for the purpose of defeating something which the writer says the administration wants. I am clearly of the opinion that it is the worst type of propaganda. I do not think there is the slightest truth in the statement he makes as to the agreement or attempted agreement. I read further from the article:

This afternoon, while the proponents of higher minimum wages were making their formal speeches for the RECORD, an exceptionally authoritative source said he expected the coalition to load the bill down next week with two more highly controversial issues—namely, the Petrillo bill and the Case bill. Both stringent labor-curbing measures.

That is interesting in view of the fact that I have received many contradictions from people as to the Case bill being an antilabor bill at all. This writer puts the Case bill down clearly as "a stringent labor-curbing measure." He at least was telling the truth about that.

With this in prospect, even before the debate gets down to brass tacks on the floor, the administration spokesman admitted defeat, revealing a leadership willingness to compromise on a flat minimum of 60 cents an hour instead of the proposed progression from 65 to 70 and finally 75 cents an hour in 2-year stages.

I doubt if the writer of that article or the publisher of the newspaper can find any responsible person who made any suggestion of that sort or agreed to any such suggestion, or that it was something which appeared to be agreeable to this so-called combination between Republicans and southern Democrats.

And there appeared to be every likelihood that the leadership would be willing to confine the coverage to those workers who are now within the scope of the wage-hour law, instead of widening it to include chain-store employees, department-store employees, cannery workers, and, in short, virtually all wage-earners but farm hands.

He failed to refer to the fact that the department store or chain store would have to have five stores or sell $500,000 worth of goods a year. That is another indication of the reason for the writing of just this type of an article:

In the House during the last few months it has almost been like watching a football game from the grandstands. The leadership would kick off, the coalition would catch the ball—

That is, the so-called southern Democrats and northern Republicans—

and never stop running with it. In the field of neither labor nor housing legislation could the administration ever recover.

In other words, it is not a matter for the benefit of the Nation; it is a question of which shall succeed politically, this so-called coalition or the administration, as this writer states it.

The Senate, so far, has been somewhat more subtle except for the continuing fight in the Senate Labor Committee before the minimum wage bill was reported out. But the heavy hand of the coalition is readily apparent in the fatal amendments already stacked up against the measure.

There is no pretense here that the bill is for the benefit of the country or for the benefit of the laboring man. It is something which is being loaded up "by fatal amendments stacked up against the measure." I think perhaps he may have the right slant on some of those amendments.

Twice the Case bill, which would change the parity formula to include the costs of farm labor, was passed by the House only to be killed in the Senate by the threat of a Presidential veto. It would make southern farmers very happy, regardless of what it did to the urban housewife.

Twice also the antiracketeering bill was passed by the House, only to die in one of the many pigeonholes known to the Senate Judiciary Committee. In many respects it is a good bill, although it has never been acceptable to prolabor Senators. It, too, would make the southern farmer happy.

The Case bill, of course, breathed its last gasp in the offices of the Senate Labor Committee, where even mildly antilabor Senators weren't interested in rushing out the pulmotor. The only possible way it can get before the Senate now is by way of an amendment—or rider—to some other measure.

Introduction of the Case bill—when and if necessary—would identify the group that is out to scuttle minimum wages even more positively than fingerprints.

Who are the people who are "out to scuttle minimum wages"? That is put down as a plain objective of somebody. Those who speak in opposition to the pending bill tell us that they favor high wages. They go away beyond the minimum wage. Yet this writer, who seems to speak very glibly of attempted agreements and the like, says they are out to scuttle the minimum-wage bill.

There was a time when it was understood that Senator CLAUDE PEPPER, father of the minimum-wage bill, would accept the Pace bill as an amendment; it would bring in farm bloc support. Later, the piling up of other controversial amendments showed PEPPER which way the wind was blowing.

A check of the Senate's membership discloses no more than 25 votes for the Pepper measure as it stands now.

This article, as I have said, is a deliberate attempt to destroy the minimum wage bill by false statements as to what the real situation is, and, I hope, by false statements with regard to the motives of a so-called coalition. I do not think any considerable number of Senators will put themselves in the position of voting, in a matter which affects so many millions of people, merely on political grounds, and as a means of attempting to hit at certain political sections. I cannot imagine such a situation, and do not believe it exists, notwithstanding the statements of the writer from whom I have just quoted.

Mr. President, there is undoubtedly a difference of opinion, indeed, a very serious difference of opinion, between those who believe in a minimum-wage law and those who do not believe there should be a minimum-wage law at all. I am unable to see why there is any difference in principle in the advocacy of a bill carrying a minimum wage of 65 cents rather than one carrying a minimum wage of 40 cents. I do not see any difference in principle. Each would be Nation-wide in its application, each would be for the purpose of preventing what are generally known as sweat-shop conditions.

Mr. President, the minority of the committee have filed a plan or proposal for reducing the minimum wage plan of the majority. I wish to call attention to some of the things which have already been said in the debate. The senior Senator from New Jersey [Mr. HAWKES], last Friday, made this statement, which appears on page 2557 of the CONGRESSIONAL RECORD:

I do not know whether the committee gave thought to the point I am about to mention. My colleague knows me and he knows what I believe in regard to wages. The Senator from Kentucky [Mr. BARKLEY] said one thing with which I can definitely agree, namely, that if we can obtain throughout the United States a satisfied group of employees who are not worrying all day long about making a living, they will do more efficient work and will help solve the problems of our democracy. There is no question about that at all.

But again I ask whether the committee gave definite thought to the matter of foreseeing the future. I think the Senator will find that most businessmen in the United States would go along very happily with the proposal for a 55-cent minimum wage or some similar figure; but I think it will be found that nearly every person in the United States who is charged with operating a business and meeting a pay roll will say, "Why did the legislative body think it could foresee what would happen in this great country of ours 18 months from now?"

Apparently the thought of the Senator from New Jersey was that we dare not legislate for a time in the future; that the future is something which no one knows anything about. The Senator from Vermont [Mr. AIKEN] said:

I should like to know how long a distance the senior Senator from New Jersey considers it is from the present to the future which is dealt with by the pending bill, and how far we would have to go before we arrived at that future.

We cannot legislate for the past. That would have no effect on the conduct of man. Now the point is made that we cannot legislate for the future because we do not know the future. Therefore the Senator from Vermont asked the very pertinent question, "How long a distance is the future?" We are by the Constitution clearly prevented from dealing with the past.

Mr. AIKEN. Mr. President——

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Delaware yield to the Senator from Vermont?

Mr. TUNNELL. I yield.

Mr. AIKEN. The Senator from Delaware may recall that the Senator from New Jersey was referring to an 18-month period, and stating that we could not foresee conditions 18 months ahead. We could very aptly have called his attention to the fact that it was the minority members of the committee and not the majority members of the committee that used the 18-month period of time.

Mr. TUNNELL. The point I am getting at is that the Senator from New Jersey was objecting, as the Senator from Vermont and I both understood, to the suggestion in the minority report that the wage should be effective 18 months later.

Mr. AIKEN. The Senator from New Jersey held that we could not foresee conditions which would exist 18 months later. However, the minority and the majority of the committee both agreed on legislating for 18 months into the future.

Mr. TUNNELL. Yes; but the senior Senator from New Jersey does not agree with either the minority or the majority. He does not believe in legislating for the future, as I understand.

Mr. AIKEN. I agree with the senior Senator from New Jersey that there are a good many people who cannot see 18 months into the future. But I do not think that many of them are in the Senate.

Mr. TUNNELL. I agree that it is a great problem as to when we shall reach a certain stage of development, and all that. At the same time I do not think our predecessors in the Senate or in the House refrained from passing the 40-cent per hour minimum law on the ground that they could not see into the future.

Mr. AIKEN. I think that conditions which will prevail 18 months from now are going to depend to a considerable extent upon the sort of legislation we enact now. We can legislate to make national conditions better in the future or we can legislate in such a manner as to retard national expansion and growth.

Mr. TUNNELL. I should like to ask the Senator from Vermont this question: Does he believe that the defeat of the minimum wage bill would have the effect of increasing the prosperity of the country 18 months from now?

Mr. AIKEN. The Senator knows my attitude on that question. I think the defeat of the bill would tend to diminish national prosperity 18 months from now.

Mr. TUNNELL. Thus by our own votes we would be bringing on such a condition that a minimum wage that would help to support or would come anywhere near supporting a family would simply be impossible.

Mr. AIKEN. That is correct.

Mr. TUNNELL. There is a theory advanced in the views of the minority to which I wish to call attention:

> The committee majority has departed from that concept of a "minimum wage" for an individual and is attempting to fix as a minimum what might be termed "a standard wage" needed to support a family of four. The standard used by one witness after another on behalf of the 75-cent figure was the amount necessary to maintain adequately a family of four. Repeated efforts failed to produce any evidence, or even reliable estimates, as to how many wage earners who would be affected by the bill actually are responsible for the support of a family of that size.

As I have understood, those who oppose a minimum wage of any consequence believe that the wage should depend on the value of the services rendered, on the value of the wage earner. In the minority views Senators say that a family of four is not what we are attempting to provide for; that that is not the basis for the minimum wage; but that a family of one is what we are considering.

Since I read that astonishing attitude on the part of the minority of the committee I have been wondering just how the wife and two little children were going to live. If the wage which a person is to receive will support a single man or a married man without supporting his wife and two children, then I wonder how the wife is going to be supported, and I wonder how the 1-year-old child or the 2-year-old child is going to be supported, because a minimum wage is not supposed to be sufficient to support anyone but the wage earner himself, and at 40 cents an hour, with 40 hours a week, the wage will not support anyone but the wage earner.

Mr. President, there is not very much use to attempt to defend a policy of that sort, and I was somewhat surprised when one or two Senators seemed to attempt to justify the thought that a minimum wage should be sufficient to support only the wage earner himself.

I do not know how it may be in some States, but in my State I think the minority of the committee would have a good deal of difficulty persuading the Attorney General's office that the wage earner was not liable for the support of his wife and two little children.

Mr. President, I hope the views expressed by the minority represent the belief of only a minority of the American people. I hope only a minority of the American people hold to the theory that a person who is the head of a family, the wage earner, is the only one who should be considered, and that the wage for him should be the wage for both himself and his wife and for all his family. This is a most astonishing and absurd position for the membership of the minority to take with respect to a minimum wage. Yet the minority report is signed by six members of the Senate Committee on Education and Labor.

The Nation since 1938 has been living under a minimum-wage theory; it has had a minimum-wage law, and that law certainly was not passed on the theory that the minimum wage was to be different in the case of a single man from what it was in the case of a married man, nor was it based on the theory that no one but the wage earner himself should be considered when dealing with a family of four.

Mr. President, the views of the minority on Senate bill 1349 should be studied and read by every Member of the Senate, because it is a classic of its type. It is remarkable for its ability to set up false issues and to demolish the opposition based on those issues. It is remarkable also for its ability to start from a partially true premise and proceed to a logical conclusion which is completely false or completely irrelevant.

Repeatedly, those who oppose a decent minimum-wage law have said that the proposal now pending before the Senate represents an increase of 87½ percent. Those who make that statement also tell us that a very large percentage of the wage earners are now receiving 65 cents an hour; and then they turn around and, without directly saying so, give the impression that this is a proposal to increase wages 87½ percent. That is not the truth. It is not the situation, and no one will claim that it is, when we come down to a plain statement of what wage earners are receiving. It is not denied that 80 percent of the factory workers of America are now receiving 65 cents an hour or more—many of them more. One witness who appeared before the committee stated, as I recall, that he was paying those in his factory $1.20 an hour. I heard a Member of the Senate say that in the factory over which he presides when he is not in the Senate there is a minimum wage of 80 cents an hour.

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

Mr. TUNNELL. I yield.

Mr. HAWKES. I appreciate the Senator's remarks in regard to what I said in the Senate. The Senator is absolutely correct. However, I should like to invite his attention to the fact that the minimum to which he refers is not fixed by law. It is adjustable to changing economic and world conditions. I think that is a very vital thing.

I am sure that the Senator wishes to have my viewpoint on this question. The system under which the factory in which I am interested operates is based upon voluntary cooperation. Adjustments are made on a voluntary basis. I know of a case in which the workers of a particular company, which was not making money, went to the management and stated that they would like very much to help the company through a difficult period by accepting a reduction of 10 cents an hour. The point I wish to stress is that if the minimum wage is set too high, and an employer cannot go below it without violating the law, he is in a fixed position, which may mean tremendous difficulty in our economic structure throughout the United States. That is the point I wish to make clear.

Mr. TUNNELL. I understand the Senator entirely. I know that he stated that in his factory a minimum wage of 80 cents an hour was being paid, and that the factory had increased the wages 10 cents an hour without it costing the company a cent.

Mr. HAWKES. That is an absolutely correct statement.

Mr. TUNNELL. The increase in wages was compensated for by an increase in productivity. I believe that the Senator has the right idea of the wage situation. I am not saying what I say about the Senator with any idea of reflecting upon him. I am congratulating him, because I think his plan is a great improvement over the plan by which the workers must wait until starvation drives them perhaps to take a stand of hostility or even engage in violence.

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

The PRESIDING OFFICER (Mr. DONNELL in the chair). Does the Senator from Delaware yield to the Senator from New Jersey?

Mr. TUNNELL. I yield.

Mr. HAWKES. I should like to emphasize the vast difference between doing a thing voluntarily and being in a position to make adjustments, as compared with an inflexible requirement of law under which changes cannot be made when necessary. That is the vital point in the picture. Let me say to the Senator, as I said the other day, that any business which must rely upon the exploitation of labor for its existence is not entitled to exist. I go further and say that there are many marginal businesses, which are extremely vital to the welfare of our American system, but which might have to go out of existence if the

wage rate were increased 5 or 10 cents an hour beyond a certain minimum.

Mr. TUNNELL. I entirely agree with the Senator that no employer has a right to pay dividends in terms of the sickness of his employees, or in terms of the amount of money which the employees have earned, and which he refuses to pay. I say that the employer has no right to pay dividends based upon such conditions, and that the profits and the success of the business are falsely judged if they are based upon such a foundation.

I return to the thought of the Senator from New Jersey. He is afraid of what this Congress may do now; but he does not look forward to the Congresses of the future, which will be able to take care of the situation which will then exist. The conditions with respect to labor to which I refer do not exist in the case of workers who are receiving 80 cents an hour, but they do exist among those who are receiving 40 cents an hour. The Senator from New Jersey states that there is a minimum wage in his factory of $32 a week. In the factories and in the woods of the State of the Senator from Louisiana there is a minimum of $16 a week, which will not pay for a decent American standard of living. The purpose of the minimum-wage bill is to take care of such situations.

It is said that the enactment of the proposed minimum wage bill would increase the price of lumber by 5 percent. That would be a terrible situation to picture, would it not? We might save a million lives, but we would have to pay 5 percent more for lumber.

