PUBLIC BILLS AND RESOLUTIONS

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

By Mr. CUNNINGHAM:

H. R. 6113. A bill to authorize the attendance of the Marine Band at Iowa's centennial celebration to be held at Des Moines, Iowa, June 28 to July 4, inclusive, 1946; to the Committee on Naval Affairs.

By Mrs. ROGERS of Massachusetts:

H. R. 6114. A bill to authorize the furnishing of motor equipment to seriously disabled veterans, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. THOMAS of New Jersey:

H. R. 6115. A bill to authorize a preliminary examination and survey of Hackensack River and tributaries, New Jersey and New York, for flood control, for run-off and waterflow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. KELLEY of Pennsylvania:

H. R. 6116. A bill to authorize the furnishing of motor equipment to seriously disabled veterans, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. LARCADE:

H. R. 6117. A bill to provide that persons who served in the Women's Army Auxiliary Corps shall have the benefits of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on World War Veterans' Legislation.

By Mr. PRIEST:

H. R. 6118. A bill to establish an office of technical services in the Department of Commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PHILBIN:

H. R. 6119. A bill to provide for payment by the United States of interest on certain premiums due on life insurance guaranteed by the United States under the Soldiers' and Sailors' Civil Relief Act of 1940, as amended; to the Committee on Military Affairs.

By Mr. SADOWSKI:

H. R. 6120. A bill relating to the admission into the United States, as nonquota immigrants, of certain individuals who have served in the Polish Army, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. WICKERSHAM:

H. R. 6121. A bill to designate the law libraries of State universities maintaining separate law libraries as depositories for laws, rules, and reports of administrative and executive agencies or tribunals and legal opinions and decisions; to the Committee on Printing.

By Mr. RANDOLPH:

H. J. Res. 339. Joint resolution proposing an amendment to the Constitution relating to the terms of President and Vice President; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. HOLIFIELD:

H. Res. 593. Resolution favoring adoption of the provisions contained in the report of the State Department on atomic energy; to the Committee on Foreign Affairs.

By Mrs. WOODHOUSE:

H. Res. 594. Resolution favoring adoption of the provisions contained in the report of the State Department on atomic energy; to the Committee on Foreign Affairs.

By Mrs. DOUGLAS of California:

H. Res. 595. Resolution favoring adoption of the provisions contained in the report of the State Department on atomic energy; to the Committee on Foreign Affairs.

By Mr. BIEMILLER:

H. Res. 596. Resolution favoring adoption of the provisions contained in the report of the State Department on atomic energy; to the Committee on Foreign Affairs.

By Mr. HAYS:

H. Res. 597. Resolution requesting the President of the United States to issue a proclamation on Mother's Day expressing our love and reverence for motherhood; to the Committee on the Judiciary.

By Mr. GWINN of New York:

H. Res. 598. Resolution requesting the President of the United States to issue a proclamation on Mother's Day expressing our love and reverence for motherhood; to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By The SPEAKER: Memorial of the Legislature of the State of New York, memorializing the President and the Congress of the United States to amend and enact House bill 5059 and Senate bill 1715 or other legislation that additional permanent compensation in the sum of $500 per annum be provided for postal employees; to the Committee on the Post Office and Post Roads.

Also, memorial of the Legislature of the State of New York, memorializing the President and the Congress of the United States to reject the Gossett bill and any other legislation having similar aims and objectives; to the Committee on Immigration and Naturalization.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BARDEN:

H. R. 6122. A bill for the relief of Nita H. Stanley; to the Committee on Claims.

H. R. 6123. A bill for the relief of George Cleve Williams; to the Committee on Claims.

H. R. 6124. A bill for the relief of Stanley-Yelverton, Inc.; to the Committee on Claims.

H. R. 6125. A bill for the relief of Richard B. Price; to the Committee on Claims.

By Mr. DIRKSEN:

H. R. 6126. A bill granting an increase of pension to Jerry J. Knedlik; to the Committee on Pensions.

By Mr. MARCANTONIO:

H. R. 6127. A bill for the relief of Vincenzo Governali; to the Committee on Immigration and Naturalization.

By Mr. MILLER of California:

H. R. 6128. A bill for the relief of Rustom Bana, Adi Russi Bana, Nasli Russi Bana, and Narie Russi Bana; to the Committee on Immigration and Naturalization.

By Mr. PHILLIPS:

H. R. 6129. A bill for the relief of Mr. Mahlon Vail; to the Committee on Claims.

H. R. 6130. A bill for the relief of Douglas L. Craig; to the Committee on Claims.

H. R. 6131. A bill for the relief of Mrs. Juanita P. Mercado; to the Committee on Claims.

H. R. 6132. A bill for the relief of Lauriano Mercado; to the Committee on Claims.

H. R. 6133. A bill for the relief of Ellis C. Wagner and Barbara P. Wagner; to the Committee on Claims.

By Mr. REED of New York:

H. R. 6134. A bill for the relief of George W. Reuning, Jr.; to the Committee on Claims.

By Mr. SAVAGE:

H. R. 6135. A bill for the relief of John C. Heath; to the Committee on Claims.

By Mr. SHERIDAN:

H. R. 6136. A bill for the relief of Mrs. Beatrice Martin; to the Committee on Claims.

PETITIONS, ETC.

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

1798. By Mr. LANE: Petition received from the Greater Lawrence CIO Industrial Council, requesting favorable consideration of the legislation providing for the continuance of the Emergency Price Control Act; to the Committee on Banking and Currency.

1799. By Mr. McGREGOR: Petition of Louise S. Leslie, Mansfield, Ohio, and several others, urging Congress to support the following: (1) to keep title X, providing special aid for the blind, in the Social Security Act, and (2) to amend the law to set up an insurance against blindness providing for an allowance to meet the increased cost of living imposed by blindness; to the Committee on Ways and Means.

1800. By Mr. O'TOOLE: Petition forwarded by Robert Nilsen of Brooklyn, N. Y., and signed by 100 other residents of Brooklyn, N. Y., protesting the curtailment of grain for the production of beer inasmuch as the amount used by breweries for making beer is infinitesimal; to the Committee on Agriculture.

1801. By Mr. SMITH of Wisconsin: Petition of Wisconsin Dairymen's Association, recommending certain educational adjustments and setting forth this organization's position on current national problems; to the Committee on Education.

SENATE

MONDAY, APRIL 15, 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:

God of all majesty, we have entered upon Holy Week, commemorating days whose sacred significance our finite minds cannot comprehend. May we contemplate them with a humble spirit and a contrite heart.

We thank Thee for the King, who on Palm Sunday proclaimed His sovereignty over the spirit of man. May we surrender unto Him the citadel of our souls, for "our wills are ours to make them Thine."

Fill us with gratitude for the Prophet who during the succeeding days revealed the eternal truth of God. Inspire us with such a love of Thy truth that we shall come to know the truth of Thy love. We praise Thee for the High Priest, who on Good Friday laid upon the altar the acceptable sacrifice of His own life. Help us to understand that—

"We never choose the better part
Until we set the cross up in the heart."

Grant that on Easter Sunday we may share the glorious resurrection of our King, our Prophet and High Priest, rising with Him in newness of life to build that blessed highway where men and nations shall walk together in His spirit.

To Thy name we ascribe all the praise. Amen.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, April 12, 1946, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

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 on April 13, 1946, the President had appproved and signed the act (S. 1425) to revive and reenact the act entitled "An act to authorize the county of Burt, State of Nebraska, to construct, maintain, and operate a toll bridge across the Missouri River at or near Decatur, Nebr.," approved June 8, 1940.

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 bill (H. R. 5244) to authorize the appointment of additional foreign-service officers in the classified grades, in which it requested the concurrence of the Senate.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on April 12, 1946, he presented to the President of the United States the enrolled bill (S. 1907) to increase the authorized enlisted strength of the active list of the Regular Navy and Marine Corps, to increase the authorized number of commissioned officers of the active list of the line of the Regular Navy, and to authorize permanent appointments in the Regular Navy and Marine Corps, and for other purposes.

PROPOSED ARMY AND NAVY MERGER—ALLEGED MUZZLING OF THE NAVY

Mr. ROBERTSON. Mr. President, last Friday morning many Members of this body were startled upon reading the press reports of a conference held in the White House the day before, during which the President announced a ban on naval and marine officers further opposing the so-called "Army merger plan," and threatening disciplinary action to all violators of his order.

I have no more detailed knowledge of the press conference than is reported in the Washington newspapers, but I do feel it was a most unfortunate occurrence.

I feel certain that the President had no intention of muzzling the Naval Affairs Committee of the Senate in its efforts to consider the Army proposal of merger as put forward by him, nor its further study of the Navy proposals for collaboration. Neither do I feel that the President had any intention of restricting the Naval Affairs Committee from seeking information from naval and marine personnel, both officers and enlisted men.

Many of us are today deeply and seriously concerned about this latest move to place the Navy in a subordinate position. Worse yet, there are many high up in the War Department who are openly stating that the Navy is finished; that since the advent of the atomic bomb the Navy no longer exists.

The Army, finding itself free of any restrictive directives from the President, is continuing an intensive lobbying and propaganda campaign, an example of which I wish to present to the Senate.

About February 12 the officers at Hamilton Field, Calif., were directed to attend a meeting to be held at 1:30 p. m. in a station theater. On arrival at the theater each officer was assessed 5 cents and was handed five penny post cards and the following mimeographed material:

First. A list giving the full name and State of each Senator.

Second. A list giving the full name, the State, district, and post-office address of each Representative.

Third. A paper entitled "Facts About the President's Plan for Unification of the Armed Forces."

Fourth. A paper entitled "Nine Reasons General Eisenhower Gave to Senate Military Affairs Committee."

Fifth. A sample form for a letter to be written home for publication.

Sixth. A sheet containing six sample forms of letters or post cards to be sent to Senators and Representatives.

I may say that I have photostatic copies of the lists of Senators and Representatives as well as of the other material which were handed to these officers. I do not ask to have the lists of Senators and Representatives printed; but I do ask unanimous consent that the other material be included in the RECORD as a part of my statement.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(The matters referred to appear at the conclusion of Mr. ROBERTSON's remarks as exhibit A.)

Mr. ROBERTSON. I read for the information of the Senate paragraphs 12 and 13 of the facts as well as excerpts from the suggested letters sent home and to Senators and Representatives:

Congress will start hearings on this subject about the middle of February. If you are interested in preventing its defeat by certain interests (certain ship manufacturers, naval persons, and a few misguided patriots are actively manufacturing propaganda to suppress or sidetrack proposed legislation) then write, and have your friends and family write—at once.

Legislators are influenced by letters and telegrams and post cards—especially from their constituents. Tell them what you want them to do.

From the letter, I quote:

I am writing you this letter, not to try to sell you on unification of our armed forces, because I think you are already in favor of this bill, but I urge you to take positive action for unification by writing to your lawmakers in Congress.

I'm still in the Army, and it is difficult for me to act on this without being accused of selfish and political motives; and yet I believe sincerely that if we do not move to insure a unified command of all our armed forces, we are inviting another disaster that will strike more quickly and much deadlier than was the case at Pearl Harbor. By now I am fed up with the lack of coordination between our different arms, with the duplication of installations, and with the inefficiency where there is an obvious need for a central command.

I want to urge you again to write to your lawmakers in Congress as an individual or by petition, requesting them to back unification. Take a positive stand now, before it is too late.

The meeting at which this material was distributed consisted of a talk by an Army officer on the importance of securing the passage of the proposed merger bill. During the course of the meeting he requested that each officer fill out the post cards, following the examples contained in the mimeographed material, and send them to their Senators and Congressmen. The following additional directions were given: Each officer was to sign his name only; no rank or anything that would give an indication that he was in the Army was to be used. Above all, the cards were not to be mailed from Hamilton Field.

Mr. President, I should like to read a portion of the mimeographed copies of some of the postals. The first, which contains a threat but slightly veiled, reads:

HONORABLE SIR: I will vote for the man who is for unification of our armed forces because—

Then he sets out four reasons.

The second reads:

As a taxpayer, a citizen, and one of your constituents, I charge you to vote for proposed legislation toward unification of the armed forces.

The third is a little more gentle in tone and starts:

Please do your best to aid the passage—

And so forth. The fourth reads:

You can save us taxpayers a lot of needless taxes if you will promote and vote for the proposed bill for unification—

And so forth. Again, the fifth covers the tax situation. The sixth is short, and reads:

Let's cut out the useless duplication and added expense of our present separate Army and Navy.

Vote for unification and save us all money.

I might say, Mr. President, that I myself received two or three of these postals. I am not able to produce them because in my office such postals are assigned to the scrap basket when received.

Mr. President, I have no thought of imputing a desire to subvert the American form of Government to the distinguished military men who have testified in favor of the merger of the armed services and who are working for its passage. Unquestionably their testimony represented a sincere and honest conviction on their part of the desirability of the reorganization they recommend. However, a monumental fault lies in a method of approach by which Army prestige, Army power, and Army influence have been mobilized in a high-pressure drive to attain a purely political objective. If the use of the organized power of a branch of the armed services is to be countenanced in the internal politics of our country an initial step of great significance will have been taken toward the undermining of all sanctions of law and constitutional process, as may be demonstrated from the histories of the development of innumerable great autocracies, from imperial Rome to Nazi Germany. If the incident at Hamilton Field is in any way representative, Army power

and prestige are being used to adduce a change in our form of government by means which although immoral and unethical to the extreme, are nevertheless constitutional.

The misgivings I entertained upon learning of the incident at Hamilton Field were deepened when I recalled that the officer who presented to the Senate Military Affairs Committee the Army's plan for unification of the armed forces and the War Department's Director of Information, who is charged with the Army's program of public information and education, are one and the same.

Another fact which to me is laden with the utmost significance was revealed in an announcement that the War Department on January 29, this year, established at Carlisle Barracks, Pa., an Army Information School to train personnel for work in public relations, public information, and education. It will be a 2 months' course and 200 officers will attend. That is twelve hundred annually. This means that within a period of a few years every officer in the Army may have been given a course in how to mold and influence public opinion. These facts taken together and considered in the light of the fundamental principles involved constitute grave symptoms of the decay of constitutional government. They mean that the location of real and effective power over the armed forces may be passing from the Congress to the armed forces themselves. They may mean that the elected representatives of the people are mere tools in the hands of the professional militarists, who with unlimited funds appropriated for the national defense, can manipulate public opinion to achieve their own ends. They may mean that we are facing the emergence of a politico-military general staff, German style, which will control not only the armed services of the Nation, but which, inevitably in the expansive nature of such an organization, will make militaristic inroads upon other phases of the national life as well.

There are those who will scoff at this suggestion. There are those who will say again that "it can't happen here."

But, Mr. President, let me remind the Senate that our Army established and maintained an entirely illegal and unconstitutional martial control over government and citizenry of the Hawaiian Islands throughout the war, and that despite the rulings of the Supreme Court as to the illegality of the measure, the Army has given unmistakable indication that it still considers its actions to have been justified.

Let me point to the unprecedented influx of military personnel, some of whom are retained on active duty, into policy-forming jobs in other departments of the Government, and in particular the all-important State Department. As though it were not already noticeable enough, let me remind you that it was the Army Times, which I presume is familiar with Army views, that editorialized recently to the effect that our distinguished Secretary of State no longer enjoyed the confidence of the administration or of the public and recommended that he be replaced by a prominent military leader.