The minority believes in holding down the wage. Instead of allowing a minimum wage of 65 cents an hour, they wish to make it 55 cents. Perhaps they will be able to scrape the butter off the bread of millions of children. Perhaps they will be able to take the dessert from the laboring man's dinner pail. Perhaps they will be able to reduce the number of meals which a worker can have in the course of a year. Perhaps they will be able to soften the teeth of the children of America so that they cannot be filled—a condition which the evidence showed to exist. Perhaps they will be able to keep a little girl from going to school because she cannot have glasses for her eyes. Perhaps they can bring about such a condition that millions of men and women in America will be weak and sickly because they cannot obtain medical treatment. But they will be saving 10 cents an hour, and that is the purpose of their proposal.

When all is said and done, the fear of what is going to happen in the future does not impress me so long as the American Government is functioning, so long as Congress will continue to meet, perhaps a Congress with the same Members in it, 5 or 10 years from now. I assume that future Congresses will be just as intelligent as is the present Congress, and will have just as much ability to look forward and, if necessary, say, "This minimum wage is too high. Things have reached the point where living costs are lower, and it is no longer necessary to maintain such a high minimum standard." Why should we say that the next few years will produce a Senate and a House which will not look after the interests of American labor? What right have we to say that, any more than we have a right to say it as to the present Senate and House? No Member of the Senate will say that a family of four or three and a fraction can be supported on the minimum wage. No one dares say that. The Senator from Minnesota said, "Why don't you make it a dollar?" Mr. President, some of our workers have already passed the dollar limit; many businesses are paying a wage of a dollar an hour in cases in which they are able to do so. I am not one of those who wish to say, as the Senator said, that it is dangerous to mention profits. I say that without profits there cannot be proper living conditions in America during the coming period. We must have profits for the businessman, and I agree just as thoroughly to that as does any other Member of the Senate. I believe there must be profits. I am not so completely carried away with the idea that there are no profits, when the Government agencies tell us that there was a national income of $161,000,000,000 last year and the largest profits in our history. The Senator from Minnesota said, "Suppose you reach the point where there is no money available for the building of new factories or the establishing of new businesses? Suppose the time comes when you encroach so heavily upon the total that there is nothing left for anyone to buy with or invest with?" Mr. President, let us see what the total bank deposits of the United States amount to. The estimated bank deposits in the United States and its possessions as of December 31, 1945, amounted to $166,508,514,000. The Senator from Minnesota stood before the Senate and wondered whether there would be sufficient money available for investment in business ventures. Well, Mr. President, I do not know, but I am hoping that there will be sufficient money. If the present amount is not adequate within the next 3 months or 6 months or a year there will be an increase in bank deposits, unless the money is invested in business. I hope to see a large amount of it invested because, as has been stated, that is how we are going to continue the prosperity of America.

When we are told that 9,000,000 of our people have received wage increases within the last 6 months, I am inclined to think that business is successful and that the American people, from both the standpoint of labor and the standpoint of business, are intelligent, are successful, and have men at work. After all, today 52,000,000 Americans are gainfully employed; $166,000,000,000 is on deposit in banks in the United States and its possessions, and national income in the amount of $161,000,000,000 was produced last year. So, Mr. President, can it be said that we are in danger at this time?

We are told that we must not legislate for the future. That same argument will apply to every bill that is presented to the Senate. We are told, "Do not do it, because it may be that in the future different conditions will prevail, and by that time there will be opposition to lowering the minimum wage." If the condition which some of our people fear develops it may become necessary to change the minimum wage. Some of our people fear that the time will come when we shall have to pay less.

On Friday of last week, the junior Senator from New Jersey [Mr. SMITH] said, as appears on page 2599 of the CONGRESSIONAL RECORD:

> I agree with the Senator. It is only a question of how rapidly we can do it, and whether my point is well taken that the report of the majority would do it too fast and too soon.

Mr. President, those were the words used—"too fast and too soon." There are some underfed, underpaid workmen in America; not all our workmen are being paid 80 cents on hour. I imagine that those who are receiving less than a living wage, who find that they cannot pay their store bill on Saturday night, who find that they cannot hire a doctor because they do not have the money to pay him, who cannot do the things that will enable them to raise a strong, healthy, active American family, do not think that it will be too fast and too soon.

I say to the Senate that this problem is a practical one. It is not a case of whim. If the American people cannot afford to pay sufficient to enable the children of the workingmen to develop into strong, healthy boys and girls and to grow up to be healthy men and women, then there is something wrong with the consuming public and something wrong with the people who have $166,000,000,000 in the banks.

The report of the minority is to be commended for its ability to ignore a record composed of over 1,500 printed pages, so as to avoid submitting the least iota of evidence to support its conclusions. The process of obfuscation which permeates the report is a classic, and I recommend it for study by all who are interested in the subject. Pending such a study, I shall do my best to outline to the Senate the tortuous meanderings of the minds which drafted the minority report.

The minority report says the two major issues involved in connection with Senate bill 1349 are, first, the determination of what is a proper minimum wage at this time, and, second, the coverage of the law. The report provides a setting for the discussion of the minimum wage by stating that the majority propose to increase the present minimum wage from 40 cents an hour to 65 cents an hour, or 62½ percent immediately, and in 4 years to 75 cents, or an 87½ percent increase. The minority then label the committee bill a 75-cent minimum wage bill because by 1950 such a minimum wage will be mandatory. It is true that in statutory language an increase from 40 cents an hour to 65 cents an hour is proposed; but anyone who has attended the hearings held by the committee or who has taken the trouble to read the transcript of the hearings knows that is not the reality of the situation, and knows that the actual increase to the vast majority of low-paid workers will not be anything like 62½ percent.

The majority of the committee are dealing with realities, at a time when millions of workers are desperately in need of food, shelter, and clothing. The realities are that there are few covered workers earning less than 55 cents an hour, and that for the most part the committee recommendation amounts to an increase of about 10 cents an hour from 55 cents to 65 cents, or an increase of approximately 18 percent. That is the reality of the situation and not the 62.5 percent mirage presented by the minority.

Mr. President, if the workers of the Nation were now receiving but 40 cents an hour, the statements set forth in the minority report would be correct. As it is, they are not correct, and are deceptive to those who do not study the question involved.

The minority report goes on to recommend a minimum wage of 55 cents an hour and represents it as a 37.5-percent increase. The minority proposal, in essence, is to legalize the present minimum standard applicable to most of American industry. True it is that there are certain areas where even a 55-cent minimum will do some good, but to offer it as a 37.5-percent increase in wages is nothing but sheer humbug.

The minority did not stop here. This does not fully represent their judgment as to what Congress owes to those of its citizens who have gained least in a rise in the national income from $64,000,000,000 to $160,000,000,000. The minority proposes, out of a tremendous sense of responsibility, to increase the minimum to 60 cents an hour. When? In 18 months. Yes; 18 months. With that increase the new minimum, the report smugly points out, represents a 50-percent increase over the present. If the low-paid workers of the country could eat or wear percentages this would be a wonderful proposal, indeed. As it happens, however, they require dollars and cents to live on, and of that the minority proposes to give them very, very little.

No man can calculate accurately that the business of this country is in position to pay 60 cents an hour but cannot pay 65 cents an hour. The difference is altogether too small. The Senator from Minnesota has attempted to show that the difference represents a small division line between those who are liberal and those who are not liberal. I do not think that such a small division accurately represents the difference between liberals and so-called reactionaries. I do not wish to criticize anyone who sees differently from me in that respect. But the minority did not stop at that point.

The justification for the program submitted by the minority is, first, that the proposed increase of 55 cents an hour is roughly equivalent to the increase in cost of living and, secondly, that the further increase to 60 cents "not only will compensate for any likely increase in the cost of living but also will provide a substantial increase to reflect anticipated increases in the productivity of workers and other factors.

If the American workman is receiving 55 cents an hour at the present time—some of them are receiving less—what would be the advantage gained if the minority views were enacted into law? They would prevent the laboring class of this country from receiving any increase whatever. It would be in only a few isolated cases that they would receive any increase at all. But the Senator from Minnesota said that labor is now organized. He has said that 15,000,000 people are now in the ranks of union labor. Perhaps there are that many. My own estimate is that about one-fourth of the total labor employed in this country at the present time is unionized. If there are 52,000,000 gainfully employed, as we are told there are, and assuming that the Senator is correct in his statement that approximately 15,000,000 of them are unionized, there still remain 37,000,000 workers who do not have the protection of union labor. They do not have the right of collective bargaining. They are merely on the outside, and there is where the injustice is being done to the laboring class today. As I have previously said, there has been an increase within the past few months in the wages paid to approximately 6,000,000 American workmen. No small part of that increase is due to the introduction of the pending bill. I believe that the employers of America have seen the justice of this measure. They have seen that there should be paid an increase in wages, and that a business which is unable to pay the increase is not supporting its labor in an American style.

Roughly speaking—very roughly, indeed—the increase from 40 cents to 55 cents an hour is equivalent to the increase in the cost of living. The majority of the committee has found, on the basis of detailed evidence submitted by a number of experts on the subject, that the increase in cost of living for the low-paid workers is at least 40 percent, and some experts place the figure substantially higher. But, Mr. President, the point to be remembered is that those workers will already be receiving 55 cents an hour before receiving any aid as a result of this bill.

The minority fails even to recommend an increase in proportion to the increase in cost of living, but makes up for this niggardliness by its generosity in suggesting a 5-cent increase to be achieved almost 2 years after the passage of the bill.

Mr. President, 18 months and then 120 days must elapse after the bill is enacted into law before it becomes effective. So, according to the minority views, if workers are now receiving 55 cents an hour they will receive a 50-percent increase after the lapse of 22 months. That situation represents a difference in views between the majority and the minority members of the committee. One believes that the American laborer is entitled to sufficient to live on, and the other says, in effect, "make him live on that amount," naming an amount which it admits is below living standards.

This 5-cent increase, the minority believes, not only will compensate for any likely increase in the cost of living, but will also provide "a substantial increase" the minority says "a substantial increase" to reflect an "anticipated increase in the productivity of workers and other factors."

The report fails to indicate how much of the 5-cent increase proposed will compensate for any likely increase in the cost of living, how much will represent the increase to reflect anticipated increased productivity, and how much will represent the other unspecified factors. It is surprising to me that the committee failed to admonish the low-paid workers against careless spending of the 5-cent increase which it recommends for 2 years—22 months, to be exact—from the date of passage of this bill and I am somewhat surprised that they have not told us that the 5 cents an hour increase would be inflationary, because that is a standard objection.

Inflation, as I understand it, comes from the bidding by many people who have money for property which is scarce, resulting in a rise in prices. I say to the minority, there will be a terrible inflation, if they do not exercise great care, when they raise the wages of underpaid workers, those who are getting from $22 to $24 a week. Look out for the inflation. That makes just as much sense as the statement that the minimum wage is not for a family of four, such as America has, but is only for the head of the family.

In making its recommendation of a 55-cent minimum based upon a cost-of-living adjustment, the minority report carelessly ignores the increase in productivity which has taken place since 1938, when the 40-cent minimum was established as the immediate congressional objective. The committee fails to call attention to the fact that as a Nation we have increased our national income from $64,000,000,000 to $160,000,000,000, an increase, when allowance is made for increased population and higher prices, of approximately 75 percent per capita.

The minority report fails to give the slightest indication as to why the workers who were in the greatest need should be given no share in this increased productivity of 75 percent. All that is offered is some unspecified portion of a nickel share in prospective productivity. When it is considered that the most conservative estimates are for an increase in productivity of at least 10 percent a year in the next few years, or approximately 20 percent by the time the minority recommendation of 5 cents would go into effect, the portion of the nickel which the committee recommends does not seem very beneficent. It seems so utterly niggardly that in all fairness it would be better if the minority had recommended that the minimum stay at 55 cents an hour. At least the issues would have then been clear to the Senate and to the voters of the country. At least it would be clear that the sponsors of the minority report advocate a policy of denying to those millions of workers who depend upon Congress to maintain a minimum of subsistence any share in the 75-percent increase in real per capita national income since 1938 and in 30- to 40-percent increase in productivity which will occur between 1946 and 1950.

The second major contention of the minority on the minimum-wage question is that in legislating in 1938 Congress was fixing a minimum wage for an individual and not a proper wage for a family of four. After having set up this false issue of minimum wage versus a proper wage, the minority goes about the task of demolishing the arguments for setting of wages above the minimum which it considers to be a very radical departure from previous policy and only a short step into Government fixing of all wage rates, which the committee characterizes as a policy which surely would mean the end of our free, competitive economy.

If our workmen are brought to a state of starvation, if they cannot pay their necessary expenses, I wonder how our free competitive economy will stand then. How does it stand now?

As proof of the fact that the majority is seeking to fix wages above the minimum and not a minimum wage, the minority cites the elimination of a provision which was in the original S. 1349 which specifically provided for a certain amount of wage fixing above the minimum. For sheer logic this should get some kind of a prize. The fact that the committee majority voted to eliminate any wage fixing above the minimum and to restrict itself to recommending a minimum wage is cited by the minority as proof that the majority recommendation constitutes a fixing of wages above the minimum. This statement must be read to be believed.

It is not clear how the minority arrives at the profound conclusion that in 1938 Congress was legislating a minimum wage for a single individual, since not one iota of proof for this statement is offered by the minority, or any other statement, for that matter. The Fair Labor Standards Act findings and declaration of policy, which, I take it, represent congressional intent, seek to eliminate labor conditions detrimental to the maintenance of the minimum standard of living necessary for health, efficiency, and general well being of workers. I fail to see any reference in this statement of policy which indicates congressional intent to provide for health, efficiency, and general well being for single workers only, and to permit families to exist under conditions that are detrimental to the maintenance of health, efficiency, and general well being.

I hope every Senator will read the minimum wage recommendation in the minority report. It is not a partisan matter; it is signed by four Republicans and two Democrats.

I thought perhaps the committee reports made it clear that what Congress was intending to protect was the health and welfare of single workers. I looked first of all at the President's message which led to the passage of the Fair Labor Standards Act, where I find the President stating that "one-third of our population, the overwhelming majority of which is in agricultural industry, is ill-nourished, ill-clothed, and ill-housed." I find nowhere in the Presidential message any indication that the minimum wage which he was seeking was to be a minimum for a single individual and not for a family. Nor do I find any such statement in the report of the Senate committee.

I do not quite understand the reasoning of those who are attempting to say, as the writer in the Philadelphia Inquirer said, that the proposed increase is something which the administration must have. Those who are compelled to work for starvation wages are not administration people or antiadministration people; they are not Democrats or Republicans; they are not people who live in any particular section of the country. They are not southern workers or northern workers, except as their employers pay decent living wages or fail to pay decent living wages, one or the other. This is not a matter which starves the administration; it starves the individual worker. Under the minority report he will get, perhaps, after 22 months, an increase of 5 cents an hour.