Let me cite the efforts on the part of the military to retain control of atomic energy.

Let me point to indications that the Secretary of War, himself an officer of the Reserve, is identified far more frequently as a representative of the Army in governmental and civil circles than as the civilian agent of the Government within the Army.

Let me remind you, Mr. President, that Army Day, a fitting occasion for the Nation to pay tribute to our Army and to those young men who fought and died for the preservation of democracy, was adroitly converted into an occasion for persuading the public to influence the Congress in behalf of a three-point program dear to the heart of the General Staff. Its objectives were:

First. Continuation of the draft.

Second. Merger of the armed services in a single department and under a single military commander.

Third. The adoption of universal military training. At parades and demonstrations from Frankfort to Korea, Army spokesmen drove home these points with remarkable consistency.

Mr. President, I am not discussing the proposed merger, universal military training, and continuation of the draft. I am aware, however, that the military way and the militaristic way are two separate and distinct aspects of the use of men and materials for the national security, and I see in this program elements designed less for the improvement of the national security than for the perpetuation of the General Staff for the purpose of enjoying power, drawing funds, and drilling great numbers of the civil populace in times of peace.

It is the duty of the Congress and Congress alone to decide each of these questions, and it must do so with calm and deliberate judgment, after the responsible committees have heard the advice and recommendations of all qualified parties, including the professional military and naval men. The partial abdication by the Congress of its powers over the armed forces during the war years has caused them to arrogate to themselves activities which take them beyond the functions assigned to them by the Constitution, and which, if permitted to endure, would undoubtedly permit the military to dictate policy to the Congress.

In conclusion let me sound the warning that the Congress cannot indefinitely abdicate its powers without seriously jeopardizing the principles of our Republic. It cannot sit idly by while the military cultivates the media of public expression to inspire public opinion to support a militaristic program, and to influence and guide the actions of the Congress in connection with the national defense.

Mr. President, when it became apparent that there was a conflict in opinion relative to the merits of the so-called Army merger plan, I sincerely hoped that the President, as Commander in Chief of the Navy, as well as the Army, would advise both branches of the service that they would have to go into conference and iron out their difficulties, and present to him a plan that bore the endorsements of both. This should have been done, and this could have been done, for today, in numerous lower echelon groups, officers of the Army, Navy, the Marine Corps, and the Air Corps are working out their differences in complete harmony.

I feel that it is necessary for national harmony and the future national defense that the President either rescind his order to the Navy, or extend it to every other branch of the armed services.

Certainly we on the Hill and the people of the Nation at large cannot obtain a true and complete picture of the merits or demerits of the Army plan if those opposed to it are muzzled. It is our responsibility here in the Congress to make the final decision as to whether or not we shall merge the armed forces, and if so, to what degree.

EXHIBIT A

FACTS ABOUT THE PRESIDENT'S PLAN FOR UNIFICATION OF THE ARMED FORCES

1. It is not a "merger" of the Army and Navy. No one wants to get rid of our Navy—nor our Army. Both will continue as separate, autonomous services.

2. The plan is for integration of the Washington control and management of the Army, Navy, and Air Forces.

3. The only merging will be gradual evolution in departments of common supplies and services, and closer cooperation of all arms toward more national security.

4. It is not proposed that all services wear the same uniform. It will not tear down the individual traditions or prides of each.

5. In peacetime, the so-called healthy rivalry between the arms has too often turned into bitter competition for limited congressional appropriations of money. This uncontrolled competition tends to drive the arms apart.

6. The claim that the job of a single Secretary of Armed Forces would be too big for one man is obviously dodging the issue. It is not as big a job as that of the President.

7. President Truman said: "We would be taking a grave risk with the national security if we do not move now to overcome permanently the present imperfections in our defense organization. The boundaries that once separated the Army's battlefield and the Navy's battlefield have been virtually erased."

8. "We cannot expect to be given the opportunity again to experiment in organization and in ways of teamwork while the fighting proceeds. Another war would strike much more suddenly than the last—directly at the United States."

9. Economy will be one of the most important results of unified control. Consolidation will reduce the volume of supplies that need to be procured. By reducing the paralleling and duplication of effort and departmental set-ups, manpower number in many thousands will be saved. Eventually, in case of combat, thousands of lives will be saved—yours, or your son's lives, and daughters' and civilians, too.

10. Cooperation is the greatest advantage that would accrue from consolidation of the War and Navy Departments. "Perfected teamwork results as much from friendly association over a period of years as it does from the more obvious reasons of combined tactical training and doctrine."—EISENHOWER.

11. With unification "we can buy more security for less money. Without it we will spend more money and obtain less security."

12. Congress will start hearings on this subject about the middle of February. If you are interested in seeing preventing its

defeat by certain interests (certain ship manufacturers, naval persons, and a few misguided "patriots" are actively manufacturing propaganda to suppress or sidetrack proposed legislation) then write, and have your friends and family write—at once.

13. Legislators are influenced by letters and telegrams and postcards, especially from their constituents. Tell them what you want them to do.

NINE REASONS—GENERAL EISENHOWER TO SENATE MILITARY AFFAIRS COMMITTEE

1. It is essential in order that there may be a well-rounded military program which insures for us the maximum protection for each dollar appropriated.

2. It is not feasible to arrive at the size or composition of each arm without simultaneously considering the others. Each arm supplements the other and no single service can be independently considered.

3. The national security is safeguarded only if the security establishment is fashioned, trained, and administered under single direction—by a single department.

4. The era of atomic weapons, pilotless missiles makes unity of concept, indoctrination, and training more necessary than ever.

5. The pooling of talent in the field of scientific research and development is an absolute necessity. Only through a single department can coordinated development of new weapons be assured.

6. There is the absolute need for economy in administration if we are, as a nation, to afford an adequate security establishment. So long as there are two executive departments in Washington, instead of one, we will continue to be harassed with the needless extravagance of double administration, overlapping duplications, differing standards, and competitive procurement.

7. If we do not integrate the executive management of the three members of our fighting team, our postwar security establishment will become the patch-work improvization that is inevitable where independent departments, at different times compete before separate congressional committees. With integration we can buy more security for less money. Without it we will spend more money and obtain less security.

8. One of the most important and least understood factors in modern war is that it is essentially a matter of perfected teamwork. Perfected teamwork results as much from friendly association over a period of years as it does from the more obvious reasons of combined tactical training and doctrine. By unification at the top we emphasize to our soldiers, sailors, and airmen the essential truth that each wears the uniform of the Nation's fighting forces and that his natural friends and trusted associates are the others who wear that uniform, regardless of its color or design.

9. Finally, there is no such thing as a separate land, sea or air war; therefore we must now recognize this fact by establishing a single department of the armed forces.

DEAR ———: Just a line or two from an old buddy who is still here on the job with ATC. The trans-Pacific line is still operating, albeit with "reducing pains," and we are still getting out an airplane or two every day. The lack of personnel, discharges and maintenance problems are making things tough for those who are left. Things may improve some in the near future and it would look a whole lot brighter if we could be sure of just one thing—that is a subject which should be close to the heart of every man who is or who was in the service—unification.

I am writing you this letter, not to try to sell you on unification of our Armed Forces because I think you are already in favor of this bill, but I urge you to take positive action for unification by writing to your lawmakers in Congress.

I'm still in the Army and it is difficult for me to act on this without being accused of selfish and political motives; and yet I believe sincerely that if we do not move to insure a unified command of all our armed forces, we are inviting another disaster that will strike more quickly and much deadlier than was the case at Pearl Harbor. By now I am fed up with the lack of coordination between our different arms, with the duplication of installations, and with the inefficiency where there is an obvious need for a central command.

One of the best examples of this duplication of installations is the Air Transport Command (ATC) and the Naval Air Transport Service (NATS). On the Pacific route of both services, starting here in California, ATC maintains a huge base, a several million dollar installation, at Hamilton Field, Calif.; and NATS maintains a similar base costing several million dollars, at Oakland. Upon arriving in Hawaii, the same situation exists where within a few miles of each other, the Navy maintains its air transport base and the Army maintains its air transport base with still a third air transport installation known as Transport Air Group (TAG) which is under the Marine Corps. One terminal would be sufficient.

Farther on out in the smaller islands of the Pacific, at Guam, Kwajalein, Johnston, Wake, Marcus, Okinawa, Manila, and Tokyo, duplications exist—some of them being on completely separate airdromes and others being different terminals and installations operating from the same airdromes. The over-all Pacific routes are covered thoroughly by both ATC and NATS. Both ATC and NATS are using identically the same type aircraft and the supporting agencies such as weather, communications, and supply in most cases are also duplicated. This inefficiency of operations and lack of economy is appalling to me as a taxpayer where not a few dollars are expended for needless repetition, but millions; and not a few men are performing jobs which are duplicated by other personnel, but thousands.

Unification in the Army, Navy, and Air Forces would do so much to strengthen and economize the operations, that you would think everyone would be for it automatically; and yet there are a few misguided politicians and other selfish groups who are actively opposing this legislation. There are some sincere and honest but misinformed individuals who just do not seem to understand what unification would and would not do. I am enclosing the nine reasons that General Eisenhower gave to the Senate Military Affairs Committee for unification.

I want to urge you again to write to your lawmakers in Congress as an individual or by petition, requesting them to back unification Take a positive stand, now, before it is too late.

Yours ever.

HONORABLE SIR: I will vote for the man who is for unification of our armed forces, because—

1. Unification will be instrumental in preventing another Pearl Harbor a generation from now.

2. Unification will save millions of dollars of taxpayers money—your money and mine.

3. Unification will avoid wasteful needless loss of many lives such as was suffered by many of our sons in the war just past.

4. Unification will conserve manpower—stop duplication—save time * * * in event of any future conflict.

(Signed) ----------

HONORABLE SIR: As a taxpayer, a citizen, and one of your constituents, I charge you to vote for proposed legislation toward unification of our armed forces.

Majority opinion of the general public favors such a program. Our fullest national security depends upon it. Great economies of money, manpower and time will result therefrom. It is your duty as our Representative to do all in your power to promote this legislation at once.

(Signed) ----------

HON. ———: Please do your best to aid the passage of the proposed laws that will unify our armed forces under one command. This will not do away with the Navy, nor take away all their jobs, as so many of them seem to think. As a veteran, who has seen the waste, loss of time, and loss of lives resulting from lack of coordination between the Army, Navy, and so forth. Even under wartime pressures for getting together, I know a unified command in Washington is needed.

Even now the waste still goes on; you can see it in the duplication of efforts by thousands of men on our bases all over the world.

I'll vote for the man who is for unification.

(Signed) ----------

HONORABLE ———: You can save us taxpayers a lot of needless taxes if you will promote and vote for the proposed bill for unification of the armed forces under one Secretary in Washington.

I want to hear your statement as to your position regarding this plan. If you're for it, we're for you.

(Signed) ----------

HONORABLE ———: I believe that a vote for unification of the armed forces will reduce our taxes. If you believe likewise, then vote for this unification.

You will save us from another Pearl Harbor, too.

Your constituent,

(Signed) ----------

HONORABLE SIR: Let's cut out the useless duplication and added expense of our present separate Army and Navy.

Vote for unification and save us all money.

(Signed) ----------

REPORT OF NATIONAL CAPITAL HOUSING AUTHORITY—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid be- the Senate the following message from the President of the United States, which was read and referred to the Committee on the District of Columbia:

(For President's message, see today's proceedings of the House of Representatives on p. 3714.)

VOTING BY MEMBERS OF THE ARMED FORCES AND CERTAIN OTHERS

The PRESIDENT pro tempore laid before the Senate a letter from the Secretary of Commerce, recommending an amendment to the bill (H. R. 5644) to facilitate voting by members of the armed forces and certain others absent from the place of their residence, and to amend Public Law 712, Seventy-seventh Congress, as amended, on page 15, line 18, to insert a new subsection (d) as follows: "The term 'members of the armed forces' shall include commissioned officers and civilian personnel of the Coast and Geodetic Survey serving in vessels

or shore stations outside the continental United States," which was ordered to lie on the table.

INVESTIGATION OF POWER LOBBY

Mr. MITCHELL. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a letter I have received from Mr. Herbert M. Peet, executive secretary of the League for CVA, together with a resolution adopted by the Columbia Valley Authority League, urging an investigation of the power lobby.

There being no objection, the letter and resolution were received, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

LEAGUE FOR CVA,
Seattle, Wash., March 28, 1946.

Hon. HUGH B. MITCHELL,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MITCHELL: The inclosed resolution was unanimously adopted by the members of the executive committee of the League for CVA at their meeting in Portland, Oreg., March 23.

The League for CVA represents several hundred thousand small businessmen, farmers, and organized workers, in the Pacific Northwest who not only want the Federal Government's investment in multiple-purpose dams protected in a manner so as to bring the most benefit to all the people but also want a unified program set up for the future development of our natural resources.

Yours very sincerely,
HERBERT M. PEET,
Executive Secretary.

POWER LOBBY INVESTIGATION URGED

Whereas 174 private power companies have banded together into a national organization for the avowed purpose of influencing public opinion, through double-page spread advertisements in leading magazines and national radio hookups—a campaign that is purported to be costing upward of $5,000,000 a year—with a view to influencing national legislation adversely which has for its purpose the orderly development of the natural resources of the Nation for the benefit of all the people; and

Whereas there is grave danger, unless these activities are exposed and checked, that the entire investment of the Federal Government in huge projects, such as the TVA, the Grand Coulee project, the Bonneville project, the Fort Peck and other great projects, will be nullified and the benefits from them for the general public, as Congress has ordained in the Reclamation Act, the Bonneville Act, the flood-control acts, will be lost and these benefits will accrue to other limited groups, such as the private power monopolies: Now, therefore, be it

Resolved by the executive committee of the League for CVA, composed of representatives from Oregon, Washington, Idaho, and Montana, in session assembled, That we recommend to the United States Senators from these States that a strong committee be set up to make a thorough investigation of the activities of the 174 power companies and their lobbies in Washington and in the several States, which are aimed to capture for themselves the benefits of public improvements which Congress intended should be for the general public.

Unanimously adopted by the executive committee of the League for CVA, meeting at Portland, Saturday, March 23, 1946.

HERBERT M. PEET,
Executive Secretary.

UNIVERSAL MARRIAGE AND DIVORCE LAW—LETTER FROM FRANCIS R. TAYLOR

Mr. CAPPER. Mr. President, I ask unanimous consent to present and to have printed in the RECORD a fine letter I have received from Francis R. Taylor, of Philadelphia, Pa., in which he expresses the need for a uniform marriage and divorce law.

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

PHILADELPHIA, *February 26, 1946.*

Hon. ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CAPPER: In the course of the past few months I have been increasingly conscious of the travesty that exists, increasing in intensity as time goes on, in the muddled situation of divorce procedure in the various States of the United States. If it were not serious, it woud really be ridiculous since the two decisions of the United States Supreme Court, in the North Carolina cases involving the Williams and Hendrix couples. I have read the United States Reports in both the decisions affecting those couples, and I must admit that it challenges one's confidence in the dignity of legal process, particularly in cases involving divorce in those States of the Union which make a specialty of easy divorce.

I am not so much interested in the inconveniences which arise in the case of adult individuals. If adultery results from such practices, that may be very uncomfortable for those adults, but I am deeply perturbed over the results where the children of such mismated individuals are involved.