The committee did say that 40 cents an hour "does not give a wage sufficient to maintain what we would like to regard as the minimum standard of living." Likewise, in the report of the House committee, it is urged that "no fair-minded person would suggest" that 40 cents an hour "is too much to maintain the minimum American standard of living." What is apparent throughout all these statements is that Congress was taking a modest step—and an admittedly inadequate one—toward a minimum American standard of living.

We all know that employers are able to pay a higher wage. American workers are earning a higher wage, and American workers are paying for their living prices which require a higher wage, and they have to do so.

What the minority report proposes to do is to freeze that step, which was admittedly an inadequate one, and to say to the ill-fed, ill-housed, and ill-clothed workers of the Nation, that is where we must stop.

The minority asserts that the majority of the committee is proposing to recommend "a proper wage" or "a standard wage" needed to support a family of four. If the minority is trying to imply that the majority of the committee regards the 65-cent minimum or even the 75-cent minimum as a proper wage, we deny that implication. If the minority is implying that the rate of 65 cents or 75 cents is a proper wage or a standard wage for a family of four, that is their privilege.

Mr. President, I do not think that any Senator or any other person can sustain before an American audience the contention that 55 cents is either a proper wage or a standard wage.

We of the majority deny that a 65 cent or 75 cent minimum wage is a proper wage. We deny that an American family of four can live in health, decency and general well-being on such a wage. We assert that the 65 cent minimum recommended by the majority is truly a minimum wage and that it is inadequate to carry out the declaration of policy contained in section 2 (a) of the Fair Labor Standards Act to eliminate labor conditions "detrimental to the maintenance of the minimum standard of living necessary for health, efficiency, and general well-being of workers."

The minority contends, however, that the low-paid workers of the Nation are primarily single workers and imply that the married workers are in the higher brackets. There is no proof presented in support of that statement, and so far as we are able to find it is not true. In order to make this point, the minority complains because the proponents of the bill have failed to produce "any evidence" as to how many wage earners to be affected by the bill actually are responsible for the support of a family of four. The majority of the committee failed to obtain such information because it considered it irrelevant; because it felt that regardless of the number of low-paid wage earners that are single, the objectives of the Federal policy should be a nation of families and that a minimum wage must support a family if it is to have any meaning at all. Under the minority theory we must have single workers in the future. The minority, though regarding the issue as significant, fails to provide any information on the subject. After erroneously asserting that there are 13,000,000 single individuals employed in the United States the committee concludes that "it is logical to assume that the great bulk of them, being younger and often beginners, are in the lower wage brackets." Since so much point has been made of this issue by the minority, I have taken the trouble to find out what the facts are. On the basis of the data furnished me by the Departments of Labor and Agriculture, I find that of the American consumer units earning less than $1,300 in 1941, over 75 percent were family units of two or more persons and less than 25 percent were single individuals. The logic on which the minority rests its case is shattered by the facts. The fact is that at least 3 out of 4 of the low-paid individuals are supporting families, and that is not all since a substantial percentage of single individuals earning less than $1,300 helped to support members of the family living elsewhere. Moreover, lest one accept the contention of the minority that single individuals in the low-wage brackets are youthful beginners let me refer to an article in the February Monthly Labor Review which points out that of the single individuals earning under $1,500 in 1944, about four-fifths percent were over 30 years of age.

Regardless of these facts, which demolish the case of the minority that a minimum wage should be intended for a single individual, the majority contends that the issue is a false one. We contend that if it is the intention of Congress to abolish conditions detrimental to the maintenance of a minimum American standard of living it must provide a minimum wage sufficient to maintain a family in health and decency.

How far would an employer get in asserting to a married man who applies for work that he would have to take a particular amount because he is married, and in asserting to a single man who asks for a job that he would have to take a less amount because he is single? In-

stead of the minority finding that what a man does, the amount which he is able to return because of what he earns, is a factor, they apparently attempt to base the wage upon the question of whether the worker has a family or not, and say that the minimum wage is not intended for a family. The fact that it is a minimum wage for a family does not make it any less a minimum wage. The idea that a minimum wage for a single individual is a minimum wage and that a minimum wage adequate to support a family is a "proper" wage is sheer sophistry.

The third argument used by the minority in its support of its program is the old bugaboo of inflation, on which I shall not dwell at any length, since I feel sure it will be adequately demolished. I merely want to call attention to two misleading statements made in the three-sentence paragraph on this topic. The first statement is that American industry reached the 40-cent minimum only a little over a year ago. Now, if this statement had read that American industry was compelled by law to reach the 40-cent minimum only a little over a year ago it would have been somewhat closer to the truth, since the Fair Labor Standards Act required that in the absence of early action by the Administrator the 40-cent wage should, in any event, go into effect on October 24, 1945. However, the law also required that the Administrator appoint committees as rapidly as possible in order to reach the 40-cent objective as soon after 1938 as possible. This was done, and the great majority of underpaid employees reached the 40-cent minimum by 1942. Thus, the minority statement should have read that, for the most part, American industry reached the 40-cent minimum by spring of 1942, before the rapid rise in cost of living, and that all of the remainder reached this goal by the summer of 1944.

The second misleading statement in this paragraph is that Chester Bowles told the committee that the price of lumber, already high, would have to be increased 5 percent if the 65-cent minimum goes into effect. This sentence is inserted to support the view that the 65-cent minimum would inevitably add tremendously to the already great inflationary pressures in the country. I submit that this statement would give the unwary reader the impression that Chester Bowles was opposed to the 65-cent minimum wage. An accurate summary of Chester Bowles' testimony is that he was not worried about inflationary effects of the bill on any industry with the sole exception of lumber. With respect to lumber, Chester Bowles did say that the price of lumber might be increased by 5 percent. He also said that the problem of lumber should be handled through subsidies so that the workers would be asked to subsidize the industry. Chester Bowles also pointed out to the public only 2 or 3 days ago that the problems of the lumber and textile industry could not be solved without increased manpower and that increased manpower could not be obtained without higher wages.

On the question of coverage, the minority group asserts that they would leave the existing law as it is. The minority seems to be rather proud of this position despite the fact that President Truman, in his message to Congress on the state of the Union, urged the extension of coverage to millions of workers not presently covered, despite the fact that the Secretary of Labor and the Administrator of the Wage and Hour Division urged the committee to benefit from 7 years' experience with the law to solve some of the problems which have developed in its administration by extending the coverage, and despite the fact that the present coverage of the bill includes less than half of the workers of the country. The majority of the committee believes that after 7 years' experience with the law its benefits should be extended as far as possible.

The argument given by the minority against extending the coverage is that the groups principally affected would be thousands of small employers engaged in the processing of farm and fishery products and in retail distribution. These small employers, asserts the minority, are already squeezed by the rising wages and material costs and the OPA ceiling and would have one more new and complicated set of Government regulations added to their reconversion problem.

The minority first tell us that the small employers are generally in the small towns, and then they tell us that in the small towns the small employers are being squeezed by the higher wages. Then they tell us that the farmer is already being squeezed because wages are increasing in the industrial districts. They then turn around and say that if the 65-cent minimum is passed it will result in higher wages to be paid by the farmers. I wish they would get on one side or the other of this question. Is the fact that wages are being paid at rates higher than 65 cents the thing which is driving the farmer to consider higher wages and meet that competition? Or is it the fact that there is a possible law providing a minimum wage which would not greatly increase the present wage? Which is it that is driving farm wages up? If no minimum-wage bill is passed, will not the farmer still have to compete with mills such as the one operated by the Senator from New Jersey, which is paying 80 cents an hour? Will not the farmer have to compete with them?

These two statements contain a small kernel of truth so surrounded by partially true and totally untrue statements as to be lost to view. Its purpose is obviously to appeal to the small business of the Nation. This is, of course, no new strategy. It has always been the fate of small business to be the shield behind which big business has achieved escape from social legislation. Again they attempt to hide behind the farmer and at the same time admit that the wages of industry have already placed the farmer in competition with higher wages.

Let me first analyze this question of small employers in retail distribution. Is it true that small retailers are covered by this bill? The facts are—for those who are interested in facts—that the committee proposes to extend the coverage to the large employers in retail distribution and to exempt the small employers. The large employers are those chains with five or more stores and nonchains with more than a half million dollars in gross sales. The bill would apply to the A. & P., Sears, Roebuck, Montgomery Ward, Woolworth, and such enterprises. Is this the minority's conception of small business? The committee proposes to cover the large interstate enterprises to the extent that their activities affect commerce. Small employers are exempt.

A second group of small employers for whom the minority expressed concern are those engaged in the processing of farm and fishery products. In the farm products field, it is doubtful whether one can say that the committee's action extends coverage of the act since all such processing establishments have been covered by the minimum wage provisions of the act, except those in the area of production as that term is defined by the administrator. Since the Supreme Court invalidated the last definition of the administrator on area of production, no new definition has been written. The administrator appeared before the committee earnestly pleading for the elimination of the area of production exemption because, as he points out, no definition can be written under the Supreme Court opinion which will be satisfactory and that any definition which he writes will be grossly discriminatory and lead to unfair competition. In the face of this plea, the minority would leave the existing law as it is. In any event, until a valid definition is issued by the administrator, no one can say who is exempt from the minimum-wage provisions of the act. It is true that there are some small employers involved in the area of doubt. Included also are some so-called small businesses such as Bordens, National Dairy Products, Campbell soup, Heinz, and hundreds of other enterprises of that type.

The majority of the committee also proposes to rationalize the great many confusing overtime exemptions and to make them uniformly suitable for the seasonal needs of the food and fish-processing industry. The minority characterizes this action as increasing the coverage of the act although with the exception of fish-processing employees, this proposal does not add a single worker to the coverage of the law.

The minority nowhere mentions and nowhere justifies the continued exemption of agriculture and fish-processing industries from the minimum wage provisions of the act. The minority argues that the exemption for these industries is primarily from the hours provisions of this act and defends the exemption on the ground that these industries are subject to tremendous fluctuations in activity because the exact time at which crops must be harvested and fish caught is uncontrollable and the food must be processed immediately or be wasted. I am in favor of the exemption of farm employees, and believe it is justified. Even conceding everything the minority has said on this point, does this justify a minimum wage exemption from the act? Does the fact that food must be processed quickly require sweatshop wages for the workers engaged in this

vital task? Does it justify the minority proposal to continue the exemption from the minimum wage provisions for the processing of fish and for such operations as may be determined to be in the area of production. The farmer will be taken care of by the demands for his product; and he is entitled an income sufficient to enable him to pay a living wage to his employees.

The minority is horrified because the committee proposes to extend the coverage of the act to "activities affecting commerce." This horror is based on the belief that no one can say definitely what type and kind of establishments would be brought under the law. The minority fails to point out what I am sure they know, that this language is substantially similar to that contained in the National Labor Relations Act, and that there have been 10 years of court opinions interpreting this language. The minority also contends that this language was not in the original bill "and was barely alluded to in committee hearings." It may be that the members of the minority were not present at the committee sessions when the Administrator of the Fair Labor Standards Act appeared before it and pointed out the very serious situations arising out of the present coverage language and suggesting that these difficulties could be solved by adopting language similar to that contained in the NLRA. This testimony is to be found on page 270 of the committee hearings.

The minority is also concerned over certain changes proposed by the committee in the transportation field. The minority asserts that virtually all transportation is now exempt from the hours provisions of the law and that the committee majority proposes to remove this exemption insofar as seamen and some employees of motor carriers are concerned. The facts are that the committee proposes to eliminate only the minimum-wage exemption for seamen and that the sole action with respect to motor carriers is to eliminate a "no man's land" between the Fair Labor Standards Act and the Motor Carrier Act so that a group of employees that are now under neither act will be covered by one or the other.

My main purpose in summarizing the minority report is to present the issues clearly to the Senate so that each Senator will know what he is voting for or against. I submit that the minority report fails to present the issues clearly and that this report sets up a number of false bogies which it dispelled more or less successfully. Let us get rid of these bogies and get down to real issues.

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

Mr. TUNNELL. I yield.

Mr. PEPPER. I have listened with great interest to much of the able Senator's very outstanding address. I believe he has rendered a great service to the Senate in his explanation of the effect of the pending measure.

I was especially interested in what he said about extended coverage. I ask the Senator if it was not generally believed, when the Wages and Hours Act of 1938 was adopted, that it would cover all those which the Federal power, through Congress, was able to reach, and if it was not stated on this floor by the opponents of the measure in 1938 that in fact it would reach all those within the area of the Federal authority? Furthermore, has not experience revealed that not to be the situation, and that there is required the extension of the act by the language in the bill, namely, that it shall affect not only those engaged in the production of goods for commerce, and those engaged in commerce—meaning, of course, interstate commerce—but as well those engaged in activities affecting commerce? I will make the question a double question, and add this: Is it not also equally desirable that the Congress bring into coverage those engaged in activities affecting commerce, if they are within the Federal power, as to bring in those covered by the definition in the present law?

Mr. TUNNELL. I think the Senator has expressed a thought upon which I had not touched, and which I believe was the correct thought at the time when it was considered that this was exclusively an interstate commerce matter. Probably the idea of commerce has broadened since 1938.

Mr. PEPPER. For example, the Supreme Court has decided the Southern Underwriters case, to cite one example only, a case involving a great insurance company engaged in interstate commerce, carrying on the kind of business which insurance companies usually carry on, leading us to infer that probably the court might make the same kind of definition about chain stores, namely, that they are really engaged in commerce within the meaning of the Constitution. Perhaps they would not otherwise be subject to coverage. But we make it clear, by the insertion of the definition "activities affecting commerce," that they are covered.

Mr. TUNNELL. I thank the Senator.

Mr. President, in conclusion, I refer to the statement of the Senator from Minnesota [Mr. BALL], who said something about this being a determination as to whether one wanted a job or did not want a job. I believe his language was "job or no job." If we believed that there was the slightest justification for that statement, we would all be opposed to the bill. But will any Senator—even the Senator from Minnesota—stand before the Senate and say that the difference between 55 cents an hour—or 60 cents an hour, as it would become even under the provisions of the minority suggestion—and 65 cents an hour would mean the difference between a job and no job? That is too close a calculation for the human mind to make; but it is the same argument that was used in 1938 and has always been used by those who believe that the minimum wage should be kept just as low as possible. If the bill provided for a 50-cent minimum wage, there would be those who would be urging the adoption of a 45-cent minimum. It seems that some persons consider it a victory if the wages of laborers are reduced. It seems to me that it would have been considerably more consistent if those who represent the minority view in favor of reducing the minimum wage had come forward with some kind of amendment or provision to reduce dividends or to provide that under certain conditions prices should be increased. I do not think the idea of reducing the wages a laborer receives to a point below the absolutely necessary minimum is the answer. The payment of less dividends or the payment of higher prices is something which neither the man who holds a claim against business or the consuming public will object to. Americans wish to be a Nation of liberal American-living people, and they do not wish to force our workers to the living standards or conditions of the Chinese or Hindus. The people of America are willing and anxious that the laborers in America shall live in a state of prosperity, health, and strength.

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 a joint resolution (H. J. Res. 328) making an additional appropriation for veterans' housing and related expenses, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 1821) to amend section 502 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, so as to authorize the appropriation of funds necessary to provide additional temporary housing units for distressed families of servicemen and for veterans and their families, and it was signed by the President pro tempore.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred, as indicated:

H. R. 844. An act for the relief of John P. Hayes, postmaster, and the estate of Edward P. McCormack, former postmaster, Albany, N. Y.;

H. R. 845. An act for the relief of Mrs. Luther S. Sykes;

H. R. 2063. An act for the relief of Peter Paul Bacic, Charles C. Cox, H. Forest Haugh, and Luther M. Durst; and

H. R. 2092. An act for the relief of the Growers Fertilizer Co., a Florida corporation; to the Committee on Claims.

H. J. Res. 328. Joint resolution making an additional appropriation for veterans' housing and related expenses; to the Committee on Appropriations.

AMENDMENT OF FAIR LABOR STANDARDS ACT

The Senate resumed consideration of the bill (S. 1349) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes.

Mr. MYERS. Mr. President, as one of the sponsors of the minimum-wage bill, I feel that there should be no need for extensive argument on behalf of Senate bill 1349. The fact that it is necessary to build a case for a piece of legislation which seems to me so modest in its aims and so obviously justified would indicate that there is still a serious lag

in our thinking on social and economic issues of this kind.

I am somewhat distressed, Mr. President, that it should be necessary to plead here for legislation which requires a 65-cent minimum wage now, and very cautiously a 75-cent rate in 4 years, in view of the perfectly astonishing high levels of business expansion to which this country can now look forward. It would seem to me that we shall bungle the best economic opportunity which has ever been offered to us as a nation if we waste our time spelling out justifications for legislative action which is imperative and long overdue from every consideration of enlightened self-interest and sound social ethics.

A year ago, even the most sanguine of us felt uncertain as to how quickly the economic machinery of this country could be changed back from war to peacetime uses. That task has been accomplished with almost incredible speed and efficiency. A year ago many of us were taking it for granted that a slump of short or even of moderate duration was more or less an inevitable result of the dislocations in the wake of the war. But we now see that only sheer stupidity, blind selfishness, or utter refusal to see things as they are will cause a so-called business depression in this country.

The demand on the part of the American people and our allies abroad for goods and services of every kind and description has proved itself to be far greater than we had anticipated. Far from there being any cessation of demand, the real problem that faces us is the rapid expansion of our resources in order to meet the pressing needs of our people and of the people abroad to whom we are morally obligated.

If responsible Americans haggle over whether we can or cannot pay minimum wages of 65 cents an hour, or whether this or that group of workers in productive industry should or should not be covered by this proposed law, it is a sign that we are not yet, as a Nation, ready to rise to the great occasion which faces us. There is practically no major industry, no type of communication, none of the established systems of retail distribution, no type of personal services or popular amusement in this country which is not confronted with the need for a speedy expansion in the volume of business, and at the same time all industry is faced with the need for improving the quality of its product. Technological improvements in almost every line of economic activity are being held back by shortages, or because the immediate pressure to alleviate scarcities does not permit the delay which might occur if the new facility were installed.

The same kind of backward, hesitant thinking which forces us to fight for a 65-cent minimum wage level is forcing an inexcusable delay in solving the housing crisis. We are permitting an aggregation of marginal producers and groups of technological incompetents to hold back the development of a really competent construction industry in this country.

None of the larger employer organizations, virtually none of the large trade associations which customarily appear before congressional committees to oppose social legislation, have publicly declared themselves against the broad provisions of the Pepper-Tunnell bill. And none of the really big industries of America, those who have demonstrated their ability either in peace or in war to produce in vast volume while reducing end costs, are fighting the Wilson Wyatt housing program.

Mr. President, what is holding us back? Is there any economic, social, or ethical justification for keeping the brakes on all-out production because we are afraid that some incurable parasitic or backward fragment of industry will be forced to modernize or to give way to those who can do the job in a way which the times demand? I say we are holding back the production of needed shelter for our veterans because we now realize that to get this job done in the time it takes to do it will mean that some elements in our economic society who have refused to rationalize the set-up will be forced to reconvert to new methods just as the automobile manufacturers were forced to reconvert plants when it became necessary to produce planes instead of cars. The result of that conversion was victory in a war against dictators, and a byproduct of this whole process was vast profits for all those who took part in it, plus the accumulation of a vast fund of technical know-how which will be put to very good use in the years to come.

Our delay in enacting the broadest and most generous minimum wage bill is holding back urgently needed production of all types. There is overwhelming evidence to show that production shortages are directly related to labor shortages, which are in turn traceable to the low level of wages in those industries.

In textiles, in lumber, in foundries, and in scores of service trades, the failure to achieve maximum output or maximum efficiency is due to the persistence of substandard wages, which makes it impossible for these industries or trades to recruit a full labor force.

Many aspects of our reconversion program have been severely handicapped by shortages of manpower in low-wage industries. In order to increase output for urgently needed housing, Government agencies have found it necessary to work out programs with trade associations to increase wages in such industries as the brick, cast-iron, soil-pipe, and clay sewer-pipe industries. These increases were necessary to attract sufficient manpower to stimulate production.

The following comments are based on the Labor Market for February 1946, a publication of the United States Employment Service. The information relates primarily to December 1945.

Owing primarily to low wages, the brick-and-tile industry was unable to recruit sufficient manpower and consequently the low level of production threatened the reconversion and housing programs. As a result, a price increase was granted on September 18, and substantial wage increases were given by about half the firms in the industry. Employment was greatly stimulated by the higher wage level, and rose approximately one-sixth in the 2-month period between the middle of October and the middle of December. Accordingly, the serious manpower shortage impeding brick production in preceding months was largely alleviated.

The improvement, however, was not shared equally by all firms. It is interesting to note that these plants which had raised wages 10 cents an hour since September 1945 reported recruiting improving, turn-over and absenteeism declining, and no manpower difficulties anticipated. On the other hand, those firms that had raised wages less than 10 cents an hour almost universally agreed that the increase had not aided recruitment of manpower, nor was it expected to.

A similar situation existed in the clay sewer-pipe industry, and similar action was taken by Government agencies and the industry. Although employment rose from September to December, the return of veterans and availability of farm labor were perhaps stronger influences than the increase in wages. However, the size of the wage increases in this industry were generally small and, despite the adjustment, rates were still low in comparison to those in other types of manufacturing. However, the heavy nature of the work, and the necessity for working outdoors during the winter months were equally deterring factors to the recruitment of additional labor. The experience of this industry would seem to indicate that it takes more than token-wage increases to attract manpower to the low-wage bottleneck industries.

Although the southern pine lumber industry is seriousy undermanned, the industry has been unable to increase its employment since the war at the low-wage rates offered. Whereas many openings are for unskilled labor and thousands of qualified workers are unemployed, there has been little tendency to accept jobs in logging camps and sawmills even where alternative forms of employment are not available.

Where sections of industry have voluntarily established the minimum rates that are called for in this legislation, it has been possible to increase the labor supply, and thereby expand production.

The case of the New England cotton textile mills, which last November raised their minimum rate to 65 cents, is a case in point. Employment and production have increased over 15 percent in these mills in the period between November 1945 and February 1946. Where the wages were not increased the production increase was very slight. Many similar illustrations could easily be cited.

Mr. President, every expert who has looked into the problem of building-material shortages cites substandard wages in several types of manufacture as the basic cause for lagging production. The best proof in the world that this wage increase is needed and can be paid is the fact that industry by and large has voluntarily instituted the 65-cent rate or higher during the time the pending bill has been under consideration. There is now only a comparatively narrow segment of industry which is covered by the Fair Labor Standards Act that still pays minimum wages below 55 cents per hour. It is only fair play and common

justice that those who are paying the 65-cent rate shall be protected against the unfair competition of those who do not.

Speaking for a moment as a representative of a large northern industrial State, I must point out that every consideration of sound sectional self-interest would require the passage of Senate bill 1394 as it has been reported by the committee. Industry in Pennsylvania, just as industry in New England, has suffered seriously in the past from southern competition. The fact is that Pennsylvania includes in its roster of industrial concerns a much larger proportion of textile establishments of almost every kind than is commonly recognized.

In the decade immediately preceding the passage of the Fair Labor Standards Act, there was a flight of industry from Pennsylvania to Southern States. Hosiery manufacture was one of our major industries which suffered serious losses as a result of southern competition.

This has brought serious hardships to the workers in the State of Pennsylvania. Not only is this migration a problem, but the fact that new plants are started in the South while relatively few in Pennsylvania are started, is an extremely important factor.

In 1925, of the 1,061 hosiery plants in this country, 35.4 percent were located in the Commonwealth of Pennsylvania. Only 24.1 percent were located in the South. Today, 20 years later, we find that of the 921 hosiery plants of all kinds in the country, Pennsylvania only has 29.8 percent, having lost almost 100 plants. The South, in the meantime, has 47.3 percent of the entire hosiery industry.

This drift southward was fairly well checked in 1938 when the wage and hour law became operative. The stabilizing effect of this law was abundantly demonstrated within a few months of its enactment.

However, during the war period, the 40-cent minimum which the present law enforces has become entirely obsolescent. A definite disparity now exists between the wage levels actually paid in many Southern States and States like my own State of Pennsylvania. This disparity arises largely as a result of the lower wages paid to workers in such industries as furniture, cotton textiles, hosiery, and many others. With the enactment of a 65-cent minimum wage, however, this gap between northern and southern rates would again be closed or narrowed sufficiently so that it would be less menacing to competing establishments in Northern States.

Among the several industries which are important to my State and which are now showing some tendency to move southward are woolens and worsted, chemicals and paper. There is no reason in the world why concerns such as these are, should shift from where they now are operating, except to obtain lower wages. If Congress will do its obvious duty and enact a just and necessary minimum wage, there will be far less likelihood of industrial concerns relocating merely to be able to exploit workers more effectively in another part of the country.

I am not arguing, Mr. President, for legislation or social policy which will keep any factory or any industrial establishment tied to a particular locality, although the social wastage caused by the transient type of industry has been well recognized by every competent observer. The point that has to be made and driven home is that industry will stabilize itself in a given region or a given community provided that it is guaranteed by the action of Federal and State legislatures that it will not be subjected to the type of unfair competition which an obsolete minimum wage law sets in motion. We will never have absolute uniformity in cost of operation for industries in every hamlet, town, or city in these United States. But it is to the advantage of all legitimate industry to see to it, in so far as costs are conditioned by law, that is by such costs as workman's compensation, unemployment insurance, social security, minimum wages, and the like, that national uniformity be achieved as nearly as is possible.

It is now thoroughly established that the productivity of workers is virtually identical in every part of the country where industry has been established for any length of time. Productivity is conditioned far more by the efficiency of management than by any geographical difference between workers. Ample testimony on this point was presented in the hearings on the pending bill.

A number of studies have been made of the comparative efficiency of factory labor in the North and in the South. One of the most comprehensive of these was a survey conducted by Prof. Richard A. Lester, economist of Duke University, of 41 concerns having plants producing similar products in both the North and the South. In response to questionnaires, 23 of these firms reported the efficiency of labor in their southern plants to be equal to or better than the efficiency of labor in their northern plants. Moreover, a dozen industrial-engineering concerns doing consulting work both in the North and in the South were asked their experiences with the relative effectiveness of labor in the South as against the North, and each of them stated that under comparable conditions, labor productivity in the South was just as high as in the North. Other studies have also reached the conclusion that factory workers in the South produce just as much as northern workers engaged on similar work.

Let me refer, Mr. President, to a case which illustrates this point. The officers of the American Federation of Hosiery Workers, a national union whose headquarters are in Philadelphia, but has membership in all parts of the country, tell me this interesting fact: The full-fashioned branch of the hosiery industry is highly skilled. The machinery employed is exceedingly delicate and complicated, but the rate of production in comparable plants in North and South is now mathematically identical. The wages in the South are, however, much lower. The history of this particular branch of industry demonstrates overwhelmingly the absolute fallacy of regional differentials in wage rates.

The officers of this union are, of course, earnestly pleading for the passage of Senate bill 1349 as the most practical way of eliminating the menace of the substandard wage rates in an industry which has, by and large, achieved excellent wage levels while at the same time keeping costs to the consumer surprisingly stable and well within the reach of the mass market.

Mr. President, my point is that, despite equal productivity, factory workers in the South are often paid lower wage rates than those in other sections of the country, as shown in the following tables.

Average hourly earnings in December 1945 for a few selected industries in the North and in the South show the following:

Industry	Cents per hour	
	North	South
Full-fashioned hosiery	110.8	87.3
Seamless hosiery	68.9	65.0
Cotton goods	85.3	69.1

Before leaving this particular phase of the problem, Mr. President, I wish to call attention to what I might call the "ethical aspect of this problem of regional wage differentials." We have as a Nation just come through a great conflict. There was no difference in the payment to our draftees whether they were from Mississippi or Maine or from Alabama or Pennsylvania. These men suffered together, fought together, and, I hope, they came closer together in their feeling for each other. It is not too much to say that the very foundations of our political and economic democracy were strengthened by this mingling of men and women from all sections of our great country. We must continue to develop and extend this educational process which the accident of the war set in motion. It would be folly of the worst description if we permitted this unification of our people to be delayed, impeded, or side-tracked merely because some group of sweat-shop employers in a few States insisted upon clinging to unfair advantages which congressional delay in enacting proper legislation has afforded them.

Mr. HAWKES. Mr. President, before I address myself to the minimum wage standard bill, I should like to say that I was present in the Senate when the Senator from Minnesota [Mr. BALL] delivered his very excellent analysis of the bill, and that I believe he rendered a real service to every employer and every employee in the United States. From what I have heard in the Senate on the subject of the minimum wage standard bill it would seem to me we are all seeking the same objective. It is simply a question of how to reach that objective of doing the decent thing in employment throughout the United States. Some would regulate the whole matter by law. Others would reach the objective by law to a certain point and then by voluntary collective bargaining thereafter. I might say that the Senator from Minnesota made a very interesting comment which to me means that regulation carried far enough, or too far,

means nothing less than the destruction of individual freedom, the thing which has made America the leader of the world.