I can see no practical solution to the problem, except a uniform divorce law, effective throughout the United States. I do not believe it would be at all practical to have such a uniform law adopted by each of the States, as has been possible in the Negotiable Instruments Acts and similar legislation. The greater the preponderance of forward-looking States which would adopt a uniform divorce law, just to that extent the greater would be the pressure upon parties seeking an easy divorce to resort to backward States which would not participate in the movement.

I believe the analogy between the Federal bankruptcy jurisdiction and the marriage and divorce jurisdiction is perfect, and that we will never be on an even keel with anything like a civilized attitude toward marriage and divorce without Federal uniformity. I realize that Federal legislation upon marriage and divorce is utterly impractical unless it is buttressed by an amendment to the United States Constitution validating such legislation. I understand that you are very much of this same opinion and have been working to that end most consistently for a considerable length of time. I very much desire to aline myself with your efforts and would be counted with that group in the country who would be willing to sponsor such efforts, each in his or her own particular State.

Very sincerely yours,
FRANCIS R. TAYLOR.

REPORTS OF COMMITTEES

The following reports of a committee were submitted:

By Mr. MURRAY, from the Committee on Education and Labor:

H. R. 4908. A bill to provide additional facilities for the mediation of labor disputes, and for other purposes; with an amendment (Rept. No. 1177).

By Mr. PEPPER, from the Committee on Education and Labor:

S. 1779. A bill to authorize the Federal Security Administrator to assist the States in matters relating to social protection, and for other purposes; without amendment (Rept. No. 1178).

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

LABOR DISPUTES ACT OF 1946—MINORITY VIEWS (PT. 2 OF REPT. NO. 1177)

Mr. BALL. Mr. President, on behalf of the Senator from Ohio [Mr. TAFT], the Senator from New Jersey [Mr. SMITH], and myself, as members of the Committee on Education and Labor, I ask unanimous consent to submit the minority views on the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes. I request that the minority views be printed as a separate report and not consolidated with the majority committee report.

The PRESIDENT pro tempore. Without objection the minority views will be received and printed as requested by the Senator from Minnesota.

BILLS INTRODUCED

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

By Mr. McCARRAN:

S. 2062. A bill to provide for the tenure of office and retirement of the Justices of the Supreme Court of the Territory of Hawaii, the judges of the Circuit Courts of the Territory of Hawaii and the judges of the United States District Court for the Territory of Hawaii; to the Committee on the Judiciary.

By Mr. MURRAY:

S. 2063. A bill to amend the Internal Revenue Code so as to provide for the exclusion from gross income for income-tax purposes amounts paid by a veteran in the purchase of a home; to the Committee on Finance.

By Mr. LANGER:

S. 2064. A bill to change the law of Congress to permit the Indians of the United States to select the Commissioner of Indian Affairs;

S. 2065. A bill to provide for the payment to Indians of their individual moneys under the control of the Secretary of the Interior;

S. 2066. A bill to make possible home rule and administrative autonomy on Indian Reservations and to repeal existing law to that effect; and

S. 2067. A bill to provide for the leasing of the allotted lands of Indians; to the Committee on Indian Affairs.

By Mr. WALSH:

S. 2068. A bill for the relief of John Bernard McBride; to the Committee on Naval Affairs.

By Mr. JOHNSON of Colorado:

S. 2069. A bill to include Amvets, American Veterans of World War II, among the organizations which shall be recognized by the Administrator of Veterans' Affairs in the presentation of claims; to the Committee on Finance.

By Mr. THOMAS of Utah (for himself, Mr. MURRAY, Mr. MAGNUSON, and Mr. AIKEN):

S. 2070. A bill to authorize the Federal Security Administrator to assist the States in the development of community recreation programs for the people of the United States, and for other purposes; to the Committee on Education and Labor.

INVESTIGATION OF RAYON AND NYLON EXPORTS

Mr. LANGER. Mr. President, I ask unanimous consent to submit for appropriate reference a resolution dealing with the rayon and nylon shortage.

The resolution is submitted at the request of the large department stores of North Dakota. The stores ask particularly why thousands and thousands of pairs of nylon stockings are exported and then resold in the United States.

There being no objection, the resolution (S. Res. 259), was received and referred to the Committee on Banking and Currency, as follows:

Whereas there are continued shortages in the quantities of rayon and nylon hosiery and of garments made of rayon and nylon which are made available to the women of the United States; and

Whereas such continued shortages not only cause great uneasiness and hardship to the women of the United States but also lead to chaotic conditions in the retail establishments dealing in such articles; and

Whereas there is reason to believe that such continued shortages may be due, at least in part, to the quantities of rayon and nylon and of articles made from rayon and nylon which have been and are being exported from the United States: Therefore be it

Resolved, That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation with respect to (1) the volume of recent exports of rayon and nylon and of articles made from rayon and nylon, (2) the cause or causes of any increase in the volume of such exports, and (3) whether or not any legislative or executive action should be taken in the light of the facts disclosed with respect to the volume of such exports. The committee shall report to the Senate at the earliest practicable date the results of its investigation, together with such recommendations as to necessary legislative or other action as it may deem desirable.

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

SPECIAL COMMITTEE TO CONSIDER MATTERS RELATING TO REORGANIZATION OF LEGISLATIVE BRANCH

Mr. LA FOLLETTE (for himself, Mr. THOMAS of Utah, Mr. PEPPER, Mr. RUSSELL, Mr. WHITE, and Mr. BROOKS) submitted the following resolution (S. Res. 260), which was referred to the Committee on Rules:

Resolved, That a special committee to be composed of the six Senators who are members of the Joint Committee on the Organization of the Congress is hereby established, with authority to sit and act during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, for the purpose of receiving and considering all bills, resolutions, and amendments relating to the reorganization of the legislative branch of the Government. All bills, resolutions, and amendments relating to the reorganization of the legislative branch of the Government shall be referred to the committee for its consideration and such committee is hereby authorized to report to the Senate with respect to any matter referred to it, together with such recommendations as it may deem advisable; except that no matter shall be referred to the committee which has the effect of repealing, amending, or changing the rules, practices, or precedents of the Senate relating to cloture or relating to the germaneness of amendments, and the committee shall make no report or recommendation with respect to any such matter. Any vacancy occurring in the membership of the committee shall be filled by appointment by the President of the Senate.

REHABILITATION OF THE PHILIPPINE ISLANDS

The PRESIDING OFFICER (Mr. MAYBANK in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 1610) to provide for the rehabilitation of the Philippine Islands, and for other purposes.

Mr. TYDINGS. Mr. President, I move that the Senate disagree to the amendments of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. TYDINGS, Mr. HAYDEN, Mr. WHEELER, Mr. VANDENBERG, and Mr. AUSTIN conferees on the part of the Senate.

ADDRESS BY SENATOR WAGNER AT ROOSEVELT MEMORIAL DINNER

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an address delivered by him at the Roosevelt Memorial Dinner, New York City, on April 12, 1946, which appears in the Appendix.]

ADDRESS BY SENATOR KILGORE TO ANTI-INFLATION RALLY

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a radio address delivered by Senator KILGORE to an anti-inflation rally, New York City, on March 22, 1946, which appears in the Appendix.]

ADDRESS BY SENATOR PEPPER AT ROOSEVELT MEMORIAL DINNER

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an address delivered by him at the Roosevelt Memorial dinner, New York City, on April 12, 1946, which appears in the Appendix.]

ATOMIC ENERGY AND HUMAN WELFARE—ADDRESS BY DR. JOYCE C. STEARNS

[Mr. JOHNSON of Colorado, asked and obtained leave to have printed in the RECORD an address on the subject Atomic Energy and Human Welfare, delivered by Dr. Joyce C. Stearns, dean of faculties, Washington University, St. Louis, Mo., which appears in the Appendix.]

THE WIN-THE-PEACE OUTFIT—EDITORIAL FROM THE HARTFORD COURANT

Mr. HART. Mr. President, as we know, we are becoming a Nation of slogans. Great slogans are drifting around the country. In too many cases various organizations choose their names not to represent what they really are, but as slogans.

In connection, Mr. President, I ask unanimous consent to have printed in the RECORD at this point an editorial which appeared in the Hartford Courant for April 11, 1946, entitled "The Win-the-Peace Outfit."

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

THE WIN-THE-PEACE OUTFIT

With peace dangerously tilting in the balance an organization named Win-the-Peace has an attractive sound. So deeply are all persons of good will unselfishly interested in ushering in a better era than any the world has yet known, that it would seem that all such persons would gladly be members of Win-the-Peace. Yet last week, before this organization met in Washington, three Representatives in Congress withdrew, all charging that it is tinged with communism.

The meetings clearly indicated that the more than 700 delegates were decidedly partial to Russia. In fact one of the organizers, Frederick V. Field, was a member of the American Peace Mobilization group that picketed the White House in June 1941 before Germany attacked Russia. Thereafter all the Reds become patriots. Now they want at least an American-Russian coalition, or perhaps the Russian bear feasting on the American eagle. At the Win-the-Peace convention the Soviet was cheered to the echo, and such forthright Americans as Herbert Hoover was booed and hissed. President Truman did not escape unscathed, although the delegates went 100 percent for his domestic legislative program plus a few more pseudo-liberal ideas.

Such outstanding proponents of New Dealish ideas as Senator PEPPER, of Florida, and Representative SABATH, of Illinois, addressed the assembly. It was the latter who castigated President Truman for sending Mr. Hoover to Europe to survey food conditions. We are inclined to agree with Representative CURTIS, of Nebraska, that this jeering of Mr. Hoover is the finest compliment ever paid to any American. Incidentally, these Reds took a strong position in their resolutions for tolerance!

We shall probably hear more of this Win-the-Peace outfit. To be critical of its membership, however, should not be construed as disagreeing with the over-all objective of a stable world based on equitable principles. But we dare say that its critics will be accused as warmongers, capitalists, imperialists, isolationists, and about everything in the book but Communists.

WONDERFUL WISCONSIN WARMLY INVITES AMERICAN VACATIONERS TO VISIT THE BEAUTIFUL BADGER LAND

Mr. WILEY. Mr. President, I should like to take this opportunity to bring to the attention of Congress an interesting matter having to do with American recreation and relaxation—American vacationing.

Many Senators are now indisposed, ill, worn out. I heard one distinguished Member of the Senate say today in committee, "I have got to leave in a few days due to ill health." Conse-

quently the matter of America's vacationing and "having a wonderful time" is a subject worthy indeed of brief but thoughtful consideration by the Congress. America's fun and recreation constitute, of course, a great national asset.

It is good, therefore, to know that this year American auto vacationists, 60,000,000 strong, will head for the great outdoors. Millions more will use other means of transportation to refresh themselves with new sights and scenes. Our people are going to set new records for vacation enjoyment.

That is grand for the Nation's spiritual, physical, and economic health. My brother Senators well know how the American people strained and toiled through the war years, how they vigorously backed up their fighting men and women who were "sweating it out" and giving their all on the war fronts. My colleagues in this great Chamber are themselves tired from years of continuous overwork.

"FORWARD" TO WISCONSIN

Now, with America's first full peacetime summer approaching, with Congress scheduled to adjourn at that time, I want to extend my sincerest invitation to all my colleagues here as well as to all America to visit "a little bit of heaven"—56,000 square miles of pure vacation land—the wonderful State of Wisconsin with its incomparable resort facilities.

Yes, come to healthful Wisconsin—the friendly State of over 3,000,000 industrious souls living in a natural paradise of 7,000 lakes and 170,000 acres of State parks and forests, ideal for sports, sightseeing and just plain wholesome loafing.

Come to the Badger country, the dairy land of the Nation, justly proud of its mighty industry, too, blessed by the Creator with a cool, comfortable climate, with ideal location, with great scenic beauty.

Why do I invite you to "God's country" to swim there, to fish, to boat, to canoe, to ride, to hike, to rest? It is not only my natural pride in my home State which encourages me to issue this invitation. It is not merely my desire to have my constituents honored by the distinguished presence of my brother Senators and Representatives.

I invite you to this great vacation State principally because I know my colleagues need recreation, that is, rebirth re-creation, as do I, and as does all America. And Wisconsin—that midwestern playground—is the place for you and for me. Whatever be the season—summer with its water sports, autumn with its touring, winter with its snow fun—skiing, skating, tobogganing, ice fishing, you will find a vacation in Wisconsin to fill your wants and suit your purse.

THE MAGIC CARPET TO AND THROUGH BADGER LAND

The Badger State can be easily and pleasantly reached by one's own car, by the finest modern trains, by bus, plane, or steamship through the Great Lakes. If one drives, he will enjoy the State's 80,000 miles of model highways with every mile either concreted or dustproofed for his comfort. Visitors will appreciate the convenience and safety of the Wisconsin ruling that keeps big trucks off main highways on holidays and week ends.

The tourist will want to stop over and see the great industrial and port city of Milwaukee, thirteenth largest in America, model of the Nation for its outstanding municipal administration. Milwaukee has just celebrated its one hundredth anniversary. Incidentally, the entire State will celebrate the centennial of its admission to the Union on May 29, 1948. Visitors will want to see our lovely State capital, Madison, home of our State university.

THE STATE-WIDE PANORAMA

But all of Wisconsin is vacation land—the green, rolling, dairy country with its purebred cows—No. 1 in the Nation, the cool lakes of southeastern Wisconsin, the hills and valleys of the southwestern part and the Green Bay region, rich in historic lore, the ever-changing glories of the lands and beaches bordering Lake Michigan and Lake Superior, the sportsman's northwoods region with its thousands of spring-water lakes, the lordly Mississippi on its west border.

Everywhere in these regions are abundant and well-kept hotels and resorts, large and small, together with forest lodges and lakeside cabins, modest cottages and cabins in the pines available for inexpensive rental. They are managed by folks who pride themselves on their high standards as gracious hosts, and who take pride in their State's national reputation for unexcelled hospitality.

THE RICH BLEND OF PEOPLES

There is a little bit of all the world in Wisconsin—its native Indians, its descendants of Germany, Austria, and Italy, its men and women of Viking blood, its sons and daughters of Poland, its Swiss, its French, its Canadians, its British, its Irish, its Slavs, its Magyars, its Greeks, and many others—Americans all, living with fraternity and good will.

THE SPORTSMAN'S PARADISE

Second only to the richness of our people is the wealth of our resources.

Vacationing he-men who wore the uniform of our country will particularly enjoy Wisconsin's 10,000 miles of trout streams, its hundreds of rivers, offering a greater variety of fish in greater numbers than probably any other State in the country. Thanks to our State's unrivaled fish propagation program more than 3,000,000,000 fish have been planted in the past 5 years. Here will be found black bass swimming in every one of the State's 71 counties, wall-eyed and northern pike, lake and stream trout, and the biggest, strongest, most spectacular and thrilling fresh water game fish—king of them all—the muskellunge or "muskie."

Here, too, are our Nation's greatest facilities for bow-and-arrow deer hunting.

Fortunately, the large number of competent Wisconsin guides, depleted by the war, has now been restored by our returning servicemen.

THE BALANCED ECONOMY

Wherever one goes in the State, he will enjoy its balanced economy, its interesting variety of manufactures, its forestry, and its agriculture but, most of all, its homemaking, God-fearing people. Of particular interest will be its 125,000 dairy farms which make Wisconsin the Nation's leading cheese-producing State—producing more cheese than all the other 47 States combined.