Mr. President, I wish to address myself to Senate bill 1349, and particularly to the amendment presented by the Senator from Louisiana [Mr. ELLENDER] and the Senator from Minnesota [Mr. BALL], as representing the views of the minority of the Senate Committee on Education and Labor.

First, let me say that anyone who has employed thousands of people and watched the difference in accomplishment between well-paid employees and those who consider themselves underpaid must realize that the great success of our American system rests upon a balance in equity between all groups which go to make up what we call the free enterprise system.

One of our first and most important objectives should be to find a fair way to divide the fruits of common effort between those who furnish the capital to make the business possible; those in the plants and offices who are responsible for keeping the wheels of business and industry turning around; and third, but not least in the picture—the consuming public, who should get fair value in return for their money.

As has been said on the floor of the Senate by a number of those who have preceded me, the proposed minimum wage standard will not affect favorably a great majority of our working people in the United States. I say it will not affect them favorably for the reason that if the minimum wage standard is set too high it might affect them unfavorably, but I will come to that subject later.

I should like to ask a few questions which I believe will stimulate some thinking which may help us not to make the mistake of doing an injury to those we wish to help, rather than bringing to them a benefit.

We must consider the effect of what we do now upon those who at present are getting two or three times as much as the present minimum wage standard.

First. I ask each Senator to consider who in this body has wisdom enough to set a high minimum wage standard, which automatically increases itself as time goes on, without our knowing anything about the economic conditions which may exist at that time?

Why take such a step now? Why not do the thing that is right for now and count on the Congress to carry through further if and when changes are needed and can be made without serious interference with the great American way of making a living?

Second. How can a minimum wage standard set by a legislative body be fair in New York, Chicago, and Los Angeles on the one hand and on the other hand be fair to businessmen and small industries which are located in out-of-the-way towns throughout America?

The claim that the cost of living is pretty much the same throughout the United States is contrary to the facts. For instance—to say nothing about the cost of food products, I learned from a friend of mine the other day that he has recently rented a house in a small town in Pennsylvania for $100 a month. I can assure Senators that the same house in Montclair, N. J., would rent for $250 a month.

Third. Let us remember that wages are estimated to be 85 percent of the cost of all the important products used by the human family. Therefore, in the last analysis, the consuming public is going to pay the bill.

Carrying this further, if we make the mistake of adjusting wages, by law, to too great an extent, any economist will tell us that such action will feed the flames of inflation.

I shall not go into the details involving figures of bygone years, because in his speech this afternoon the Senator from Minnesota [Mr. BALL] gave a very clear picture of the effect in past years and at the present time.

In my opinion there is no way in the world to keep excessive wages from reflecting themselves in the cost of living; and when a dollar buys considerably less than it did before we have inflation. I invite the attention of the Senate to the statement made by the distinguished Bernard Baruch, that we simply cannot raise wages without raising costs and selling prices, and that it all feeds into inflation.

Fourth. We all know that the 40-cent minimum wage now in existence by law came into effect only in 1945. We also know that all of our talk on price control for the purpose of holding the line against inflation, as well as the Price Control Act itself, relate to the January 1, 1941, prices. Therefore, if we are going to be consistent, we must compare the minimum wage rate in effect January 1, 1941, with whatever increase we are going to adopt in the present law.

The minimum wage rate on January 1, 1941, was 30 cents an hour. Therefore, if we increase the minimum rate now to 55 cents that will be an increase of 83⅓ percent.

If we should increase the minimum rate to 65 cents, that would be increasing the minimum rate in this period, as compared with the rate in effect January 1, 1941, by 116⅔ percent.

If we adopt a bill which automatically increases the minimum rate to 75 cents in a certain period of time, that would be an increase of 150 percent, as compared with January 1, 1941.

In all the negotiations throughout the United States with reference to increased wage rates we have been relating things back to January 1, 1941. The Government agencies and other reliable agencies estimate the increased cost of living at slightly less than 40 percent, and few, if any, reliable agencies figure the increased cost of living in excess of 40 percent.

We cannot disregard this factor of relating increases by law in minimum wage rates to the minimum wage in effect on January 1, 1941, if we are going to be consistent in our efforts to control inflation.

One cannot juggle one figure around differently than he juggles others without coming to grief, unless we can find someone who is a better juggler than any I have seen in the Government up to date.

It seems to me that any fair-minded American citizen would say that an increase of 83⅓ percent in the minimum wage rate established by law now, as compared with the minimum rate in effect by law on January 1, 1941, is extremely fair to all those who are affected by the regular established minimum wage rate.

Fifth. I now wish to discuss the effect that a high standard minimum wage rate established by law might easily have on all the wages of people who are receiving two or more times as much as the minimum established rate.

It would be only human for industry, after the present high demand for products ceases—as we expect it will—and the industry finds it difficult or impossible to make a fair profit under the conditions which exist at that time, and in view of the high rate of pay established, to say that the great Congress of the United States fixed 55 cents or 65 cents, as the case may be, as a fair minimum-wage standard. Industry could very properly ask, "Why should we pay $1.10 an hour or $1.50 an hour when the company is not showing a fair profit to those who have invested their capital and made the business possible?"

I can hear some of my friends who think industry always makes money and who never talk on the floor of the Senate about any of the losses business sustains from time to time say that ownership may wish to make too great a profit. That problem is pretty well regulated by taxation, and I doubt if many industries will be allowed to keep too great a profit in the future.

On the other hand, if we put impossible barriers in the way of private industry, it will not function, and I would not now attempt to indicate what may happen to the greatest human development that has ever taken place in the world.

Sixth. I like to be practical in these things, even though we all wish to be as considerate as is safely possible. The same reasoning I have used in connection with high wages being reduced in the event of an economic set-back would carry me to the point where we can figure that a too high minimum wage rate, by law, might be used by many employers in opposing increases in wages as we go along the economic highway. An employer could justify himself in refusing certain increases in wages requested in collective bargaining on the ground that he was already paying considerably more than the Congress of the United States set as a fair minimum wage rate. He could at least justify himself in advancing wages only a fraction of what he might otherwise do.

Mr. President, I think that is a very important factor. I am one who believes, just as sincerely as does any other Member of the Senate, that the higher we can get wages, with fair regard to a decent profit in the business for those who have invested capital and made the business possible, the better it will be for the Nation. I leave this thought with the Senate. When Congress says that 55 cents, 65 cents, or 75 cents is a fair wage, I am sure that any Senator who might be in business would say, "Here is one

way of putting a non-profitable business back on some kind of a profitable basis." He might not say so on the floor of the Senate, but I think if in a losing business he would say it in a little different way than he would if the minimum rate were not fixed at a very substantial figure.

Seventh. I hope that when we finish with this bill, if it passes, that the minimum wage will be 55 cents an hour, and that we will not attempt to look into the future by arranging for advances after 18 months, or any other period of time. The Congress will be here if business is still alive, and the Congress can take a second bite at the situation as the time and necessity for doing so approaches. Why should we, as legislators, endeavor to see the future too far in advance by looking into the magic globe?

Eighth. As I said on the Senate floor the other day, every company I have been associated with has paid greatly in excess of the established minimum wage, and the company of which I was formerly president now has a minimum wage standard which is double that established by law, and its wage rates in effect ever since the Government decided to establish minimum wage rates have been between two and three times the minimum wage rate established by law.

In my work in the United States Chamber of Commerce and other great business organizations, I have always urged owners and operators of business to pay high wages and create satisfied employees, on the ground that it was nothing more than enlightened self-interest to make people better workmen, more interested in the results of the work accomplished by the organization, and possessed of decent spending power so as to keep the wheels of industry and business turning.

I cannot, however, forget the many small towns and small town businesses and manufacturing companies with which I am familiar, and I would be unfair if I did not state that many businessmen and small industries in out-of-the-way places may find it difficult from time to time to pay even 55 cents an hour and still keep going.

As I stated on the floor of the Senate this afternoon, I have been through many years of experience with the ups and downs of economics. It is conceivable to me that we might bring about such a condition that the owner of a business could not operate profitably under certain economic conditions facing him at a given time. He would like to have the opportunity to go to his employees and say, "Would you rather have me close the plant now, or would you rather have me try to keep it going, and what are you willing to do?" I have seen employers go to employees and say, "I cannot make both ends meet under present conditions. Do you want me to keep the plant going? Are you willing to take a set-back for a time so that we can keep the plant going?" I have seen the men respond, not impulsively, but after thinking it over. I have seen them come back with a signed petition to the effect that they wanted to keep the business going, and that they were willing to take a certain set-back because they believed in the honesty of purpose of the employer.

This is one of the reasons why I am now opposed to taking the 65-cent, 70-cent, and 75-cent step. This, plus the unknown future, are the principal reasons why I am hopeful that the Senate will recognize that an 83⅓-percent increase at this time, as compared with January 1, 1941, without attempting to fathom the unknown situation 2 or 3 years from now, is the wise course to follow.

Let not those who are anxious to show proper consideration for humanity do things which, in the end, may injure substantial parts of our population in small towns. Remember, there are thousands of people in small towns who had rather work near their home where they can live at home, go home to lunch, and where they have other economies that are unknown to workers who are away from home. I know many people working in small towns and small businesses and factories who would not change their lot for twice the pay in some distant city where the cost of living and the opportunities of wasting money greatly exceed those found in their local situation.

Ninth. In our efforts to enact a bill with a minimum wage standard covering as many people as possible, we can very easily place a burden upon one company which is competing with another by placing that business under the bill and exempting the other.

For instance, a man with one or two places of business might be doing a total of more than $500,000 a year. He would be controlled by the present bill. Next door to him in the one, two, or three towns where he had places of business, there might be another man whose total business was only $300,000. He would not be controlled. Such discrimination between the two men or the two companies might easily cause the man doing $500,000 worth of business to lose a substantial part of his business to the man doing $300,000 worth of business.

In that respect the bill certainly would work to the detriment of the employees, inasmuch as the second man could improve his business because he could hire labor at whatever price he could get it; and if there were a surplus of labor in the town, he could get it for less than the minimum wage established by this bill.

Such reasoning might even be carried so far as to show that the bill would be a deterrent to the expansion of business by a man whose company got close to the $500,000 mark.

I ask you, Mr. President, could there be any more destructive discrimination or greater injustice than the establishment of such a set of conditions? It just does not make sense, and it does not make justice. It takes great wisdom and a deep sense of justice to draw any dividing line, and I sincerely hope we shall find a way not to create such a discrimination and thereby unintentionally injure certain groups of businessmen and industries which are functioning fairly and are aiding our great industrial and business structure.

I shall support the amendment offered by the Senator from Louisiana and the Senator from Minnesota, but I should like it better if we did not attempt to move beyond the one step of 55 cents an hour.

Mr. President, in the beginning of my remarks today I touched upon a very important point which I should like to reemphasize at this time. I wish to show that in every speech which has been made on the floor of the Senate in regard to Senate bill 1349, the hope has been expressed that we can raise the standard of pay and the standard of wages. The only difference of opinion is as to how that shall be done. I, for one, reemphasize what the Senator from Minnesota [Mr. BALL] said. I have been talking about it all over the United States for 10 years, in the hope that the American people will understand that the only difference between the success of this great Nation and the experience of other nations which have had all the raw materials and all the substance that we have had is that we have made our progress by means of voluntary cooperation, without controls and regulations by law in every respect. We have been freemen. Most of our people do not understand what freedom is. They have had it; everyone in this country has had it for generations—so they accept it as a matter of fact. But freedom enters into the very important subject now before us; I refer to freedom to do the right thing. The pressure which the people of the United States can bring to bear upon persons inclined to do the wrong thing, over and above the establishment of the proper minimum wage, is the pressure which the great United States of America should exert, but it should exert it only by fair means.

So I say that I hope in our effort to find the right means of reaching this improvement in the standard of living and in taking steps to meet the new conditions, we shall not try to depart from the foundations of the United States of America—namely, individual freedom and voluntary cooperation—and turn to regulation.

Mr. President, the other day I received a letter which is a masterpiece. The Senate knows that I have been opposed to the regulation of fair employment by law. No Member of the Senate is more strongly in favor of fair-employment relations and practices than I am, but I was opposed to doing it by law. I received a letter from a very fine old colored gentleman living in Indiana who said something very wonderful:

> DEAR SENATOR: I am a colored man out in Indiana. I have read your speech on fair employment practices and I agree with you. We have tried "lawing" things for over 150 years, but we have not promoted the relationship between the black man and the white man very far. Let's try a little Christianity and a little decency in human relationships, and a little development of democracy instead of "lawing" so much.

Mr. McMAHON. Mr. President, traditionally we Americans proudly acclaim freedom of speech and freedom of religion.

Another freedom, however—freedom from want—has not been achieved for all of our people; and, I believe, that the greatest challenge facing the Congress

today is the proposition that the guaranty of freedom from want shall be extended to all.

Freedom from want has a tendency to color or modify the other freedoms, and it may even determine to what extent they may be enjoyed. Poverty anywhere in our land is a danger to prosperity and general well-being everywhere; and unless the Congress passes the pending minimum wage bill which will take some millions of our people from the fringe of poverty, we shall be failing in our duty as representatives of the people and, in my opinion, we shall be failing in our obligation to a Nation dedicated to the principles of fairness and opportunity for all.

Mr. President, the Congress of the United States virtually defined freedom from want in 1938 in terms of a "minimum standard of living necessary for health, efficiency, and general well-being," when it passed the Fair Labor Standards Act. Workers who do not receive wages sufficiently high to maintain that standard may truly be said to be in want and need. President Truman has termed the 40-cent minimum established in 1938 as inadequate even at that time, and has declared that it has now become obsolete. I am in hearty agreement with the President's conclusions.

Even back in 1938, a 40-cent minimum wage would have provided a minimum standard of living in only one city in the United States, according to studies by the Works Progress Administration, which developed and priced an emergency level budget as a guide to handling relief problems. This WPA emergency level budget, developed in 1935, was so low that it was designed for short periods only; and the WPA warned that the budget would be a hazard to health if families had to live at that level for any considerable length of time.

According to a study made in five communities in early 1944, that emergency budget cost $1,400, or about 70 cents an hour, if the employee worked throughout the year. What would that emergency level budget cost now? A study of the cost of such a budget was made in five textile communities in the South and in New England in January and February of 1944. At that time, the emergency level budget of the WPA, with low-cost-food items of the Bureau of Agricultural Economics substituted, would have cost $1,400. With the addition of taxes and the purchase of war bonds, the cost of that budget would have been $1,621, which the Bureau of Labor Statistics states "represents the very least that would be needed for a family of four residing in those five textile communities in 1944."

Since the average workweek in a peacetime economy is 40 hours, and since there are several holidays during a given year, it seems unreasonable to estimate total annual income on a basis of more than 2,000 hours. On the basis of 2,000 hours a year—and that means working practically every hour of every 8-hour day—the $1,400 figure which I have just mentioned as the cost of the WPA emergency level budget would have required in 1944 a minimum wage of 70 cents an hour. With price rises of almost 4 percent since early 1944, the minimum of 70 cents an hour would not even meet the requirements of that emergency level budget.

Since the Bureau of Labor Statistics has more objective information on costs of living and budgetary costs than any official or private agency, I quote from the testimony of A. F. Hinrichs, Acting Commissioner of the Bureau of Labor Statistics, before the Senate committee:

> The statistical evidence of the inadequacy of the standard that would be permitted by a $1,300 or $1,500 family income seems to me to be almost overwhelming. * * * I would say as a matter of expert opinion that for a family to obtain a minimum standard of adequacy a worker must earn more than 75 cents an hour or must work many hours of overtime or else two or more people in the family have got to have jobs.

In view of such testimony, it is evident that the most that can be said for the moderate increase in the minimum wage rate provided in this bill is that it does represent some increase over the totally inadequate amount provided in the act of 1938.

Mr. President, this Nation has been known as the land of opportunity. We have prided ourselves on the fact that we have maintained high living standards, and our Nation has been referred to in other lands as the land of promise. If we are to make those high-sounding phrases ring with truth, the Congress must make this the land of opportunity for all the people, for the wealthy and the poor, for the bond clipper and the wage earner. We have something so fine in this America of ours that we must not sell it short for the benefit of a few.

Mr. President, you have heard repeated references to our higher national income in 1945—a total of $160,000,000,000—achieved, by the way, when millions of our young men had been drawn from the production lines and from the farms. With the return of those men, there is no reason why substantially higher national incomes cannot be achieved, nor any reason why, with national incomes of such proportions, it would be impossible, or even difficult, to secure for our lowest-paid workers at least the modest minimum wage objectives in the pending bill.

The American people should confidently believe that our system of free enterprise can continue to progress toward higher standards of attainment. Our system of government and our system of production can reach these goals.

There may have been a time when the most that our workers could expect out of our system of enterprise was a minimum to support a single individual. That time is past. Hundreds of thousands of those single people are single because they have dependents—mothers, sisters, and brothers—whom they must support in addition to supporting themselves. Many of the single persons dream of and long for the time when they can have a home and family of their own. That is a modest dream. That is a goal which we in the Senate must bear constantly in mind lest we make that dream more difficult of fulfillment. It is a dream which we can definitely move nearer reality by passing the pending measure. We certainly do not want a minimum so low that it will work toward making this country a Nation of bachelors and spinsters.

The United States has a tremendous responsibility in the postwar world in setting its economic house in order. Our unceasing activity in the direction of guaranteeing freedom from want for all our people will tend to inspire similar activity throughout all the nations of the world.

Mr. President, in closing I assert that we could do no better than to pass the pending measure and thereby send a message to the peoples of the earth that democracy, which is now supposed to be, as it always is, on trial, has been tried and in this instance was not found wanting.

Mr. PEPPER. Mr. President, I have been particularly interested in the address of the able Senator from Connecticut for the following reason: A day or two ago I read in the American magazine an article which had been written by a former Governor of the State of Minnesota, Capt. Harold E. Stassen. Captain Stassen is not a man without experience or, perhaps, ambitions. In the article to which I have referred Captain Stassen gave some counsel to his own party and admonished it to become the truly liberal party of the country. I believe that I would almost be willing to see the country go Republican if the Republican Party were the kind of a party that it should be, and provided a better program and policy were not offered by what is, from my point of view, the better party, namely, the Democratic Party.

However, what particularly interested me—and I relate it to the remarks of the able Senator from Connecticut—was that Governor Stassen emphasized that the administration at the present time is on dead center, that the Democratic Party is demobilized or, in Navy terms, adrift. The reason for that situation was stated by Captain Stassen to be that the Democratic Party has in it a conservative element. Perhaps I am not a part of that element if that is a true description of it. But I was interested in the conclusion of Governor Stassen that liberal progress could not be achieved in the Congress of the United States because of the conservative branch of the Democratic Party. Mr. President, I have not appeared in the role of a defender of the conservative branch of the Democratic Party, if there be such a branch. But I am willing to presume upon the intelligence of the members of that branch only to say that it will be interesting to observe in the vote tomorrow upon the pending bill whether higher wages and a better standard of living for the working men and women of this country are to be stymied, stifled, and obstructed by the Democratic or Republican Members of the Senate.

All I am saying, Mr. President, is that I can well understand, although I do not agree with it, the point of view of the Senators who come from the low-wage areas of the South, who believe that their economy cannot stand such an increase

in wages as is being proposed under the pending measure. As I say, I do not agree with that point of view. I did not agree with it in 1938 when the present wage law was before the Senate, and I believe that time has proven that the fears of the Senators to whom I have referred were groundless. I believe that the future will be equally convincing to those who now fear the results of a higher wage. But, Mr. President, while Senators from low-wage areas of the South might experience the kind of groundless fear as that to which I have referred, what about Senators who come from higher-wage areas? How can they conscientiously entertain such a fear? Suppose there were a high wage scale in a certain State, how could a Senator from that State fail to uphold a 65-cent-an-hour wage as a minimum wage?

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

Mr. PEPPER. I yield.

Mr. BALL. Mr. President, I merely wish to say to the Senator from Florida that I have never voted for or against any issue in the Senate solely on the basis of how the result of the vote might affect my own State. It seems to me that we, as Senators, have an obligation in the Senate of the United States of considering the United States as a whole. I try to do that. As I tried to point out in my address earlier in the day, I regard the question before us as a fundamentally economic one as to where we reach the danger point, where the loss of productivity resulting from unemployment will offset the gain realized by raising the wages of workers who might today be in the very lowest income category. I think the question is primarily one on which we have actually very little evidence today.

Mr. PEPPER. I thank the Senator for his observation.

Mr. AIKEN. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. AIKEN. I think this matter was quite well presented by the senior Senator from South Carolina [Mr. MAYBANK] last week when he pointed out that much of the low-paid labor of the South is employed by northern owners who went South to escape the higher wages in the North, feeling that if they could acquire the industries of the South and could acquire land in the South, and could hire labor for much less than they were required to pay in the North, either by State law or by competition, they would be in a position to undercut their competitors as a result. I do not blame the South for the low wages as much as I blame northern capital which has gone South with the expectation of hiring low-paid, unorganized labor.

Mr. PEPPER. I thank the able Senator particularly for his comment. In case after case in my State, and in the South generally, I have seen the exploitation of southern natural resources. I have seen the exhaustion of our minerals, I have seen the depletion of our forests by northern capital, yet when we proposed that they pay the labor who did their work a decent wage, they said we were trying to confiscate their property. What they meant was that we were trying to diminish their profits in the interest of a better living standard of the people who bore upon their backs the burden of their toil.

Mr. President, all I wanted to say was that the junior Senator from Alabama and the junior Senator from Florida are supporting the pending bill, and perhaps other Senators from the South are likewise doing so. When we advocate this measure, although we come from low-income areas of the Nation, where the per capita wealth is the lowest in all the land, surely we have a right to expect that the Senators who come from the rich States of the North and the Middle West and the West, the Senators who come from high-income States, and States of high per capita wealth, are not going to make our effort more burdensome or obstruct the effort on our part to lift up the people of America to a better life.

Mr. President, in no sense of the word do I wish what I have said considered as a partisan appeal. I wish every Senator on this floor, Democratic and Republican, would vote for the pending bill. I think we should. I believe it would not only help the people directly affected, but that it would help everybody. That is the Christianity there is in good works. By the magnificent law of dividend for virtue, when one does good it comes back to him in greater measure than he dispensed it, and the richest of all people are those who do most for others. That is not only a private doctrine, it applies particularly in the sphere of economy.

I do not propose to support all that Mr. Henry Ford has ever done, by any means, but I remember the dynamic impress he made upon this country long ago when he raised the wage of the lowest paid worker in his plant to $5 a day. There were people who thought that was foolish, that Ford was not only a dreamer, but that he was improvident. Some begrudged the example he had set, because they knew that in time it would affect the wages they, too, would have to pay. Yet Mr. Ford did not do that as an act of philanthropy. He was trying to make it possible for the workers to buy Ford cars, and today the prosperity of our economy is directly dependent upon the purchasing power of the masses of the people.

There are not enough rich people in this country, unfortunately, to buy all the output of our factories and our farms. If we ever needed proof positive of the fact that the key to American prosperity is the prosperity of the masses of the American people, their buying power, we have had it during the war. In the days of Franklin D. Roosevelt, when, in order to get this Nation out of the depression early in 1933, he reversed his own declared policy of economy and retrenchment, and launched this Nation upon a policy of spending money in order to lift up the people, he believed, and I think exhibited proof of it, that that principle was correct. He proved that the ability of the people to buy was the key to the Nation's prosperity and its security. But we never had the courage and the votes—at least the votes, Mr. President—to put enough money into the channels of our commerce and trade to give the experiment a fair show. We never dared to see whether or not it would lift up America, not only the laboring man and woman, but business as well, if we really gave enough money to the people to enable them to buy all the produce of our factories and farms.

We struggled along with one or two or three billion dollars for WPA, and kept the WPA worker of the South on twenty-odd dollars a month—not a week, but a month. Even that lifted us up out of the depression to a very considerable degree, and launched us toward a greater prosperity.

Mr. President, it remained for the war really to make the experiment succeed beyond any question or cavil, for during the war the demands of the war required that we put to work every man and woman, boy and girl, who would and could work. What was the result? The national income soared from $38,000,000,000, what it was in 1932, to $160,000,000,000, in 1944. There was never such prosperity in all the land, not only in the workman's cottage, but in the home of the banker, the railroad magnate, the manufacturer, the investment broker, and everybody else who rides upon the backs of the toilers of America.

The only risk to our future is that we will lose the buying power of the masses of the people. If we lose it, it condemns to failure the business structure of this country. It will topple down the temples of profit as surely as Samson in his blind agony pulled down the pillars of the temple upon his own head.

There is but one way in which to make America prosperous, and that is by observing the good old Democratic doctrine of providing for the welfare of the masses of the people of America. That is not demagoguery, that is good economics, as well as good Christianity and good politics and philosophy.

Mr. President, what I am saying is that I do not want to see any partisan appeal made on the issue before us, but in view of what Governor Stassen said, that it is not possible to pass liberal legislation in this Congress because of the conservative southern bloc in the Democratic Party, I wish to ask my brethren, our friends on the other side of the aisle, if, when we begin to vote tomorrow, there will be as large a percentage of Republican Senators voting for the 65 70 and 75 cents an hour bill as there will be Democratic Senators on this side of the aisle voting for it. I want to make an appeal to our brethren on the other side of the aisle to go along with us tomorrow and let everybody in the country know which party is showing the largest percentage of support for higher wages and a better standard of living for the people of the United States.

Mr. President, I am particularly hopeful that our Republican brethren will follow our good example, because when I first came to an awareness of politics in this country I heard two things about the Republican Party. One was that it was the party of great moral ideas. That was when I was just a boy, Mr. President. The other was that it was the party of the full dinner pail. It made its appeal to the workingman. I remember the cartoons I used to see, the workmen

pouring out of the factories, under a Republican administration, happy, contented, with full dinner pails, for the good old Republican Party looked after the workingman. It filled up his dinner pail. It was later, Mr. President, that the platform of the party came to be to have a chicken in every pot and two cars in the garage. I am harking back to the days of the full dinner pail.

I wish to ask my brethren how full the dinner pail of the American workmen will be if he gets less than 65 cents an hour for 40 hours' work. That, Mr. President, is only $26 for a full week. For a full month it is only $104. On such a wage how full can you fill the dinner pail of a father who has a family to support? How full can you fill the dinner pail even of a single man who may have dependents? Mr. President, how far will it go to pay the expenses of a working girl or workingwoman, who, if she does not have a family to support, if she does not have dependents, has self-respect to maintain, has the duty of a woman to live like a lady to fulfill?

That is what we are going to decide tomorrow when we begin to vote on one of these wage scales or the other. Mr. President, do we realize that if our brethren on the Republican side go along with the majority of the Democrats on this side of the aisle tomorrow, we will put $10 a week more in the workingman's pocket or pocketbook? Ten dollars toward the workingman's doctor bills, toward the workingman's food budget, toward the furniture in the workingman's humble home, toward the leisure that the workingman may occasionally glimpse? Mr. President—toward all that we will enable him to earn $10 a week more. That is not much, but I have seen the time when I followed a plow 12 hours a day for 65 cents for the whole day. Many of us know what it means to get a mere $10 a week more. We have not forgotten such things as that, Mr. President.

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

Mr. PEPPER. I will yield in a moment. If we pass the bill, $10 a week more than provided by the present law will go into the pocketbook of the workingman. Now, $4 a week is not very much, but four times $4 a week is $16 a month, and we will put that much more money in the workingman's family budget over the amount provided in the amendment offered by the able Senator from Minnesota [Mr. BALL], the able Senator from Louisiana [Mr. ELLENDER], and other Senators associated with them, if the bill as reported by the committee and recommended by the President is adopted by the Senate.

I now yield to the Senator from Minnesota.

Mr. BALL. Mr. President, I was interested in the Senator's statement that if we vote for the majority bill we will put $10 a week in the pockets of these low-wage earners. So far as I know the only employees whom I pay—and I do not pay them directly; the Senate Disbursing Office pays them—are all paid considerably above this minimum. I am wondering if the Senator from Florida has not overlooked the very important middleman in this process of putting the $10 a week in the workingman's pocket, and that is the employer who has somewhere to get the money to pay the $10 a week.

Mr. PEPPER. The able Senator will understand, of course, that when I say we put it in workingmen's pockets I mean we do it just like we put men in the Army. We passed a law which made the men go into the Army. I mean we will put that $10 bill in their pocketbooks over what they are now getting, because we pass a law, if the other House agrees with us and the President concurs—we pass a law that makes the employers pay it.

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

Mr. PEPPER. I yield.

Mr. BALL. Does not the Senator believe that it is still up to the employer, who finally pays the wages, to decide whether he shall increase his total wages, if he has 100 employees, by a thousand dollars a week, or whether he shall lay off enough employees to keep his wage bill the same? And under present OPA ceilings probably a great many of them will have to do the latter. Then some employees will not have $10 more a week in their pockets. They will not have any wages coming in.

Mr. PEPPER. Mr. President, I realize that that was the argument made in 1938. It was said, "If you pass the law you will close us down. You are going to throw everyone out of a job when you try to get higher pay for a few."