In the summer season, out of juicy grasses, sweet-scented clover, luscious alfalfa, and cool spring water, the greatest chemist in the world—the milk cow—makes the milk for nutritious, delectable cheese and butter. In the wintertime, out of silage from the nut-brown corn, ground wheat, and oats, hay, and alfalfa, the milk cow makes this perfect food.

THE TIME OF YOUR LIFE IN WISCONSIN

"All this and heaven, too" one can see for himself in wonderful Wisconsin. Seeing is believing; and seeing nature's splendors there means wanting to see them again and again. Wisconsin awaits you with health and good cheer; so, plan soon for the time of your life in beautiful Badger land.

CALL OF THE ROLL

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

The PRESIDING OFFICER (Mr. TUNNELL in the chair). The clerk will call the roll.

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

Aiken	Hart	Overton
Andrews	Hawkes	Pepper
Austin	Hayden	Reed
Ball	Hill	Revercomb
Bankhead	Hoey	Robertson
Barkley	Huffman	Saltonstall
Bilbo	Johnson, Colo.	Shipstead
Brewster	Knowland	Smith
Briggs	Langer	Stewart
Buck	Lucas	Taft
Byrd	McCarran	Taylor
Capehart	McClellan	Thomas, Okla.
Capper	McFarland	Thomas, Utah
Carville	McKellar	Tobey
Connally	McMahon	Tunnell
Donnell	Magnuson	Tydings
Downey	Maybank	Vandenberg
Eastland	Mead	Wagner
Ellender	Millikin	Walsh
Fulbright	Mitchell	Wheeler
Gerry	Morse	Wherry
Gossett	Murdock	Wiley
Green	Murray	Wilson
Guffey	O'Daniel	Young
Gurney	O'Mahoney	

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Georgia [Mr. GEORGE] and the Senator from New Mexico [Mr. HATCH] are absent by leave of the Senate.

The Senator from South Carolina [Mr. JOHNSTON] is necessarily absent.

The Senator from West Virginia [Mr. KILGORE], the Senator from Pennsylvania [Mr. MYERS], the Senator from Maryland [Mr. RADCLIFFE], and the Senator from Georgia [Mr. RUSSELL] are detained on public business.

The Senator from New Mexico [Mr. CHAVEZ] is absent on official business.

Mr. WHERRY. The Senator from Nebraska [Mr. BUTLER], the Senator from Oklahoma [Mr. MOORE], and the Senator from Indiana [Mr. WILLIS] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Michigan [Mr. FERGUSON], and the Senator from Kentucky [Mr. STANFILL] are necessarily absent.

The Senator from Illinois [Mr. BROOKS] is absent on official business.

The Senator from Wisconsin [Mr. LA FOLLETTE] is unavoidably detained.

The PRESIDING OFFICER (Mr. MURDOCK in the chair). Seventy-four Senators have answered to their names. A quorum is present.

OPA AND THE COTTON INDUSTRY

Mr. EASTLAND. Mr. President, last Saturday night Mr. Chester Bowles is reported to have made a statement over the radio which was referred to in the New York Herald Tribune on Sunday, April 14, 1946, as follows:

> Mr. Bowles said: "Recently, cotton prices started shooting up wildly to the highest point in 22 years," a factor which he listed as one of the principal reasons for the severe shortage of shirts, house dresses, and other low-cost items.

Mr. President, the OPA has willfully failed not only to control textile prices which the consumer must pay, but to make available an adequate supply of clothing to the American people. Mr. Bowles, in making the statement to which I have referred, was attempting to hide from the American people the cause of the present deplorable clothing shortage. His statement was false. We have arrived at a time when high public officials in this country resort to untruthful statements in attempting to deceive and mislead the American public. The recent increase in cotton prices could have, under no conditions, nothing to do with the shirt shortage or with the clothing shortage, because those shortages were present before cotton prices started to increase. The price of cotton at no time has gone above a reasonable level, when taking into consideration the increased costs of production. Mr. Bowles stated that the shortage was due to increases in cotton prices. During the past year the consumption of American cotton decreased from 11,500,000 bales to 8,500,000 bales, or, roughly, 30 percent. That was before cotton prices reached the parity figure. I have before me a table showing the monthly consumption of all cottons in the United States. It indicates that at the present time the consumption of cotton in America is running much less than it ran 1 year ago. I ask unanimous consent to have the table 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:

Monthly consumption of all cottons in the United States

[American cotton in thousands of running bales, counting round as half bales. Foreign cottons in thousands of equivalent 500-pound bales, linters not included]

Month	1941–42		1942–43		1943–44		1944–45		1945–46	
	Month	Season	Month	Season	Month	Season	Month	Season	Month	Season
August	872	872	925	925	843	843	842	842	740	740
September	878	1,750	960	1,885	872	1,715	789	1,631	701	1,441
October	956	2,706	973	2,858	847	2,562	794	2,425	760	2,201
November	849	3,555	913	3,771	859	3,421	837	3,262	743	2,944
December	888	4,443	936	4,707	851	4,272	758	4,020	652	3,596
January	948	5,391	916	5,623	819	5,091	851	4,871	811	4,407
February	892	6,283	880	6,503	811	5,902	781	5,652	747	5,154
March	967	7,250	997	7,500	904	6,806	857	6,509	--------	--------
April	1,000	8,250	939	8,439	775	7,581	770	7,279	--------	--------
May	958	9,208	903	9,342	833	8,414	830	8,109	--------	--------
June	968	10,176	918	10,260	806	9,220	786	8,895	--------	--------
July	994	11,170	840	11,100	723	9,943	673	9,568	--------	--------

Source: U. S. Bureau of the Census.

Mr. EASTLAND. Mr. President, the attempt by Mr. Bowles to deceive and mislead the American people into believing that increased cotton prices might cause inflation, and that such increased prices would cause an increase in the price of clothing, is not only false but absurd.

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

Mr. EASTLAND. I yield.

Mr. MAYBANK. I wish to invite the attention of the distinguished Senator from Mississippi to the fact that many commodities enter into the production of clothing other than cotton. In my opinion, there is total ignorance on the part of Mr. Bowles in regard to some important facts. The Senator from Mississippi spoke about a decrease in the consumption of cotton. I should like to invite the Senator's attention to the fact that War Food Order No. 145, which concerns the distribution of starch—the Senator is aware of the fact that textile goods cannot be manufactured without the use of starch—will curtail further the manufacture of cotton goods in this country, unless something is done about it, by 40 percent.

I read one paragraph of a letter which was addressed to the Secretary of Agriculture by one of the largest cotton manufacturers in the South:

> We are informed by the starch manufacturers that under War Food Order No. 145, the amount of corn they are permitted to grind is limited to 80 percent of the amount processed in the first 6 months of 1945. In addition, we understand that in view of inadequate ceiling prices, the starch producers have been forced to enter into some kind of a barter agreement whereby they are obliged to allocate 20 percent of their output to the people from whom they get their corn. This adds up to the reduction of about 40 percent in the supply of starch. We do not have any stock of starch to speak of, and our mills will have to curtail the production of cotton cloth to the same extent that the shipments of starch are reduced.

I invite the attention of the distinguished Senator from Mississippi to what I have read because no matter what happens, if there is any shortage in anything, or if there is anything wrong with anything, it is always the cotton farmer who suffers. It is always the cotton farmer who is blamed if the price of cotton increases only slightly. The sooner the OPA leaves the cotton-growing industry alone and leaves the cotton farmer alone, the better off will be the consumers in this country.

Mr. WHERRY. Mr. President, will the Senator from Mississippi yield in order that I may ask the Senator from South Carolina a question?

Mr. EASTLAND. I yield.

Mr. WHERRY. Why limit it to cotton?

Mr. MAYBANK. The Senator from Mississippi was speaking of cotton and so I spoke on that subject. I am in thorough agreement with the Senator from Nebraska as to the black-market situation in connection with meats, a subject which the Senator has so ably discussed from time to time. There is a similar situation in the case of lumber and the log industry; but the Senator from Mississippi was speaking of cotton, because Mr. Bowles referred to cotton.

Mr. WHERRY. I should like to call the attention of the distinguished Senator to the fact that those of us who come from a different section of the country are now alarmed, and have been alarmed for the past 2 years, about the meat situation. I do not want to take the time of the Senate this morning to speak about meat, but I made the remark on the Senate floor when the Senate was considering the housing bill that incentive payments would not bring about production in the housing field any more than they have brought about the production of meat. I gave an example then and I repeat it now. On a thousand-pound steer which is classed A or AA there is an incentive payment of $51.46; and yet despite the subsidy of $51.46 there has been an utter failure to produce meat. I desire to suggest to the Senator from Mississippi and the Senator from South Carolina, who have done such valuable work in offering constructive suggestions to OPA relative to cotton, that today the Secretary of Agriculture is placing additional incentives so that more milk may be produced and more meat may be produced. The testimony of the packers before the House committee last week was that the majority of the meat produced goes to the black market, and does not come down to the legitimate channels of trade. That is our problem; cotton is the problem of Senators from the South. The testimony is that we will never get production by incentive payments on our herds and crops.

Mr. EASTLAND. Mr. President, I agree entirely with the Senator from Nebraska. The trouble is with the officials of the OPA, those who administer these programs.

Mr. WHERRY. Will the distinguished Senator read them?

Mr. EASTLAND. I am going to give their names, so far as cotton is concerned, as taken from the files of the OPA. They are all young men without experience in business. Some were school teachers, and one of them a commercial mirror salesman at $1,300 a year. They are in control of matters affecting the textile

industry, which is so important to this country. I might add that some of them were deferred from military service in order that they might be able to kick the American people around. My judgment is that if the Senator from Nebraska would get the personnel files of those who handle farm products in Nebraska, he would find the same dismal picture.

Mr. WHERRY. I want to thank the distinguished Senator for affording me time to make the comment. I gave the names of the personnel in the Building Material Division, which handles everything but lumber, and I think that was brought to the attention of the distinguished Senator from South Carolina before he proceeded. The Senator will recall, further, that not one of all those who constituted the personnel had any practical business experience at all.

Mr. EASTLAND. Yes; the whole thing is run from Brooklyn and the Bronx.

Mr. WHERRY. I would not say Brooklyn and the Bronx, but I am satisfied that the personnel who made up the list I submitted were sadly lacking in experience.

Mr. EASTLAND. What I meant to say was that the Cotton Division and the one handling the textile business are controlled by men from Brooklyn and the Bronx, and I am going to put their names and background in the RECORD.

Mr. WHERRY. I should also like to have placed in the RECORD at this point a list of the names of those who are to control housing materials, outside of lumber. Such a division is now being set up as a new agency within OPA, and also give their background and their ages and experience. It is a matter of record and I should like to say it proves conclusively that in the building-material business what has happened is exactly parallel to what the distinguished Senator says has happened in the case of cotton.

Mr. EASTLAND. The attempt to lay inflation at the farmer's door, as I said, is foolish. The cotton farmer gets less than 12 cents of every consumer's dollar spent for cotton; the rest goes for handling, processing, and distributing.

In the case of overalls, the problem is to get cheap work clothing for the people of this country. Mr. Bowles stated that already cotton prices were the cause, not only of the scarcity but of the high prices charged veterans and others who wear overalls. These are Government figures: Their price range today is from $1.55 to $2.80 to the consumers. In overalls there is a content of 2.27 pounds of cotton. A 1-cent increase in the price of cotton would increase that commodity 2.27 cents. Yet OPA, after giving wage increases, including wages in the textile industry, to make the cost of the manufacture reach up to the ceiling price so that there is no room left for profit and the mills will have to shut down production, attempts to lay a few cents a pound increase at the farmer's door and say he is responsible for inflation and responsible for the shortage. That statement, as made by the Stabilization Director, is false, and I hope it is not intentionally made.

When it comes to dress shirts—and Mr. Bowles mentioned dress shirts in particular—let us see how utterly absurd and foolish his statements were. Dress shirts today range from $1.70 to $5. The Bureau of Agricultural Economics estimates that the cotton required to make a dress shirt, including the waste, is seventy-nine one-hundredths of a pound. In other words, in a $5 shirt there is not a pound of cotton. If cotton should go up a cent a pound, it would only add seventy-nine one-hundredths of 1 cent increase to the cost of such a shirt.

Mr. MAYBANK. As I recall, the Senator has said that it cost more to have a shirt laundered in Washington than all the value of the cotton in it.

Mr. EASTLAND. The Senator is exactly correct. In the case of work shirts, which range from 98 cents to $1.64, the same thing is true.

In the case of men's shorts, of which there is a shortage, the increase in the price of cotton would only add twenty-six one-hundredths of 1 cent to the cost of that item to the consumer. Yet the absolutely absurd statement is made that the increase in cotton prices is the cause of the shortage, and has caused the price of clothing to go up in this country. Mr. President, it is a part of a deliberate plan to mislead the American people, and an attempt to continue an agency without congressional check being placed upon it. That is what is causing the shortage and what has pushed the United States onto the brink of inflation.

A few years ago we were using 11,500,000 bales of cotton. The consumption today, as I have said, has fallen to 8,500,000 bales, and that at a time when there is the greatest purchasing power in the history of the American people, when they have more money than they ever had before, and when more than ever before in our history the necessity for cotton clothing has been acute. Think of it, Mr. President, at this time, although there is a scarcity and the people of this country have less clothing than they have ever had, and men discharged from the Army have to get special permission to wear their uniforms because they cannot go out and buy clothing, and although we have the greatest textile industry in the world and we have an adequate supply of cotton, yet the American people are virtually naked. What is responsible for that condition? The textile business is one of the largest businesses in the United States.

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

Mr. EASTLAND. I yield.

Mr. MAYBANK. The Senator stated we had a sufficient supply of cotton. By that does the Senator mean for this year?

Mr. EASTLAND. Certainly.

Mr. MAYBANK. Would the Senator care to express himself as to the effect of these orders and statements by the OPA upon the cotton farmer, insofar as his planting of the cotton crop for next year is concerned. The Senator has just returned from Mississippi, and I should like to ask him what effect these orders are having upon the cotton farmer in planting, and how the farmers who must produce the cotton are reacting.

Mr. EASTLAND. It will result drastically in reducing production. The Senator must remember that the cotton plant is two-thirds food and one-third fiber. The dairy and livestock industries of this country are dependent upon it for protein feed, and the production of these industries will be greatly curtailed because of the actions of this agency.

Mr. President, who is responsible for the shortage? It is officials in OPA who today control the greatest business in the United States. Who are they? Who is actually handling the cotton business and who is actually handling the cotton textile business in OPA?

I sent down a few days ago and got the personnel files from that agency. I have one of the files here now, and I have excerpts which I personally took from the files as to the other employees there who are handling cotton and who are handling textiles, and as to their refusal to face the facts and to allow adequate ceilings, which is the cause of the great shortage in this country at the present time.

First, one of the important figures in the OPA, so far as cotton is concerned is Mr. Benjamin Caplan. Mr. Caplan's theme is that the cotton farmers are already making too much money, with the lowest standard of living in the country. There is a man who is absolutely vicious, when a farmer or when agriculture is mentioned. Mr. Caplan is the Consultant—Economist—Research Division, Consumer Goods Programs, OPA. Today he makes a salary of $6,500. The highest annual salary he received before he went into the Government service was $2,544, as a college professor.

Mr. President, this information is official, it is authentic, it is taken from the files of OPA.

Mr. Caplan was born in 1909 in Toronto, Canada, and became a naturalized citizen in 1938. He is 36 years old. He was educated at McGill University, receiving degrees of bachelor of arts and of master of arts, and he received a degree of doctor of philosophy from the University of Chicago. His major studies were economics and political science.

Mr. President, no one can point to one qualification this man possesses which justifies his occupying a position which makes him powerful in the cotton and textile business of the United States. But here are Mr. Caplan's qualifications.

From February 1934 to June 1934, he was employed at People's Junior College of Chicago at $2 an hour. He taught economics at night, 6 hours a week. From February 1934 to June 1934, he was also a clerk in the Civil Works Administration in Chicago at $35 a week. He came to Washington in 1934 and went into the Treasury at $4,000 a year. He went there to make a special study under Professor Viner on branch banking in the United States and Canada.

Is any qualification shown there to fit one to control the destinies of the biggest business in the United States, from which 13,000,000 people earn a livelihood?

In 1935 he went to the National Labor Relations Board at $4,000, and there also, as he states in his file, he made special

studies under Professor Millis on labor arbitration in Germany and in Canada.

Then he was with the Brookings Institution. Then he taught school in the department of economics at Ohio State University, and earned from $2,000 to $2,500.

Mr. President, in his application, in his personal file, there is not one reference to cotton or to the textile business. But he was transferred to OPA, and think of this college professor, this man of superior intelligence, transferred to OPA, into a powerful position, which controls the biggest business in this country, to become, in the period of a few months, an indispensable man, as he must have been, because the record shows that on March 8, 1943, he was deferred from military service in order that he might stay in OPA and control this business, and push the American people around.

Then there is another one who is powerful in the cotton and textile business, Mr. Henry Wohl, of New York City. Mr. Wohl lists himself as a business economist, Price Department, Consumer Goods, Price Division, Textile Price Branch, Cotton Section of OPA. He is there as an economist, but he has never taken a course in economics in his life. He draws a salary of $4,600 a year.

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

Mr. EASTLAND. In just a moment. Mr. Henry Wohl was different from the other employees who handled cotton. He had experience in private business before he went into the Government service. In 1935 and 1936 he made $1,300 a year. Think of that, a man who is high up in a business where billions of dollars are invested and millions of men are employed, placed there after making $1,300 a year as a mirror salesman, selling mirrors for the Globe Mirror & Glass Corp., of Brooklyn, N. Y.

I now yield to the Senator from South Carolina.

Mr. MAYBANK. I call the attention of the Senator to the fact that last week there appeared in the newspapers an article for Mr. Bowles, who put the future margin order on the cotton exchanges. I presume these great and efficient economists to whom the Senator has just referred arranged this article for Mr. Bowles.

Mr. EASTLAND. Mr. President, the qualification for a job in OPA is to know Professor Frankfurter, and to be close to Frankfurter.

Mr. MAYBANK. The article from which I now read was probably arranged by these people:

> "The evidence points very strongly to the fact that farmers have benefited only in part from the rise in future market prices of cotton," OPA said. "From August to February, while the price of cotton on the futures exchanges was rising 3.27 cents, the average farm price of cotton rose only 1.68 cents."

Mr. President, I should like to remind the OPA, as I feel sure my friend the Senator from Mississippi would, that in August and September, when the cotton is first picked, before it has been rained upon, and before it has been damaged, it always brings a higher price than does cotton which is picked in December, on January, after snow has fallen on it, after it has suffered from frost, and after the grade has been lowered.

So, Mr. President, that statement is entirely misleading and wrong. The price of middling cotton, which is the designated grade for the futures exchanges, increased 3.46 cents, while futures increased 3.28 cents only. The discrepancy, in my judgment, Mr. President, is purposely put out by those who know nothing about cotton, and nothing about cotton futures, and nothing about textiles, in order to deceive the American people, to belittle those in the South who do know something about cotton, and, to gain their own ends, always blaming someone for their own shortcomings and for their own attempts to create pandemonium in this country. I can only imagine what they expect the result will be.

Mr. EASTLAND. Mr. President, I thank the Senator from South Carolina for his able contribution, and I agree with him entirely.

I was discussing the background of Mr. Henry Wohl, one of the cotton and textile commissars in OPA. Mr. Wohl is 33 years old. He was born January 8, 1913, in New York City, and has lived there ever since. As I stated, he was a mirror salesman at $1,300 a year. He also worked for Cohen, Wachsman & Wassall, 70 Pine Street, New York, as a market technician, making stock and bond analyses, at $1,300 a year. Then he branched out in business for himself for a period of a few months as a Pepsi-Cola jobber in New York, and made at the rate of $1,300 a year as Pepsi-Cola agent in New York City. Then he came to Washington, to the Census Bureau, as a clerk at $1,800 a year and, Mr. President, was transferred from there to one of the powerful positions in OPA in control of the textile and the cotton business of this country.

In his file, there is not one reference to any familiarity with cotton or with the textile business. His brother, I understand, is a dress manufacturer in the city of New York. And in the case of this man, and the man Stix, whose father is a wholesale drygoods merchant, we should certainly compare the price ceilings that these men have allowed the dress manufacturers and the wholesale drygoods merchants as compared to what they permit the price of raw cotton to the farmers to be figured in OPA ceilings.

Here is another one, Mr. Saul B. Sells, also of the city of New York. None of these gentlemen ever lived in the South. None of them have ever had any experience in the cotton business. But they are picked up as minor clerks and placed in control, and it is by reason of their policies that the American people are in grave need of clothing today.

What is Mr. Sells' background? He is 33 years old. He is assistant director, Soft Lines of the Consumer Goods, Price Division of OPA, and makes a salary of $8,750 a year. This gentleman was in business for himself for a few months. He was paid at the rate of $1,500 a year as research assistant in college. Mr. Sells has a doctor of philosophy degree from Columbia University, and a bachelor of arts degree from Brooklyn College. He lists his major studies as social science, psychology, and education; total of 12 semester-hours' credits in statistics, and a total of 21 hours' credits in economic history and anthropology.

His experience and his background are these: From 1934 to 1936 Institute of Educational Research, Teachers' College, Columbia University, as research assistant, at $1,500 salary. Then he was a WPA employee in New York City making $1,860 when he started, which had been increased to $3,000 when he quit his position. He was a program planning analyst for WPA, preparation and development of detailed plans and for production in the field of economic statistics, government, education, and various scientific fields. Then he was director of education and research for WPA in New York City at $3,000 per year. Then he was employed by the board of education, committee on work projects of New York, at $3,000 to $3,600 per year.

This man also on December 22, 1942, became an indispensable man. The OPA Director of Personnel, Mr. Kenneth O. Warner, on that date requested his local board to reclassify him into III-B due to the nature of the activity in which he was engaged, which had to do with the textile industry, a place that could easily have been filled, and that should have been filled by an experienced, qualified, competent man in that field of endeavor.

Here is another gentleman who with the others control the cotton and textile business, Mr. William Stix. Mr. Stix is the only one not from New York City. Mr. Stix hails from the city of St. Louis. His father is a partner in the great wholesale drygoods concern of that city, Rice, Stix & Co. Mr. Stix's salary is $6,500. He is attorney for the Cotton and Synthetic Textile Section, Price Department of OPA, and very vicious against the cotton farmer and cotton industry. Yes; he wants to hold them down by oppression, and to mistreat them. But, Mr. President, one who reads the financial statements of Rice, Stix & Co. made before the war and those made at the present time can see if the officials in OPA have not been more liberal with the wholesale drygoods merchant than they have been with the farmer and cotton-mill operator of this country.

Mr. Stix was born on October 5, 1911, at St. Louis, Mo. He is 33 years old. He has a bachelor of arts degree from Harvard University. Those are his qualifications. He is a Frankfurter man. He also has a bachelor of laws degree from Harvard. He was admitted to the bar of Missouri in 1936. From 1936 to 1937 he was employed by Thompson, Mitchell, Thompson & Young, 706 Olive Street, at a salary of $1,200 to $1,800 as an attorney, working on memoranda, abstracts of title, and research. Then he engaged in the practice of law for himself, and practiced law several months at 408 Pine Street in the city of St. Louis. He was a specialist in labor relations, and earned the tremendous

sum of $300 for his several months' work as an attorney.

Then, Mr. President, with the light of world revolution in his eyes, with the light of the new day dawning, he descended on Washington to lend his talents as a bureaucrat in pushing the people of this country around and mistreating them. When he came here in 1937 or 1938 he was employed by the Senate Civil Liberties Committee, Senate Office Building, as an investigator in field investigation and preparation of materials for hearing, at $2,100 a year. What is there in that experience which qualifies him as an important figure in the cotton and cotton-textile business?

He went from the Senate committee to the National Labor Relations Board at $2,600, and when he left earned $3,200. In September 1938 he was detailed to the Senate Civil Liberties Committee and stayed there until August 1940. He does not claim to have any experience or qualifications in the cotton business. He does not claim to know anything about it; and yet he is one of the men placed in control of the cotton section of OPA.

Here is another personnel file from OPA. It is the file of a big man in the cotton section. Let me read his background, so that Senators may see that America's biggest business has been almost destroyed by being placed in the hands of the children of inexperience and bureaucratic despotism who have refused, no matter how good their intentions are, to face the facts and to remedy a deplorable situation.

The name of this man is Max L. Levinson. Mr. Levinson is also from New York City, and has lived there all his life. I wish to show his background from his personnel file. This is his application, signed by him.

His address is 15 Fort Washington Avenue, New York City. He is a graduate of New York University, both day and evening courses. He lists himself as a reporter for the college newspaper and a member of the Liberal Club. Those are the qualifications which he lists which would entitle him to be employed in the most powerful position in the cotton and textile section of OPA. Further, he says this:

> While attending graduate school I took the following courses at the Stock Exchange Institute: Functions of commodity exchanges; business statistics; investments; security analysis; work of the Stock Exchange, and seminars in current business discussion and in advanced business economics.

This gentleman also had some practical experience before he was employed by OPA at a fabulous salary. In 1935 he was employed by the Kinsler Distilling Corp. as supervisor in a bottling plant. He checked completed orders, supervised filling bottles, labeling, packing, and so forth, and arranged shipping details, at a salary of $1,300 a year. This is the man who has more power than any other in cotton and textiles in OPA.

He went from the Kinsler Distilling Corp. to Stern Bros. as an extra sales clerk for the holiday season at $21.50 a week. That is the only thing that any of these employees has had to do with drygoods or cotton. This man acted as an extra sales clerk. That is the nearest anyone has come to qualifying.

Further, he was employed by Carl M. Loeb, Rhoades & Co., in New York, at $1,800 a year, as associate commodity economist. His duties were to conduct studies in commodity research, analysis of marketing conditions, and price-making factors. By the way, this gentleman has now returned from military service, and has taken a place as Price Analyst, Price Department, Consumer Goods Price Division, Textile Price Branch, Cotton Section, of OPA.

Here is another gentleman, named Gardner Ackley. Let us see what Mr. Ackley's qualifications are for the powerful position which he is administering in the Government. Mr. Ackley is Price Executive, Textile Branch, Office of Price Administration, at a salary of $7,175 a year. He had a little experience in private business before he went into the Government service. He made $2,700 a year.

Mr. Ackley was born on June 30, 1915, at Indianapolis, Ind. He is 30 years of age. He attended Western State College at Kalamazoo, Mich., received his master's degree there, and the degree of doctor of philosophy from the University of Michigan. Then he taught school.

There is no reference in his application or anywhere in his file to any experience of any kind, character, or description in the business which he regulates in the Office of Price Administration. I defy anyone to point to a single qualification, or a single bit of experience which any of these men have had to qualify them for the positions which they hold.

When Mr. Bowles says that the increase in the price of cotton is responsible for the shirt shortage and for the goods shortage, as he is quoted in the newspapers as saying, his statement is absolutely and utterly false. The American people are entitled to have confidence in statements made by high officials of the Government. The least that the President of the United States can do is to discharge this man.

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

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

Mr. EASTLAND. I yield.

Mr. WILEY. I am sorry that I was not present to hear all of the distinguished Senator's remarks. However, I did hear what he said in relation to the last three persons named.

My experience with OPA has been well exemplified by what the Senator has said. In the Office of Price Administration there are men who do not comprehend the problem and who in many instances have no sympathy toward the producer or the manufacturer.

Does the record show who recommended these men, how they got in, or why the head of a great agency should turn inexperienced men loose and permit them to interfere with the business life of a great segment of our country? In my own State of Wisconsin I have seen the result of turning loose such men. I have seen it in connection with such products as cheese. By their inept approach and by their ignorant concept of the problem they have injured and damaged a great number of industries.

Mr. EASTLAND. To be frank with the Senator, I did not check the personnel files with a view to seeing who recommended them. But here is the personnel file of Mr. Max L. Levinson, and I shall let the Senator have it and he may look at it.

The Senator said that these men have no sympathy for the people who are engaged in the business which they regulate and control. One of the high men down there has a hatred for the people who are engaged in the cotton business, and his entire cry is "The farmers make too much money."

Mr. President, unless the situation is changed by the Congress, cotton production will decrease. Today we are consuming 3,000,000 bales of cotton less than we were; and the consumption of cotton will continue to decrease, and the supply of textiles will become tighter and tighter. The biggest business in this country cannot be controlled by Government clerks and by "little men" without experience in that business.

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

Mr. EASTLAND. I yield.

Mr. WILEY. In view of what the Senator has said, it seems to me that the point I have made is pertinent—namely, that the trouble in most instances is with the administration.

Mr. EASTLAND. I entirely agree with the Senator.

Mr. WILEY. The difficulty arises from the inability of the one who administers the job to understand and comprehend the problem. Therefore, it seems to me the remedy would be to find out whether these men are merely political appointees, whether they are simply shot in there, to draw salaries from the Government, by some political bigwig in the State or the Nation, someone who has the power to syphon help into a great machine like this, when we ought to have the best brains in the country in it. The Government needs competency.

Mr. EASTLAND. I entirely agree with the Senator. The only thing I know to do, today, is to abolish the agency. It is costing us millions of dollars and is pushing us to the brink of inflation.

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks a table showing the effect on the price of cotton goods of an increase of 1 cent a pound in the price of raw cotton.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. WHERRY. Mr. President, let me inquire whether the Senator from Mississippi has discussed the effect on the price of cotton of the order recently issued by the Secretary of Agriculture.

Mr. EASTLAND. I shall discuss it a little later. I have not done so today.

Mr. WHERRY. I am very much interested in it. We talk about the necessity of obtaining efficient men in office; yet there is now in a position of authority a man who has issued an order which is in direct contradiction to the policy adopted by the Senate, especially at the suggestion of the Senator from Alabama [Mr. BANKHEAD] who had adopted an amendment designed to take away from the Administrator the very power which is being exercised today by the present Administrator, who to my mind is setting his will over the will of the Congress and over the will of the people of this country. Yet the Congress is not doing anything about it, and we sit idly by and let this man do what he wishes to do. He attempts to get his power from the President under authority conferred by the Second War Powers Act, and he claims that authority entitles him to override the will of the Congress. As I recall, the Senator from Alabama and his committee attempted to write into the statute a provision which he thought would clarify the question of the power of the Office of Price Administration over the production of cotton. The Senator from Alabama attempted to do that by proposing an amendment requiring that the Secretary of Agriculture approve the order, and such amendment was adopted.