I am not doubting the sincerity of the fears of the Senator from Minnesota, but, Mr. President, experience has not justified those fears. I have in my heart an abiding faith that experience will not justify his fears if this bill is passed. I realize that there may be a few cases—I think they will be relatively few—where someone will be thrown out of a job. I realize that in legislating for a great country like ours there may be an occasional hardship somewhere. But I am not willing to deny millions of working men and women their due and what they can be paid simply because a few employers somewhere may experience a hardship by a general law of that character.

In every bill we pass we have to apply general principles, and general principles universally applied will fall heavier upon some than upon others. But, Mr. President, the able Senator from Minnesota voted to send men into combat, into the jaws of death, and into the valley of death itself. Yet, but we were legislating for the Nation. In some cases family hardships tore the heart of the soldier who had to leave his hearthstone even to follow his country's flag. But we did not hold back because there was a hardship upon a few. We legislated for the security and the safety of America. Yet today the able Senator is so sensitive about a few employers who may be hurt that he condemns millions of employees to a lower wage than they deserve and their employers can pay them.

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

Mr. PEPPER. I yield.

Mr. BALL. The Senator from Minnesota spoke for himself and, of course, he is not condemning millions of employees to anything. As a matter of fact the majority report on this bill indicates there are only two or three million employees who will be immediately affected by it, as the Senator very well knows. What the Senator from Minnesota has said is that we cannot legislate prosperity in this country by voting, as the Senator said, $10 a week, or $20 a week, or ham-and-eggs or any other program of that type into the pockets directly of the American people. I do not think that is sound economics and will ever work.

The Senator from Florida has been talking about war prosperity. Is he contending that the only basis on which we can achieve the kind of prosperity we all want is on the basis of our war expenditures, when the Federal Government was running a deficit of $30,000,000,000 or $40,000,000,000, or $50,000,000,000 a year? And how long does the Senator think our system would survive that kind of financing and economics?

Mr. PEPPER. Mr. President, I do not ask the Government to take over the economy, but I just said a minute ago that the experience of our economy during the war had proved that the only way to have national prosperity is to have the masses of America's people working at good wages. That is the answer. And when the miserable, unorganized workers at the bottom of the economic ladder cannot by their bargaining power get their fair share of the national income, or a decent wage from their employer, they have no form to which to take their case except the people's Congress, their Government. That is the reason we passed a 25-cent minimum wage bill in 1938 over the vigorous opposition of a large part of the membership of the Senate. They said then that it was not a matter for the Government to deal with. They said the workers should bargain collectively; that if they did not want to work for what they were receiving they should quit. They said what we then proposed would result in drying up the very springs of our prosperity and leave a sterile economy.

But, Mr. President, again I am merely reminding my colleagues that the principles contained in the wage-hour law of 1938 did not justify those fears. What I started to say was that while I sympathize with the fears of some of my able and eminent colleagues from the South, where wages are still too low, and the per capita wealth is too low, and the whole economy is too poor, I do not even agree with their fears. But I cannot for the life of me understand how a Senator from a high-wealth State, from a high-wage-level State, from a rich-economy State, will allow his fears to make him vote for a lower wage than 65 cents an hour for a working man or woman.

Mr. President, the fatal addition to the wage bill of the country if we pass this 65-cents-an-hour measure will be only 2 percent. That is to say, we will raise the wage bill of this country only 2 percent by increasing minimum wages by law to 65 cents an hour. Even when workers get the 75-cents-an-hour wage under this bill, we will raise the wage bill of the country only 5 percent.

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

Mr. PEPPER. I yield.

Mr. BANKHEAD. I should like to ask the Senator if he has information on the subject how much that will increase the national income. How much more money will be put into circulation as the result of increase in wages?

Mr. PEPPER. The able Senator has asked me a question to which I am not sure that I have the answer, but in the committee Mr. Chester Bowles estimated that the total cost of raising minimum wages for all privately employed nonagricultural workers in the country to 65 cents would be only $4,000,000,000 a year. Since the present bill is much narrower than that, actually the total increase in the wage fund will amount to considerably less than $2,000,000,000 a year.

Mr. BANKHEAD. Is that increase limited to the effects of this bill?

Mr. PEPPER. Yes; the effect of this bill would be to put under $2,000,000,000 a year more into the pockets of the working people of the country. And to the able Senator from Alabama, who has been such a gallant and valorous leader of the cause of agriculture in the Senate, let me add also quickly that Mr. Bowles testified that about $400,000,000 of that would find its way into the pockets of the farmers of this country for food products alone. When we add clothing and other things which are produced essentially from the farms, we find that approximately 50 percent of the income of the low-income groups of this country goes to the farmers of the Nation. This means that a billion dollars of the increase will accrue to them.

Mr. President, that is the reason why I say that this bill is not merely for the purpose of helping the workers of the country. It is for the purpose of helping the farmers. It is also for the purpose of helping the merchants from whom the working people buy. It is also for the purpose of helping the bankers who collect the people's money and use it. It is also for the purpose of helping the manufacturers who make the goods which the people buy. It is for the purpose of helping everyone in the United States, and through this Nation, the world economy as a whole.

Mr. President, I humbly ask our brethren on the other side of the aisle to join us tomorrow as we try to pass some liberal legislation which will help everyone in the country.

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

Mr. PEPPER. I yield.

Mr. AIKEN. I wonder if the Senator from Florida is fully aware of the fact that in issuing this challenge to the Republicans he may be jeopardizing the future of the Democratic Party. Surely the Senator from Florida must know that there are between 10,000,000 and 20,000,000 people in this country who would join the Republican Party and vote the Republican ticket just as soon as the party proved to them that it was the party representing the common man of this country. If the challenge of the Senator from Florida should be so effective or the arguments he states should be so persuasive that most of the members of the minority party in the Senate should vote for the 65-cent minimum wage bill, and if they should vote for various measures for improving health and education in this country, and then should wholeheartedly work for the improvement of our relations with other countries and the promotion of foreign and domestic trade, I could see very little future for the Democratic Party in the United States for a long time to come.

Mr. BANKHEAD. Mr. President, will the Senator yield to me so that I may ask the Senator from Vermont a question?

Mr. PEPPER. I yield.

Mr. BANKHEAD. I wonder if the Senator is trying to tempt the Senator from Florida to join the Republican Party. [Laughter.]

Mr. AIKEN. I am not sure but that could be done, if the Republican Party were to do all the things which I have suggested.

Mr. PEPPER. Let me say to my able friend that the Democratic Party has always been the party of the people. If the Democratic Party, with characteristic gallantry and self-sacrifice, should have to lay its life upon the altar of the people's service, I think it would be well given.

Mr. MEAD. Mr. President, as one of the cosponsors of the pending measure, as one who has been supporting the bill which has been reported to the Senate by the committee, and as one who is opposed to the weakening amendments which have been presented and will be acted upon in the near future, I wish to make some observations about this measure.

I appeared before the committee and spoke for the bill during the course of the committee hearings upon it. I believe that it is a reasonable measure, that it comes to us at an appropriate time, and that it carries with it logic and good common sense.

As has been well said on the floor during the course of this debate, the cost of living has risen to such an extent as to wipe out the increases which were provided by the Congress when the minimum-wage law was enacted in 1938. Moreover, Mr. President, the time is ripe, because we have witnessed an increase in the wage standards in many of the industries of the country. Many industries are granting voluntary increases to their employees. I believe that such action has a very sound economic effect.

Many unfortunate workers are unorganized. Some of them are engaged in seasonal work, and others in part-time work, work which is frequently interrupted by reason of various conditions over which they have no control. Such workers have lost their overtime pay, and their wage scale is now much lower than it has been during the past 4 or 5 years. So, Mr. President, considering the situation which confronts us economically, it occurs to me that this is a splendid gesture for the Senate to make. So I trust that the bill will be enacted as it has been reported by the Committee on Education and Labor, which devoted prolonged attention to it.

I wish to point out, so that they may be a part of the record which I make in support of the bill, some of the very effective statements contained in the President's messages to the Congress.

On September 6, 1945, the President requested Congress to renew and amend the Fair Labor Standards Act of 1938. At that time the President laid before us a specific economic program. The party of which he is the leader has a specific economic program. It is the only specific economic program before the American people and before the American Congress at this time. Our President—the President of all the people and all the country, and the leader of the Democratic Party—said at that time:

> The foundations of a healthy national economy cannot be secure so long as any large section of our working people receive substandard wages.

We are now providing for those in the substandard group. The President continued:

> The existence of substandard wage levels sharply curtails the national purchasing power and narrows the market for the products of our farms and factories.

That was well demonstrated by the able Senator from Florida [Mr. PEPPER].

Mr. President, in dealing with the group affected by the pending legislation we are dealing with the group to which the late President Roosevelt referred as the one-third which was ill-fed, ill-clothed, and ill-housed so far as our standard of living is concerned.

President Truman in his message also made this statement:

> I believe that the goal of a 40-cent minimum was inadequate when it was established. It has now become obsolete.

That is a statement which cannot be successfully contradicted.

The President continued:

> The high prosperity which we seek in the postwar years will not be meaningful for all our people if any large proportion of our industrial workers receive wages as low as the minimum now sanctioned by the Fair Labor Standards Act.

Mr. President, during the war, under the strain of war, in an effort to produce the materials of war, we expanded our industrial productivity to an amazingly high degree. That rapid and magnificent expansion of our productivity must be sustained. If it is not sustained by a high purchasing power, we shall drift into the spiral which leads to depression, such as resulted from our economic errors after the expansion which took place in the First World War. That those errors are not being repeated is evidenced by the leadership and the wisdom which have brought about not only the pendency of this legislation, but the entire economic program recommended by the President.

The increased productivity and high annual income which we are now capable of making must be buttressed by a high consuming market. If we neglect the segment made up of the low-wage earners of our population, if we fail to pass this particular legislation and the other bills which have for their purpose an increase in the buying power of our people, then I can see stagnation setting in, gradually at first, but more rapidly as

time goes on, until we find an imbalance between our productivity and our ability to consume. It is true that we may be able to find markets for our goods elsewhere, but the buyers will require dollars with which to buy those goods, and we shall require buying power in this country to keep pace with the assembly-line production which we developed so skillfully during the war.

So, Mr. President, I believe that the pending measure is opportune. It is one of the "must" bills if we are to keep our economic house in order.

I wish to quote from a further message of the President on this measure. In his message on the state of the Union on January 21, 1946, the President again requested the Congress to amend the Fair Labor Standards Act. On that occasion the President said:

Full employment and full production may be achieved only by maintaining a level of consumer income far higher than that of the prewar period. A high level of consumer income will maintain the market for the output of our mills, farms, and factories which we have demonstrated during the war years that we can produce. One of the basic steps which the Congress can take to establish a high level of consumer income is to amend the Fair Labor Standards Act to raise substandard wages to a decent minimum and to extend similar protection to additional workers who are not covered by the present act.

Mr. President, I ask unanimous consent to have both the President's message delivered on September 6, 1945, and the President's message transmitted January 21, 1946, printed at this point in the RECORD, as part of my remarks.

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

[From the President's message of September 6, 1945]

The foundations of a healthy national economy cannot be secure so long as any large section of our working people receive substandard wages. The existence of substandard wage levels sharply curtails the national purchasing power and narrows the market for the products of our farms and factories.

In the Fair Labor Standards Act of 1938 the Congress adopted a program intended to provide a minimum-wage standard for a large number of American workers.

In that statute the Congress declared it to be our national policy to eliminate from interstate industry, wage levels detrimental to the maintenance of minimum standards of living. The establishment then of a minimum wage of 25 cents per hour represented a first step toward the realization of that policy. The goal of 40 cents per hour, which under the act was to be made effective by 1945, was actually made fully effective more than a year ago by the voluntary action of the industry committees.

I believed that the goal of a 40-cent minimum was inadequate when established. It has now become obsolete.

Increases in the cost of living since 1938 and changes in our national-wage structure require an immediate and substantial upward revision of this minimum. Only in that way can the objectives of the Fair Labor Standards Act be realized, the national purchasing power protected, and an economy of full production and abundance preserved and maintained for the American people.

The high prosperity which we seek in the postwar years will not be meaningful for all our people if any large proportion of our industrial wage earners receive wages as low as the minimum now sanctioned by the Fair Labor Standards Act.

I, therefore, recommend that the Congress amend the Fair Labor Standards Act by substantially increasing the minimum wage specified therein to a level which will eliminate substandards of living, and assure the maintenance of the health, efficiency, and general well-being of workers.

The scope of the Fair Labor Standards Act also should be clarified and extended. In view of changes which have occurred since 1938, I believe it is no longer necessary to exclude from the minimum-wage program the large number of workers engaged in agricultural processing who are now excluded. There now exists a twilight zone in which some workers are covered, and others, doing similar work, are not. Extension of coverage would benefit both workers and employers, by removing competitive inequities.

[From President's message of January 21, 1946]

Full employment and full production may be achieved only by maintaining a level of consumer income far higher than that of the prewar period. A high level of consumer income will maintain the market for the output of our mills, farms, and factories which we have demonstrated during the war years that we can produce. One of the basic steps which the Congress can take to establish a high level of consumer income is to amend the Fair Labor Standards Act to raise substandard wages to a decent minimum and to extend similar protection to additional workers who are not covered by the present act.

Substandard wages are bad for business and for the farmer. Substandard wages provide only a substandard market for the goods and services produced by American industry and agriculture.

At the present time the Fair Labor Standards Act prescribes a minimum wage of 40 cents an hour for those workers who are covered by the act. The present minimum wage represents an annual income of about $800 to those continuously employed for 50 weeks—clearly a wholly inadequate budget for an American family. I am in full accord with the proposal now pending in the Congress that the statutory minimum be raised immediately to 65 cents an hour, with further increases to 70 cents after 1 year and to 75 cents after 2 years. I also favor the proposal that the industry committee procedure be used to set rates higher than 65 cents per hour during the 2-year interval before the 75-cent basic wage would otherwise become applicable.

The proposed minimum wage of 65 cents an hour would assure the worker an annual income of about $1,300 a year in steady employment. This amount is clearly a modest goal. After considering cost-of-living increases in recent years, it is little more than a 10-cent increase over the present legal minimum. In fact, if any large number of workers earn less than this amount. we will find it impossible to maintain the levels of purchasing power needed to sustain the stable prosperity which we desire. Raising the minimum to 75 cents an hour will provide the wage earner with an annual income of $1,500 if he is fully employed.

The proposed higher minimum-wage levels are feasible without involving serious price adjustments or serious geographic dislocations.

Today about 20 percent of our manufacturing wage earners—or about 2,000,000—earn less than 65 cents an hour. Because wages in most industries have risen during the war, this is about the same as the proportion—17 percent—who were earning less than 40 cents an hour in 1941.

I also recommend that minimum-wage protection be extended to several groups of workers not now covered. The need for a decent standard of living is by no means limited to those workers who happen to be covered by the act as it now stands. It is particularly vital at this period of readjustment in the national economy and readjustment in employment of labor to extend minimum-wage protection as far as possible.