But now the Price Administrator has used the old precedent of the Second War Powers Act and the decisions of kangaroo courts to sustain him in saying that the distinguished Senator from Alabama did not mean what he said when he proposed the amendment which the Congress wrote into the statute, and the Administrator is relying for his authority on this order which means so much in connection with the price of cotton and the production of cotton, not only this year but in the years to come.

Mr. EASTLAND. I agree with the Senator.

Mr. President, to show the utter absurdity of the OPA's claim that the increase in cotton prices is causing a decrease in production, I wish to read an excerpt from a letter which I received on March 22 from the Office of Price Administration. The letter is signed by Mr. Maurice W. Lee, executive assistant to the Administrator of OPA. In his letter he discusses textiles at the garment-manufacturing level. I read from his letter, as follows:

> In addition to the reduction in margins, the industry has been required to absorb increased fabric prices and a 20 percent wage increase which went into effect at the beginning of this year. Any further increases today would probably put this industry below its base-period earnings, and require an upward adjustment in prices.

Mr. President, that shows that an official of the OPA believes that wage increases have had more to do with price increases than has any increase in the price of raw cotton. Mr. Bowles is engaged in an attempt to deceive and mislead the people of the United States.

EXHIBIT A

Effect on price of cotton goods of an increase of 1 cent per pound in price of raw cotton

Article (in code numbers of Bureau of Labor Statistics specifications)	Price [1]	Quantity [2]	Increase [3]
		Pounds	*Cents*
Overalls (MO91B)	$1.55 to $2.80	2.27	2.27
Dress shirts (111A)	$1.70 to $5.00	.79	.79
Business shirts (114C)	$1.39 to $3.45	.66	.66
Work shirts (101B)	$0.98 to $1.64	.73	.73
Men's shorts (131B)	$0.39 to $2.50	.26	.26
Work trousers (MO72B)	$1.78 to $4.77	1.80	1.80
Men's socks (171)	$0.33 to $0.65	.22	.22
House dresses (WO826)	$1.55 to $3.98	1.00	1.00
Sheets (YO41)	$1.29 to $2	2.00	2.00
Towels (YO31)	$0.44 to $1.12	.60	.60
Women's gowns (W101B).	$0.98 to $4.98	.70	.70
Men's seersucker suits	$14.50	2.10	2.10

[1] Range reported by Bureau of Labor Statistics for December 1945 in 34 States.

[2] Bureau of Agricultural Economics estimate of cotton required to make article, including waste.

[3] Increase in price of goods sufficient to reflect increase of 1 cent per pound in price of cotton.

An increase of 1 cent per pound in the price of raw cotton would add about $53,000,000 to the value of cotton goods made from 9,000,000 bales of cotton, if pyramiding of raw material prices through various manufacturing, handling, and distributing groups is not permitted. Approximately 40 percent of the total increase would be for wearing apparel, 20 percent for household goods, and 40 percent for industrial products.

The total increase in the consumer's bill for cotton clothing and household goods would be about $32,000,000 annually, or about 30 cents per capita per year.

Cotton clothing costs should be increased no more than one-half of 1 percent, on the average, ranging one-quarter of a cent on men's socks to 2 cents on overalls.

The cotton farmer gets less than 12 cents of every consumer dollar spent for cotton goods—the rest goes for handling, processing, and distributing.

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

Mr. EASTLAND. I yield.

Mr. BANKHEAD. In view of the statement which the Senator from Nebraska [Mr. WHERRY] made a minute ago, I desire to refer to the statute which he mentioned and to make a brief preliminary statement regarding its history and origin.

When the bill creating the OPA was first under consideration, in 1942, a strong group of Senators felt that the OPA, under the management of Mr. Henderson, who then had been selected to head it, and whose selection had been announced, should not have control of agricultural commodities.

There was no resistance or challenge to his right to exercise control over industrial commodities and probably there was no challenge as to the wisdom of permitting him to exercise such control; but we thought that a separation should be made and that the power should be placed in two hands, one controlling industry and the other controlling agriculture. However, it developed that the President was very much opposed to such a division of authority. He thought it probably would weaken the power of control and its effectiveness.

As a result, I prepared and offered in the Committee on Banking and Currency, of which I was a member, an amendment requiring the Administrator of the OPA to secure the approval of the Secretary of Agriculture before he took any action affecting agricultural commodities. We had a great fight over that amendment. Many Members of the Senate who now are on the floor participated in that fight. I see in the Chamber at this time the Senator from Oklahoma [Mr. THOMAS], who took an active part in the struggle which occurred at that time. A contest was waged here in the Senate. It was a fight against the administration led by the popular Mr. Roosevelt, our late President. That fight resulted in the adoption of the amendment I had proposed. We thought that probably it assured having at least any action affecting agricultural commodities approved by someone who was familiar with agricultural conditions and who would prevent abuses and maladministration as a result of ignorance of agricultural conditions. So we went along. But finally it developed that an Economic Stabilizer had been created. When the Secretary of Agriculture and the Administrator of the OPA were not in accord, the Stabilization Director made the decision as to what should be done, even when in doing so he overrode the will of the Secretary of Agriculture whose consent was required by law. Such action resulted in great antagonisms and resentments, and in the destruction of the effectiveness of the statute which was enacted after great effort, as I have stated, on the part of the administrative forces. The Senate passed the measure, and it was referred to a conference committee. Subsequently it was enacted into law.

Mr. President, in the course of the discussion of the subject it was recognized that, generally speaking, by virtue of the powers which had been given him, the President could transfer certain powers and duties from one individual to another. Inasmuch as the President then very much opposed the amendment, it was likely that in some way a transfer of the duties of the Secretary of Agriculture would be made to someone else, or that an order would be issued which would destroy the effectiveness of the requirement. So we very carefully guarded the language of the amendment. But, as I have already said, it was ignored and overridden in an indirect way without any statutory authority for doing so. I never knew how the Stabilization Director assumed to have the power to override the Secretary of Agriculture, but we found that he was doing it openly and above board. I believe that he claimed some degree of authority to do so under the War Powers Act which had been enacted before the adoption of the amendment to which I have referred. So, at the last session when we were considering the continuance of the Price Control Act, in the face of all the complaints which were being made with regard to the power of the Secretary of Agriculture being neutralized and overridden, we took up again the subject in conference. We had Mr. Bowles present. We had Mr.

Fred Vinson present. At that time he was Stabilization Director, or, at least, was occupying a similar office. It was at just about the time when Mr. Anderson was appointed Secretary of Agriculture. He also was present. We discussed how we could write the amendment so as to prevent the intervention of any outside agency or individual. We discussed how we could frame a law which would continue in the Secretary of Agriculture the power which the Congress had given him when passing the original price control law. The Senator from Ohio [Mr. TAFT] was a member of the conference committee. There were other members of great ability. There were on the conference committee strong Members of the House. I have before me the price control language which was agreed upon at that time, and which is now the law. We inserted certain language in the amendment which had been adopted in 1942. Because there had been some controversy about whether the Secretary of Agriculture had agreed to certain actions, the language was incorporated. It was read to the gentlemen to whom I have referred who were present at the conference. They knew what the conferees intended, and it later received the approval of both Houses of the Congress. Here is the language:

Notwithstanding any other provision of this, or any other law—

The War Powers Act or anything else—

No action shall be taken under this act by the Administrator or any other person—

We incorporated those words so as to include the President of the United States—

without prior written approval—

That is what we included the last time—

of the Secretary of Agriculture with respect to any agricultural commodity.

And so forth. In the conference committee we had the uniform desire to make the officials conform with the law as it had been originally written. I believe that Mr. Bowles knew, as Administrator of the OPA, that he could not do what he had done. So, as Stabilization Director he has assumed the power to overrule the Secretary of Agriculture, or force him to do what he wishes to have done.

Mr. President, I did not know that the present discussion would arise. I came into the Chamber expecting to hear a debate on the housing bill. The able Senator from Mississippi [Mr. EASTLAND] was discussing the present subject, and the able Senator from Nebraska [Mr. WHERRY] was participating in the discussion.

After the Secretary of Agriculture had for more than 2 weeks declined to approve an order which was sought to be issued by Mr. Paul Porter as Administrator of the OPA fixing the margins which the commodity exchanges of this country should require on cotton—if it could be done in connection with cotton it could be done in connection with all other commodities—Mr. Bowles issued an order directing the Secretary of Agriculture to affix his approval. In affixing his approval, the Secretary merely said, in substance, "Approved under the order of the Economic Director." That is of record. That is the only approval that was given. But, was it an approval? Was it free and voluntary? Was it the result of the exercise of the judgment of the official whom the Congress said must approve before an order could become effective, or was it an evasion and a subterfuge? Was it an unlawful usurpation of power? I submit, Mr. President, that it represents government by man and not by law. It is government by Mr. Bowles acting as Stabilization Director, and not by the official who was directed by Congress to act in that respect.

Mr. WHERRY. Mr. President, will the Senator from Alabama yield?

Mr. BANKHEAD. I yield.

Mr. WHERRY. On the point the Senator is making, I should like to have him state to the Senate whether the action which was taken was not a direct violation of the statute which the Senator had amended so as to prevent the very thing that took place. Is not that the Senator's interpretation?

Mr. BANKHEAD. Of course, it was a direct overruling of the statute, and directly in conflict with it. As I said in the preliminary statement, the statute was prepared for the express purpose of preventing anyone taking that action except the Secretary of Agriculture. It may be said that the Secretary of Agriculture should not have approved the order. Evidently he did not want to do so. I have no authority to speak for him, but he certainly was clear-cut in what he did, because he indicated it was not his judgment. He wrote on the approval "Not my action," in effect, "approved by order of the Stabilization Director."

Mr. THOMAS of Oklahoma. Mr. President, will the Senator from Alabama yield?

Mr. BANKHEAD. I yield.

Mr. THOMAS of Oklahoma. When I made my statement in the Senate a few days ago, I said as plainly as I could that Mr. Anderson opposed the order for 3 weeks, but finally, through some influence, which I called a political blackjack, he signed the order, but in parentheses he indicated that it was not with his approval.

After I had made my statement and the RECORD reached Mr. Anderson's attention, he read the statement in full and wrote me a letter complimenting me upon the way in which I handled the situation, indicating to me that what I said was exactly what he meant.

Mr. BANKHEAD. The very able Senator from Oklahoma, who is always loyal and true and faithful in his attitude toward the farmers, made a statement in the Senate a few days ago giving a full account of this transaction, and I wish every Member of the Senate would read it. It was a very clear statement.

Mr. President, the action to which I have been referring came after Mr. Porter had sent for officials of the three commodity exchanges, the New York Exchange, the New Orleans Exchange, and the Chicago Exchange, and urged them to put into effect the increased margin requirement for executing contracts on the exchanges. I was not present at the meeting. I do not know whether or not threats or intimidation were attempted. All I know is that the officials declined to abide by or submit to this dictation on the part of the Administrator of the OPA, and did not put the order into effect.

Mr. Bowles proceeded to take charge, in a direct way, by issuing a directive, and when the directive was issued, then the Administrator of the OPA issued another directive, which is not a new term in government, but one in very common use.

The directive issued to the commodity exchanges was that they increase the margin requirement. The margin requirement is larger than it has ever been known in our history, $50 a bale on cotton. Cotton used to sell for that. For many long years that was about the price of a bale of cotton. Under the directive purchasers would have to put up $50 a bale, $5,000 for an ordinary 100-bale contract. If such requirements as that were in effect during the marketing season—October, November, and December—it would take all the money the RFC would have available to supply a sufficient amount for people who bought the cotton crop to hedge on the commodity exchange market.

It was intended to reduce the price of cotton, and it had that effect. In 1 day after it went into effect it reduced the price of cotton $7.50 a bale, which would amount to approximately $80,000,000 on next year's normal crop of 12,000,000 bales, and by itself would mean that much loss. The intention was to drive the price down.

Mr. WHERRY. It stopped production, did it not, during that period?

Mr. BANKHEAD. Of course. All the Senators from the Cotton States will verify the statement that under the greatly increased cost of production, not only of labor but farm implements, equipment, fertilizer, and everything else, to say nothing of the farmers' own expenses in operating, the indications are now that they cannot put the usual acreage into production.

It must not be forgotten that two-thirds of cotton by weight is used as feed and food. There are about 2 pounds of seed to 1 pound of lint in cotton, and that seed is used, as we know, of course, for cottonseed oil, which is in great demand, for hulls, for feed, and the linters for oil and for other purposes. Then the cake is highly valuable as a feed material. That is all now in great demand. Instead of taking action which would mean a change of 1 or 2 cents in the price of cotton, which is all that has been involved up to date, they now take an action which will greatly reduce the production of cotton.

Mr. President, I have said all I care to say about the matter at this time. I

have injected this discourse because the Senator from Nebraska raised the question, and I wanted to add something from my personal information on the subject.

Mr. WHERRY. I thank the distinguished Senator from Alabama for his detailed statement, because it is informative, and the entire membership of the Senate appreciates what he has said.

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

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). The clerk will call the roll.

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

Aiken	Hart	O'Mahoney
Andrews	Hawkes	Overton
Austin	Hayden	Pepper
Ball	Hill	Reed
Bankhead	Hoey	Revercomb
Barkley	Huffman	Robertson
Bilbo	Johnson, Colo.	Saltonstall
Brewster	Knowland	Shipstead
Briggs	La Follette	Smith
Buck	Langer	Stewart
Byrd	Lucas	Taft
Capehart	McCarran	Taylor
Capper	McClellan	Thomas, Okla.
Carville	McFarland	Thomas, Utah
Connally	McKellar	Tobey
Donnell	McMahon	Tunnell
Downey	Magnuson	Tydings
Eastland	Maybank	Vandenberg
Ellender	Mead	Wagner
Fulbright	Millikin	Walsh
Gerry	Mitchell	Wheeler
Gossett	Morse	Wherry
Green	Murdock	Wiley
Guffey	Murray	Wilson
Gurney	O'Daniel	Young

The PRESIDING OFFICER. Seventy-five Senators having answered to their names, a quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5856) to provide for trade relations between the United States and the Philippines, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DOUGHTON of North Carolina, Mr. COOPER, Mr. DINGELL, Mr. ROBERTSON of Virginia, Mr. KNUTSON, Mr. REED of New York, and Mr. WOODRUFF were appointed managers on the part of the House at the conference.

PAN-AMERICANISM AND WORLD PEACE

Mr. CONNALLY. Mr. President, the remarks which I expect to make would have been made more appropriately on April 14; but the Senate was not in session at that time, and I am therefore compelled to make them now. They relate to the formation of the Pan American Union.

A little over a decade ago, Mr. President, the Presidents of the 21 Republics, members of the Pan American Union, designated by executive order, April 14 as Pan-American Day. The purpose of this action, taken in all the countries of the Western Hemisphere, was to impress upon the nations of the hemisphere the significance of the long road which they have travelled together in their quest for unity of purpose and policy. It was also designed to remind them of the grave responsibilities involved in the maintenance of peace and security on this hemisphere as well as the great contributions which the American Republics are called upon to make to the maintenance of peace all over the world.

It must be a source of unending satisfaction to every citizen of the Americas to look back upon the splendid record of accomplishment not only in the peaceful settlement of disputes but also in promoting inter-American cooperation in the solution of common economic and social problems. The American Republics emerged from the colonial period as independent states, with indefinite boundary lines which subsequently gave rise to a long series of difficult and delicate territorial disputes. It is to their everlasting credit that practically all these disputes have been settled by the orderly process of mediation, conciliation, and arbitration. Situations which in other regions of the world might have given rise to bloody and exhausting wars have been settled in this hemisphere by the earnest desire and determined purpose of the masses of the people to keep this continent free from conflict.