Lifting the basic minimum wage is necessary, it is justified as a matter of simple equity to workers, and it will prove not only feasible but also directly beneficial to the Nation's employers.

Mr. MEAD. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD as a part of my remarks the explanation of the pending bill which is contained in paragraph II of page 3 of the committee report.

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

II

The bill under consideration amends the Fair Labor Standards Act in the following principal respects. (The amendments are fully described in part III of this report.) The bill—

(1) Raises the minimum wage to 65 cents per hour during the first 2 years of operation, 70 cents in the third and fourth years, and 75 cents thereafter. It continues the procedure of the present act whereby industry committees, composed of employer, employee, and public members, may reach the 75-cent objective more rapidly where practicable in accordance with the congressional declaration of policy and standards in the act. The special procedures for determining wages in Puerto Rico and the Virgin Islands still apply.

(2) Broadens and clarifies the coverage of the minimum wage and overtime provisions. Minimum wage and overtime pay are extended to employees of employers engaged in any activity affecting interstate or foreign commerce; chiefly involved are employees of large chain and large independent retail selling and retail servicing enterprises. However, employees in small independent retail selling and servicing establishments are still exempt. Seamen are granted minimum-wage protection but not overtime pay. Industries processing agricultural or horticultural commodities or fish are covered by the minimum-wage and overtime provisions. However, such of these industries as have marked annually recurring seasonal peaks are made eligible for a single overtime exemption in place of the present complex and discriminatory system of overtime exemptions. As a result of these changes, minimum wage and overtime pay will now apply with greater uniformity to employees of employers engaged in the handling or packing or storing, in their raw or natural state, or the first processing or canning, of perishable or seasonal agricultural or horticultural commodities or fish. Employees of motor carriers are covered by overtime-pay provisions unless the Interstate Commerce Commission has set qualifications and maximum hours of service for their occupations prior to the effective date of the bill. Several minor exemptions now in the act are broadened—switchboard operators in public telephone exchanges with fewer than 1,000 stations, and employees of daily as well as semiweekly and weekly newspapers with fewer than 3,000 circulation, are exempt.

(3) Directly prohibits the employment of oppressive child labor by employers engaged in commerce, the production of goods for commerce, or any other activity affecting commerce.

(4) Modifies the provisions for employee suits by providing a 2-year statute of limitations in such employee suits to recover unpaid minimum wages or overtime compensation, and damages, and grants to the courts discretionary power to reduce in

whole or in part liquidated damages in such suits if the employer shows affirmatively that the minimum wage or overtime violations were not willful and that he acted in good faith.

Mr. MEAD. Mr. President, future historians, I venture to predict, will find it strange that we consider it necessary to debate the issue whether 65 cents an hour or 75 cents an hour is too much to pay the workers who are the backbone of our industrial development.

I find it strange myself. I find it difficult to believe that as we enter the atomic age, as we prepare to harness this great new force with all its radical implications for our industrial system, we still have not learned the importance of purchasing power.

We Americans are superb producers. We are poor distributors.

To raise the minimum-wage rate to 55 cents in the industries we are talking about is not to raise it at all. It is well known that the War Labor Board last year set 55 cents an hour as the minimum wage which they would automatically approve, and this figure has become the effective minimum-wage rate for industries in and affecting interstate commerce. So if we amend the bill by reducing the wage scale to 55 cents an hour, we are giving the workers only what they are already receiving in most instances. Last week the Wage Stabilization Board went even further and set the figure at 65 cents. Yet some people still talk about enacting a minimum-wage rate of 55 cents. The only thing that would do would be to change the words of the law.

Mr. President, perhaps an increase in the minimum-wage rate to 55 cents an hour might have been worth while before the war. Now the higher cost of living would make it considerably less attractive. Fifty-five cents an hour for 40 hours a week is exactly $22 a week or $1,100 a year if—and this is an exceedingly big if—the worker gets 50 weeks of work during the year. Even 65 cents is only $1,300 a year. Think of it, Mr. President. We who live in the richest country in all the world, in a country capable of producing almost $200,000,000,000 worth of wealth in 1 year, are fixing by law an annual wage of but $1,100 a year, provided the worker works 50 weeks a year; and we do that at a time when we realize that even $2,000 a year will not maintain the average American family in decent conditions and provide proper food, shelter, and clothing for them. Even 65 cents an hour amounts to only $1,300 a year.

Both these yearly figures fall far short of the lowest estimate of what it takes to keep a family of five decently fed, clothed, and housed. Both amounts are entirely inadequate.

The people we are talking about, those who are down in the brackets below and around 65 cents, are the real ill-fed, ill-clad, and ill-housed men, women, and children of this country. They are the people who wait around bargain counters watching for the very low-sale prices; they are the ones who gather in grocery stores on Saturday night just before closing time to pick up fruits and vegetables or meat likely to spoil before Monday morning. They are the unorganized workers who cannot speak for themselves. They are the ones who really need the protection of this proposed law, and I say they should have it.

Mr. President, I shall not dwell on the general question of raising the floor under wages. To me the issue is clear. This great Nation, already in the first phase of a gigantic production boom, does not want—and cannot afford—to have second-class citizens without enough to eat or enough to wear or a decent place in which to live.

This is the time to raise the floor under wages. There will soon be the highest peacetime level of production in our history. We shall break all records. Huge profits are being made without even an excess-profits tax to worry about. Now is the time to act. But all this has been said before during this debate, and I shall not urge it further.

What I wish to talk about are the provisions of the bill that extend coverage to two and a quarter million people who will gain the benefits of the wage-hour law if the bill passes as it stands today. I want particularly to talk about one group whom the bill affects—the retail employee.

As President Truman said:

> It is particularly vital at this period of readjustment in the national economy and readjustment in the employment of labor to extend minimum-wage protection as far as possible.

I do not see why all these exemptions were put into the law in the first place. But now is a good time, as President Truman says, to change or repeal them.

It seems to me that there are only two criteria to determine whether employees should be under this proposed law. The first criterion is whether they are within the constitutional power of the Congress; that is, whether they are engaged in or affect commerce. The second criterion is whether the law is capable of enforcement, insofar as the particular group is concerned. I understand why we cannot put certain groups of people under the law; it is because we simply cannot enforce it as to them. We cannot put outside salesmen under the law because we do not know when they are working. We cannot put a highly paid professional man under the law because he simply does not operate that way. There is no sense having a law that is not enforceable.

But there are all sorts of exemptions in the minimum-wage law today that go far beyond these criteria. There is no better example of this than the men and women behind the counters of the big chain and department stores throughout the country.

Let us hold up against the tests I have suggested, the case of the chain and department store worker. Certainly the employees of a large department store or a chain grocery store fall within the constitutional power of the Congress to deal with matters in and affecting interstate commerce. Under the Wagner Act, the National Labor Relations Board has steadily held that such companies are under the Wagner Act, and it has been continuously upheld by the courts. There is no reason for any different rule where wages and hours are concerned. Equally certain, the law is enforceable with respect to these workers. They punch a time clock just as do workers in a factory.

If we do not follow these two rules, if we give a number of exemptions the following is the kind of a result we get—and there are many cases like this one: Mary and Margaret are sisters. They leave the house at the same time every morning and they get home at the same time every evening. Mary goes to a shirt factory and sits down at her sewing machine and works 40 hours a week. Margaret goes to a large retail store and stands on her feet behind the counter 40 hours a week. Mary is under the wage-and-hour law, but Margaret is not. However, both are under the Wagner Act. Why should there be this discrimination?

An exemption was provided in section 13 (a) (1) for workers employed in a local retailing capacity. Then there was provided a whole exemption in section 13 (a) (2). I say that now is the time to wipe off the books that discriminatory favoritism toward chain stores.

Take a look at the profits of some of the chain stores. The 13 food chains made 200 percent more in 1944 then they made during the years 1936 to 1939. They made 50 percent even after taxes. Department stores made 346.3 percent more in 1944 than during the 1936–39 period; they made 60 percent even after taxes. Now that the excess-profits tax is off, their profits will probably go through the roof; at least, Mr. President, it is reasonable to assume they will be higher. I wonder whether anyone seriously contends that this favoritism should continue.

I, for one, am really interested in the small independent store. That is why I insisted that the bill contain an exemption for these small independent stores, and the bill as it now stands provides an exemption for any independent store doing less than one-half million dollars' worth of business. But a large store, chain or independent, should certainly pay 65 cents an hour to the girl who has to deal with a large number of customers from 9:30 in the morning until 6 at night.

I want a law that will do something for these people. In New York there has been established a 52-cent minimum for retail clerks which was originally to go into effect early this year. I now understand that the effective date has been indefinitely postponed. The retail employees in New York are learning what "too-little-too-late" means in our own country.

If there ever was the right bill and the right time, this is it. I shall oppose every effort to water down this bill. The people of the country are solidly behind it. We must not let them down. Certainly the President of the United States is behind it, and I hope the Senate of the United States will back up the President. We must give fair consideration to the workers who are included under the proposed legislation.

Mr. President, I trust that the pending bill will receive the approval of the Senate. I also trust that the amendments

which have been offered to the bill, and which have a tendency to weaken it, reduce the scale of wages provided in the bill, or limit the coverage provided in it, will not be agreed to by the Senate. I appeal to my colleagues in the Senate to think of the workers in the lower categories who are embraced within the provisions of the pending bill, the unorganized workers who have the most difficult tasks to perform, and who receive the lowest pay for their work. I trust that my colleagues will keep those workers in mind. I trust that when we vote on the amendments tomorrow sight will not be lost of their welfare and their well-being, as well as the welfare and well-being of our country.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Arkansas [Mr. FULBRIGHT] to the amendment proposed by the Senator from Louisiana [Mr. ELLENDER] for himself and the Senator from Minnesota [Mr. BALL].

EXECUTIVE SESSION

Mr. PEPPER. I move that the Senate proceed to consider 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 several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

DEPARTMENT OF THE INTERIOR

The legisative clerk read the nomination of Ellis Purlee to be register of the land office at Sacramento, Calif.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. PEPPER. I ask unanimous consent that the Marine Corps nominations be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the Marine Corps nominations are confirmed en bloc, and, without objection, the President will be notified forthwith of all the confirmations of today.

RECESS

Mr. PEPPER. As in legislative session, I move that the Senate take a recess until noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 55 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, March 27, 1946, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 26 (legislative day of March 5), 1946:

DIPLOMATIC AND FOREIGN SERVICE

W. Averell Harriman, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Great Britain.

UNITED NATIONS ECONOMIC AND SOCIAL COUNCIL

John G. Winant, of New Hampshire, to be the representative of the United States of America in the Economic and Social Council of the United Nations.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 26 (legislative day of March 5), 1946:

DEPARTMENT OF THE INTERIOR

REGISTER OF LAND OFFICE

Ellis Purlee to be register of the land office at Sacramento, Calif. (Reappointment.)

IN THE MARINE CORPS

APPOINTMENTS IN THE MARINE CORPS

To be second lieutenants from April 2, 1946

Guenther W. Lenffer	Michael J. Vrabel
Charles A. Ray	Lewis R. Webb
Alvin W. Burri	Robert E. Barde
Jack A. Cohoon	Gordon S. Baxter
Charles W. Cox	Charles W. Blyth
Kenneth B. Fish	Samuel L. Grier
Earl R. DeLong	William T. Hickman
William A. McClelland	James A. Horn
Charles A. Merrill	Paul Kessler
Clair "F" Runyon	Chew Een Lee
Albert C. McLean	Alfred L. Leidy
Robert G. Work	Donald L. Mann
Robert V. Anderson	John F. Miniclier
Nicholas A. Canzona	Willard G. Orth
John E. Dolan	Alfred L. Perry, Jr.
James H. A. Flood	Kenneth E. Rice
William L. Hewetson	Thomas J. Sager
Weldon L. Keating	Joris J. Snyder
Bruce Magruder, Jr.	Richard M. Ulf
Lee D. Martin	Henry J. Witkowski
Gene M. McCain	Joseph A. Zybrands
Carl Pedersen, Jr.	

HOUSE OF REPRESENTATIVES

TUESDAY, MARCH 26, 1946

The House met at 12 o'clock noon.

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

Eternal Father, whose most holy name shows forth the wonder of Thy love, at the altar of prayer we rejoice in Him who made Himself of no reputation, who suffered and walked the earth with men that He might reveal unto them the true nature of God, who is and evermore shall be. Thou who didst come to a world that was destitute, give us that form of love which spiritualizes and beautifies life. Oh hasten the day when the unborn tomorrows shall bring forth the parliament of man, in which shall be established the realm of true brotherhood, in which no rivalries can destroy or controversies can defeat. Be pleased to remember and bless our President, our Speaker, and this Congress assembled, that they may be led to deliberate upon the things that are for the welfare of our whole Nation; strengthen us all with wisdom from above that we may quit ourselves like men, and Thine shall be the praise. In the name of our Saviour. Amen.

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

EXTENSION OF REMARKS

Mr. RANDOLPH asked and was given permission to extend his remarks in the RECORD.

Mr. ROBERTSON of Virginia asked and was given permission to extend his remarks in the RECORD and include an editorial from the Chicago Daily News entitled "Water and Concrete."

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

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

Mr. JOHNSON of California asked and was given permission to extend his remarks in the RECORD and include an address by Dr. M. H. Trytten entitled "Problems of Scientific Personnel and Science Talent."

Mr. SPRINGER asked and was given permission to extend his remarks in the RECORD and include a letter.

DAYLIGHT-SAVING TIME

Mr. SHARP. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

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

There was no objection.

Mr. SHARP. Mr. Speaker, I read in the CONGRESSIONAL RECORD of last Thursday's date, speeches by the gentleman from Pennsylvania [Mr. FULTON] and the gentleman from New York [Mr. BENNET] advocating daylight saving starting April 30 and expiring October 30 for the sole purpose of helping out with our food supply. I come from a section of Long Island, N. Y., that does considerable growing of potatoes and cauliflower, and I do not know of anything to help the conditions more than daylight saving of an extra hour for this purpose. It will benefit those that plant victory gardens, those that work in offices and other positions where they are employed during all the day, each day of the week and month.

I remember when I went to work as a young man, I had a position in the United States post office and I was busy between the hours of 6:15 a. m. and 7:30 p. m. I was not anxious at this time to plant a victory garden, but I had an old trotter I had to jog each day and I could not find time to do it. Usually I jogged him at night, but I could not develop his speed after dark as much as I would have liked to, so it was not very satisfactory, training a trotting horse after dark. If we had had daylight saving at that time, it would have been wonderful.

Now the people are not interested in training horses, but we are interested in growing extra farm production, and I do not think the farmer would object seriously to such a procedure to assist