I remind the Senate with justifiable pride that we in the New World established the Pan American Union 30 years before the League of Nations first saw the light of day. The Union was, in effect, the first international organization of a general character working on behalf of peace among the nations. This fact stands in the record of history as a lasting tribute to the vision of the men and women of the new World.

We must all bear in mind, Mr. President, that to the nations of the Americas peace has a far deeper meaning than the mere absence of armed conflict. It is a positive concept involving mutual helpfulness in the solution of common problems; it involves the placing of the experience of each and every one at the disposal of all.

It was my privilege, Mr. President, to attend the recent Inter-American Conference on Problems of War and Peace held at Mexico City in February of last year. There I beheld an imposing, and to me, an inspiring spectacle. The representatives of the American nations, there assembled, far from seeking any selfish advantages were laboring for the common good, for the defense and security of the hemisphere, for the universal recognition of human rights, and for cooperation in the solution of difficult postwar problems confronting their respective countries.

At the meetings in the splendid castle of Chapultepec at Mexico City, I realized more clearly than ever before the meaning and content of the Pan-American spirit. Through the Pan-American Union, which has served as the organ of the Union of the American Republics, a new and higher concept of international dealing has been developed. Through the intermediary of the Union new agencies for inter-American cooperation have been established, such as the Inter-American Economic and Social Council, the Inter-American Institute for the Protection of Childhood, the Inter-American Institute of Geography and History, and a host of other organizations.

I hasten to add, Mr. President, that the inter-American system is not based on buildings and organizations alone. It goes far beyond mere bricks and mortar. We have agreed upon a core of common ideals which bestow upon the inter-American system its life and vitality.

Our common belief in freedom, of course, stems back across the decades to the time of Washington and Bolivar.

We have, moreover, united on many occasions to denounce intervention, aggression and conquest, and reaffirm our faith in such fundamental concepts as law and order, the equality of states, the sanctity of treaty obligations, and international cooperation in general. These are the principles of conduct which guide our relations with one another. These are the ten commandments of the inter-American system.

This spirit of inter-American solidarity, Mr. President, does not involve the slightest element of antagonism, or even of rivalry with any other region of the world. The Charter of the United Nations reserves an important sphere of action for regional organizations, and it is in this sphere of action that the American Republics will continue their important concepts of international relations.

On this point there is no conflict. The delegates at Mexico City and at San Francisco all realized that world peace and security are necessary first of all if the Americas are to be free from attack.

It is my hope that before many months have passed the American Republics will convene again for the purpose of putting into permanent treaty form the regional machinery contemplated in the Act of Chapultepec. Our hemisphere system will then become one of the permanent pillars in the temple of peace built at San Francisco.

On this Pan-American Day, we cannot, even while we are building for the future, forget the heroic past. It is in the noble spirit and tradition of great leaders like Washington, Bolivar, San Martin, and O'Higgins that we must carry on. "I have a deep faith in the future of America," said the exiled San Martin on his death bed, and we have only to look about us at the growth and development of the inter-American system to realize that such faith is being fulfilled.

If these great leaders of the past could look down upon us now, I am confident they would be pleased at the action we have taken to unite the Americas in a common cause. They would be glad to know that the liberties for which they struggled so valiantly will be defended by all the republics of the new world acting together in unison and harmony. They would be glad to know that we have adopted the principle of "all for one and one for all."

It is such faith, to, as that expressed by San Martin that will lead the American Republics to make a real contribution in the future. Not only will they continue to perform important service in the inter-American field but by reason of their unity and unswerving devotion to the cause of peace and security, I am convinced that the united action of the

American Republics will constitute a most important factor in the maintenance of world peace.

NATIONAL HOUSING POLICY

The Senate resumed consideration of the bill (S. 1592) to establish a national housing policy and provide for its execution.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

Mr. BALL. Mr. President, unfortunately during much of the discussion of the housing bill, Senate bill 1592, I have been engaged in hearings before a subcommittee of the Committee on Appropriations. I do not know whether there will be a yea-and-nay vote on final passage, and I wish briefly to express my support of the measure.

I believe that the three authors of the bill, the Senator from Ohio [Mr. TAFT], the Senator from Louisiana [Mr. ELLENDER], and the Senator from New York [Mr. WAGNER] deserve the thanks of the Senate and the congratulations of the country for the fine job they have done in devising an over-all, balanced housing program for the Nation. We all know that they have devoted a great many months of hard work to the bill.

Mr. President, I voted against the so-called Veterans' Emergency Housing Act. I voted against it because I believe that in normal peace times the sort of wide-open, broad Government controls which were turned over to individuals to exercise with very little specific directions from Congress as to how they should be handled, plus the use of subsidies which are not selected, but which are broadcast and benefit all the people, regardless of need, are extremely unsound in time of peace.

I intend to vote for the pending bill. I believe that the subsidies for low-rental housing are sound and proper, because they are selected subsidies. They go directly to the people who need them. The very low income families simply have not the money with which to pay rent for decent housing. I believe that the Government has an obligation to see to it that all children in this country have an even start, and come from homes where they have reasonably decent housing accommodations. For that reason I believe that the selective subsidies in this bill, going directly to the people who need them, are sound, liberal, and democratic, whereas the broadcast subsidies, which apply to everyone—whether in connection with food, building materials, or anything else—and which benefit everyone regardless of need, are unsound and an unwarranted interference with the operation of free competition in our economic system.

I must admit that, like most other Senators, I have not had time to study the bill thoroughly, although I have read quite a few analyses of it. I read the statement made the other day by the Senator from Ohio [Mr. TAFT]. From my study of the bill it seems to me that it will do far more than the measure which we passed the other day to stimulate the production of decent housing for families with moderate incomes, whether they wish to own their homes, or are able to do so, or whether they must rent them.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended, which is open to further amendment. Are there further amendments to be offered.

Mr. MURDOCK. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 140, in line 3, it is proposed to renumber section 312 as section 312 (2), and after line 5 to insert the following:

(b) Section 212 (b) of the National Housing Act, as amended, is hereby amended by deleting the words "section 207 or section 210" from the first sentence and inserting in lieu thereof the words "any section."

Mr. MURDOCK. Mr. President, this amendment has been commonly referred to as the prevailing-wage amendment. It was offered before the subcommittee of Banking and Currency which considered this measure, and it was adopted by the subcommittee. I understand that when the subcommittee made its report to the full committee, the full committee deleted the amendment which had been adopted by the subcommittee. I was precluded from attending the meetings of the full committee at the time when that action was taken and at the time when the committee voted to report the bill to the Senate.

Mr. President, I am very favorable to the pending legislation. I think the three co-authors of the measure are to be complimented, and I do compliment them, on the very great work they have done in bringing this measure to the Senate. It is my opinion that it is very timely and highly appropriate; that under its provisions the great housing shortage which today exists in the United States will, over a long-term period, be relieved; and that much good will come from the pending bill.

Mr. President, the amendment provides in particular that instead of the prevailing wage scale being applicable under only two sections of the bill, it shall be applicable under all sections of the bill. It seems to me that the amendment is a good one. All wartime housing was constructed under the prevailing-wage provision. Why such provision should be applicable to a part of the bill and some of the housing projects, but not to all the bill and all housing projects which come under FHA is rather puzzling to me. It seems to me that to write the prevailing wage amendment into the bill itself will have a strong tendency to reduce labor troubles. If the bill provides that the construction of individual houses as well as all other projects must be done under the prevailing wage scale, there will be no question about what the applicable wage scale will be.

Today there is a great deal of talk to the effect that in the case of construction in rural districts or in remote spots the prevailing wage-scale provision will be very difficult to administer. The answer is that the FHA has had no trouble whatever in administering the law as it exists today, and it makes the prevailing wage provision apply to a part of the housing projects. As I have already stated, the prevailing wage-scale provision applied to all wartime housing construction, and in my opinion it worked admirably.

If the prevailing wage provision is not included in the pending bill there will be constant pressure to depress labor wage scales, to drive them down. In my opinion, the result will be a great deal more labor trouble than would occur under the prevailing wage provision.

Mr. President, I hold in my hand a letter from the American Federation of Labor. I wish to read it to the Senate:

Hon. ABE MURDOCK,
United States Senate,
Washington, D. C.

DEAR SENATOR MURDOCK: Two objections have been advanced to the prevailing wage amendment to S. 1592 designed to require the payment of prevailing wages in the locality as a minimum on all FHA insured housing.

The first objection is that the FHA merely insures mortgages, and that the mortgage loan is made by a private lender, a transaction in which FHA does not participate and for which it does not take any responsibility. In advancing this objection, Commissioner Foley completely misled the committee by an outright misstatement of facts. He created the impression that the prevailing wage requirement is not in the present law governing FHA mortgage insurance and is now limited to construction directly financed by the Federal Government. As Commissioner Foley well knows, such is not the case. The objection he now advances was advanced by the FHA several years ago and was overridden by Congress itself when it adopted the prevailing wage amendment requiring payment of not less than prevailing wages on all housing valued at $16,000 or more. This prevailing wage requirement is now the law by which the FHA is governed.

Let me interject there, Mr. President, that the prevailing-wage provision is not something new. It is already in the law. The only question before the Senate is whether we wish to have the prevailing-wage provision applicable to housing which is built on one side of a city or town, but not applicable to housing which is built on the other side, or have it applicable to one type of housing, but not to another type.

Mr. CARVILLE. Mr. President, will the Senator yield for a question?

Mr. MURDOCK. I yield.

Mr. CARVILLE. Is it not a fact that most States in the Union have a prevailing-wage law? I know that in my State we have such a law, and we are governed by it. This amendment would only augment such laws insofar as Federal housing projects are concerned.

Mr. MURDOCK. I think the Senator is absolutely correct. On all housing projects where the money comes from the Treasury there is no question about the application of the prevailing-wage provision.

If a Senator were so meticulous as to claim—as might be done in opposition to the amendment—that where the Federal Government, instead of furnishing the funds directly, is insuring the mortgages, a distinction should be made, I simply could not agree with that kind of thinking.

It seems to me we have progressed far enough down the road of labor relations to know that when we provide for

the payment of prevailing wages on all projects, we then have eliminated any question as to what the wage scale shall be. We thereby eliminate the chiseler and the shoddy, poor construction which results from the poor workmanship of labor which is not competent to do the type of job to which the owner of a home, whether it is a small one or a large one, is entitled.

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

Mr. MURDOCK. I yield.

Mr. LUCAS. I am not sure that I understand the line of demarcation which is drawn here between cases in which the prevailing-wage provision prevails and cases in which it does not prevail. Will the Senator explain that a little more fully to me?

Mr. MURDOCK. In the present law there are two sections—section 207 and section 210—which are subject to the prevailing-wage provision. All other housing under the FHA is not subject to that provision.

Mr. ELLENDER. Mr. President, will the Senator yield to me at this point?

Mr. MURDOCK. I yield.

Mr. ELLENDER. Section 210 was repealed back in 1939, so it is no longer the law.

Mr. MURDOCK. I understand that is true, insofar as housing costing $16,000 or more is concerned.

Mr. ELLENDER. The prevailing-wage provision now applies only to large rental housing financed under FHA, and to nothing else.

Mr. MURDOCK. I know that is the Senator's position, but I think he is absolutely incorrect because all through his bill he will find that the very provisions which he now says are eliminated are still there.

If this amendment is adopted, as I said before, we shall not have a project, on the one hand, which is built under the prevailing-wage scale and a project, on the other hand, which is built under a lower wage scale.

Mr. President, it is my opinion that the adoption of the prevailing-wage amendment will insure the owners of smaller homes that they will get the same type of workmanship on their homes that the owners of larger houses obtain on theirs. If this amendment is not written into the bill, the Senate will open the door to chiseling on labor-wage scales and will open the door to poor construction and to the employment of inefficient mechanics on the homes, which, in my opinion, need efficient labor more than any others do.

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

Mr. MURDOCK. I yield.

Mr. LUCAS. Do I correctly understand that the prevailing-wage provision does not apply to the small homes which are being constructed, but does apply to the larger housing?

Mr. MURDOCK. That is the state of the law today.

Mr. LUCAS. In other words, the pending bill would not change the present law in that respect?

Mr. MURDOCK. Not in the slightest.

Mr. LUCAS. I understand that the Senator's amendment would make the prevailing wage apply to all housing, regardless of the conditions in the community or the type of housing being constructed.

Mr. MURDOCK. That is correct.

Mr. LUCAS. I thank the Senator.

Mr. MURDOCK. Mr. President, I should like to conclude reading the letter:

The proposed amendment would merely extend that requirement to all new construction insured by FHA.

The second objection is that this requirement would prove unworkable because the minimum prevailing-wage standard could not be determined in outlying areas. The FHA is creating a false notion that in order to make the payment of prevailing wages applicable to any housing construction, a special determination will have to be made. The fact is that the law now requires the Secretary of Labor to make repeated prevailing wage determinations all over the country. That was done during the war with respect to rural areas, outlying areas, and sections of the country where war housing was put up for the first time. The application of the prevailing-wage requirement to war housing did not in any way deter or slow up war-housing construction or development. These determinations were made for each locality or area by the Secretary of Labor and were then made automatically applicable as a minimum requirement to the individual homes as well as groups of houses in the course of the war-housing program. The same procedure would apply under the proposed amendment.

As for the FHA's responsibility for the standards on housing built under FHA insurance, it is enough to point out that the FHA does in fact control the standards of location, construction, and all other physical details of the house on which it insures the mortgage. The requirement that one of these conditions would be the payment of not less than the wages actually prevailing in the locality is completely in line with all other standards already required by the FHA. It would eliminate the major cause of substandard construction—destructive wage competition and the shoddy, cheap, and inefficient construction which results from such competition. A minimum standard in home building is just as appropriate as a minimum standard already required by Federal law on all other types of work.

Your support of the prevailing wage amendment on the floor will be greatly appreciated.

Sincerely yours,

BORIS SHISHKIN,
Secretary, Housing Committee,
American Federation of Labor.

Mr. Shishkin testified before the committee. He was very emphatic in his approval of the bill, but was just as emphatic in insisting that the prevailing wage scale amendment be adopted.

Mr. President, I believe that all Members of the Senate have been furnished copies of a statement which goes into detail and at some considerable length with reference to what will be the effect of leaving the proposed amendment out of the bill. I ask that, as a part of my remarks, the statement may be printed in the RECORD at this point.

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

AMENDMENT TO S. 1592, EXTENDING PREVAILING WAGE REQUIREMENT TO ALL FHA-INSURED HOUSING

It is proposed that the general housing bill, S. 1592, be amended to extend the application of the existing requirement to pay prevailing wages on FHA-insured housing to the construction of all types of FHA-insured homes. The present law makes the prevailing wage requirement applicable only to housing valued at $16,000 or more under sections 207, 210, or 608 of the National Housing Act. The proposed amendment would involve no new legislative principle. It would merely extend the requirement which is now law to all types of housing insured by the FHA.

FHA Commissioner Foley, in a letter to the majority leader, argues that the proposed amendment would seriously impair the operation of the FHA. There is overwhelming evidence, based on actual operating experience, proving that the application of the prevailing wage requirement would in no way impair or handicap the development of FHA-insured housing and that, on the contrary, it would assure the home buyer the purchase of a well-built home under fair labor standards and would thereby make FHA insurance more attractive to the prospective home purchaser.

THE PREVAILING WAGE REQUIREMENT ON FHA-INSURED HOUSING OF $16,000 OR OVER IS NOW IN EFFECT UNDER EXISTING LAW

FHA Commissioner Foley has resubmitted to the Senate the statement on prevailing wages FHA submitted to Congress 8 years ago on January 31, 1938. A number of Senators were led to believe that the statement is a current one and deals with the problem as it exists today. Accepting the FHA submission at its face value, a leading Senator and one of the foremost supporters of the bill stated on the floor of the Senate on April 11 that the prevailing wage requirement is not in the law with reference to FHA and that the wage provision is not contained in legislation dealing with the Federal Housing Administration. It is plain that the FHA misled the Senate regarding the very law it is administering. The FHA opposition to the prevailing wage requirement was overridden by Congress in 1938 and the prevailing wage requirement was enacted into law at that time. The prevailing wage requirement has been an integral part of the law governing FHA insurance ever since with respect to housing valued at $16,000 or more. The proposed amendment does not bring the prevailing wage requirement anew into the mortgage-insurance field. The requirement now applies to that field. The amendment merely makes it applicable to housing valued at less than $16,000.

PREVAILING WAGE DETERMINATION IS AUTOMATIC

The FHA Commissioner Foley argues that the proposed amendment would be difficult and even impossible to administer because a separate determination would have to be made with respect to each application for insurance since the provision requires that the prevailing wage be determined prior to the beginning of construction. Mr. Foley's contention is false both in purport and in fact. Determinations of what constitutes a prevailing wage in a locality have been and are being currently and automatically made all over the United States. Neither individual determinations for each insurance application nor special determinations for each locality would have to be made. The Secretary of Labor makes prior determinations for all types of work of comparable character for the locality as a matter of course. Those determinations that have already been made are then made applicable as a matter of routine procedure. There will not be a day lost in the construction or sale of any FHA-insured house because of the requirement to apply prevailing wage standards. Past experience provides ample proof of this and, in fact, demonstrates that application of fair-wage standards eliminates the cause of labor disputes and thereby speeds construction of homes.

ADMINISTRATION OF THE PREVAILING WAGE HAS PROVED THOROUGHLY WORKABLE IN OUTLYING AREAS

It is argued that it will be difficult to determine what constitutes the prevailing wage in small communities and in outlying areas. Wartime experience has proved that no such difficulty actually exists. During the war prevailing wage requirement was applied to all publicly financed war housing as well as to war housing privately built and FHA-insured under section 608 of the National Housing Act. There were a great many individual homes and groups of homes built under this requirement in out-of-the-way locations and in completely new settlements created by war conditions. Some war plants were located in far away, unpopulated sections of the country and to accommodate war workers both private and public housing was built there. In such cases fair and proper determinations were made of the prevailing wage standards for work of comparable character in the nearby area, and, based on such findings, an appropriate standard was applied to the construction work on such location. Since these determinations were made in advance of construction, no delays have resulted on any such housing construction during the entire war period. From now on the finding would usually involve only the restudy and review of the prior findings, and the future determinations can therefore be made even more expeditiously.

THE PREVAILING WAGE REQUIREMENT DOES NOT RAISE WAGES; IT MERELY PREVENTS WAGES FROM BEING DRIVEN BELOW THE ALREADY PREVAILING STANDARD

Arguments are advanced contending that the prevailing wage amendment would increase wages of building workers or that it will make applicable to home construction the scale prevailing on large-scale industrial or commercial building. These arguments ignore the plain and simple language of the prevailing wage requirement which is now law. The proposed amendment, which would apply the prevailing wage to all FHA-insured housing instead of to some, would in no way modify the law as it now stands. It would do no more than require the payment of "not less than the wages prevailing in the locality in which the work was performed for the corresponding classes of laborers and mechanics employed on construction of a similar character." Plainly this provision would merely make applicable the wage standard which is found to be already prevailing in the community on the same type of work. That standard is made the minimum to prevent destructive wage competition at the expense of the building worker.

THE PREVAILING WAGE REQUIREMENT WOULD HELP, NOT HINDER, WIDE PUBLIC ACCEPTANCE OF FHA-INSURED HOMES

The FHA argues that the requirement that not less than prevailing wages be paid in the construction of FHA-insured homes would jeopardize the operations of the FHA. This will be brought about, the FHA contends, by making the bankers and the public unwilling to accept the benefits of Federal mortgage insurance on homes because these homes are required to be built under fair labor standards. Yet the FHA's own experience, extending over a period of 8 years, belies this argument. Neither in peacetime nor in war was there any reluctance on the part of the lenders to finance housing valued at $16,000 or more under the FHA insurance with the prevailing wage requirement. Such housing built and insured under the existing law stands as tangible evidence of the ready acceptance by all concerned of the FHA insurance benefits with the prevailing wage standard. Why, then, should we have well-built two-family or four-family homes produced under fair labor conditions without objection from any source, and meet disastrous trouble in having single-family homes built and financed under the same standard?

The FHA has come to regard itself as the service agency to the real estate brokers and the mortgage lenders. Commissioner Foley makes it plain that the FHA wants to deal only with the lenders and that the interests of the borrowers and the home buyers are none of the FHA's concern. Yet it was the express intent of Congress for the FHA to serve the interests of home buyers and to foster sound home ownership. It is the plain duty of the FHA as a public agency and an arm of our Government to play no favorites to any special interest and to uphold and protect the public interest above all others. It is, therefore, a very real concern of the FHA to make sure that the homes built and guaranteed with Federal insurance are good homes, meeting sound standards and produced under fair, not substandard, labor conditions.

If the FHA takes affirmative steps to assure the maintenance of all such standards in the construction and marketing of FHA-insured homes, the seal of FHA approval would become to all home buyers an enduring symbol of good homes, soundly constructed, well designed, and produced at not less than the wage standard prevailing in the community. A home buyer, knowing that an FHA-insured home was produced under good working conditions, would certainly give it preference to a house built under questionable standards. The prevailing wage requirement, as one of the basic policy standards of good and efficient home construction, would be a strong inducement to the great mass of home buyers to turn to the FHA as the guardian of the standards of good home construction.

Substandard wages result in substandard workmanship and foster inefficient, shoddy construction. Unfair wage competition tends to drive down wages of workers building homes below the standard of decent income. Yet the comprehensive program set forth in the Wagner-Ellender-Taft bill is the only program before Congress which will assure full and stable employment to a large number of workers in a major area of our economy. Maintenance of fair wages is indispensable to continuing maintenance of full employment. The prevailing wage amendment is indispensable to the proposed program if S. 1592 is to become an effective instrument of lasting and prosperous productive activity in rebuilding the homes of postwar America.

Mr. MURDOCK. I hope that the amendment will be agreed to.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). The question is on agreeing to the amendment offered by the Senator from Utah [Mr. MURDOCK].

Mr. BARKLEY. Mr. President, I wish to make a brief statement with regard to the amendment. I am impelled to do so because, in the subcommittee of the Committee on Banking and Currency, and in the full committee as well, when this matter was under consideration my vote was on both sides of the proposition. So at the present time I am entirely free to vote as I please.

I have always favored the prevailing wage scale principle, and supported it when we had before us for consideration the National Housing Act approximately 8 years ago.

In the subcommittee, composed of seven members, I was somewhat in doubt about the matter. I felt that in small communities some difficulty might be experienced in establishing what was the prevailing wage, especially in communities where there was no labor organization which had really established a prevailing wage. However, I resolved the doubt in behalf of the prevailing wage scale principle, and voted to include it. The result was that by a vote of 4 to 3, the subcommittee reported the bill to the full committee with a provision in the form offered by the Senator from Utah requiring that the prevailing wage be paid.

When the bill was before the full committee Mr. Foley, Commissioner of Housing, wrote a letter to me which I had printed in the CONGRESSIONAL RECORD of April 11, setting forth objections to the prevailing wage scale principle, and stating as his contention that to adopt it would handicap the Housing Administration in administering the act, because there would be some hesitancy on the part of the lending agencies to make loans if any question were involved of their being insured. He stated that unless the prevailing wage were paid, the loans could not be insured. That placed upon the lending agency the obligation to see to it that the prevailing wage was paid. I was influenced in the full committee by that logic, and voted to eliminate the prevailing wage requirement from the bill.

Since then, Mr. President, I have received a number of communications calling my attention to the fact that the prevailing scale principle has always been applied in connection with housing projects costing $16,000 or more, but not with reference to housing projects costing less than $16,000, and it does not generally prevail with regard to individual houses.

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

Mr. BARKLEY. I yield.

Mr. ELLENDER. As I have already pointed out, the provision to which the Senator has referred applies to rental houses and not to individual homes.

Mr. BARKLEY. I understand. It applies largely to apartment houses and not to individual residences. Yet, Mr. President, so far as prevailing wage scales are concerned, I find it somewhat difficult to distinguish between the requirement with reference to insurance on rental houses and the requirement with reference to insurance on houses which are to be occupied by the owners. In neither case does the Government put up any money. It is an insurance proposition. Of course, we have always required, in cases in which the Government put up money for the construction of Government houses, as well as in connection with slum clearances and other similar matters, that the prevailing wage scale shall be paid. Under the Housing Act of 1938 it was provided that in regard to rental houses costing $16,000 or more, although the Government had no money invested in them, they involved an insurance proposition, and therefore it was required that the appropriate wage scale be paid.

Mr. MURDOCK. Mr. President, if the Senator from Kentucky will yield to me, I may say that I believe the distinguished Senator from Louisiana [Mr. ELLENDER] was in error when he stated that the prevailing wage scale requirement did not apply to individual houses costing $16,000 or more. My understanding of

the law is that regardless of whether it was a rental house or an individual house, so long as the cost was more than $16,000 the prevailing wage scale principle applied. However, it is also my understanding that that particular feature of section 210 was eliminated and that at the present time the only application of the prevailing wage scale is to rental housing projects, and will so continue unless my amendment is adopted.

Mr. BARKLEY. There was some vagueness in the language of the amendment to the original act, and there might well arise the question whether it did or did not apply to individual residences costing $16,000 or more.

Mr. TAFT. My understanding is that the FHA law never applied to a residence costing more than $20,000, or a mortgage in excess of $16,000.

Mr. BARKLEY. The point I am endeavoring to make is that there is some vagueness in the language of the original act, and, therefore, it is difficult to interpret whether the prevailing wage provisions should apply to residences costing $16,000 or more, or only to apartment houses. But, I do not believe that question is very vital in connection with the pending matter.

Mr. President, I have weighed the contentions which have been made on both sides of the question, and I feel that I should vote in accordance with my original belief, namely, that the prevailing wage scale principle should be carried in the proposed legislation. I realize that there may be some difficulty experienced in its administration, especially in communities in which there may not be an organzed labor wage standard. However, I am informed that the Secretary of Labor, whose duty it is to make the certification as to the prevailing wage, has not found any insuperable difficulty in arriving at what is a fair estimate of the prevailing wage in a community even when in such community there is no labor organization. Therefore, Mr. President, I shall vote for the amendment offered by the Senator from Utah.

Mr. President, in today's mail I received a letter from Mr. Morris Shishkin, secretary of the housing committee of the National Federation of Labor, enclosing a memorandum. I suppose that that memorandum is the one referred to by the Senator from Utah, a copy of which he had printed in the RECORD.

Mr. MURDOCK. Yes. I have already asked and received permission to have it printed in the RECORD.

Mr. BARKLEY. I shall merely refer to it as having been received. I think it contains a fair discussion of the proposal which is now before the Senate.

Mr. TAFT. Mr. President, when I spoke Thursday I pointed out that the chief problem in providing housing in this country is the cost of the housing, and the chief thing to be accomplished, if we can possibly do it, is to reduce the cost of the housing. Of course, the cost of living in smaller towns and in the outskirts of cities is usually less than in cities themselves. If we raise the cost of housing in the area outside of cities and in small towns we are going to make it impossible, assuming FHA continues to insure mortgages, or to be able to insure them at all, for a large number, hundreds of thousands or millions of people, to build new houses and live in them who might otherwise be able to do so.

The purpose of the amendment is to raise the cost of labor which goes into a house, and that is one thing which I think we should by all means avoid if we can possibly do it.

Every time we have been considering the FHA the same question has arisen. It arose in connection with the original bill. It has arisen ever since, and Congress always has decided that it would not require the FHA to require the lender of money to require the man who builds the house to require the contractor to pay the so-called prevailing wage, which in effect is the union wage.

It is true that originally the prevailing wage requirement was inserted as to rental housing, so-called, apartment houses costing a considerable amount of money. As a matter of fact, that did not make very much difference, because such buildings are erected in urban communities, where ordinarily the prevailing wage is in effect, and in which unions have a practical monopoly of all building labor. So that has not had a very great effect, although it is considered to be one of the reasons why the FHA rental housing program has hardly been a success.

The actual amount of housing which has been guaranteed by FHA insurance is a very small part of the total of the FHA program, and one of the reasons is this particular requirement.

I do not think it makes much difference as to apartment houses, because, as I have said, they are mostly in urban communities, where standard union wages have to be paid anyway. But apparently the regulation involved in taking FHA insurance, and thereby requiring the checking of every man who works every day on a particular project, has deterred those who build houses from ever asking for FHA insurance.

Mr. MURDOCK. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. MURDOCK. The Senator certainly does not wish to tell the Senate that there would be any such checking required as he now indicates. He knows that under the present law the Secretary of Labor establishes what the prevailing wage rate shall be. After that is once established, it is known to everyone, and is merely administered like all other standards under the Federal Housing Act. To rise here and say that there must be a day-to-day checking on each individual who works, in my opinion, is not stating the way the law is administered or is intended to be administered.

Mr. TAFT. If the law is to be enforced, that is what has to be done, because if the lender, the banker, does not check up on the contractor to see that he is employing proper men and paying proper wages, then he is likely not to get his insurance. It is true the FHA requires the submission of plans in the beginning, and checks up at the end to see that they have been complied with, but so far as the question of whether the prevailing wage is paid every day is concerned, there is nothing today that requires any such regulation as would be required by the pending proposal.

Mr. MURDOCK. Did Mr. Foley say anything in his testimony before the committee on the present law and its administration, as to individual day-by-day checking to which the Senator refers?

Mr. TAFT. I do not think Mr. Foley testified on the subject particularly. As a matter of fact, I pointed out that the number of FHA rental projects is very small, partly, I think, because of the prevailing wage provision contained in the rental provision as to housing.

Mr. MURDOCK. It seems to me the Senator is importing a great deal of trouble which never will arise.

Mr. TAFT. I disagree with the Senator. Basically, it seems to me, when we are asking only to insure a mortgage for a banker who is financing the construction of a home, we should not attempt to use that indirect control to regulate the manner and the details of the operation of the contractor who is building the particular house. It seems to me an undue extension, and going into a field into which we constantly are tempted to go if the Federal Government wants to obtain every detail of the operation we are seeking to authorize.

Mr. MURDOCK. Is it not true that under the administration of the law today all details of construction, all the business of the Federal Housing Administration, results in their having an inspection going on all the time to ascertain whether or not the contractor is living up to the specifications of construction as promulgated by the Federal Housing Administration?

Mr. TAFT. I do not understand there is any such detailed regulation or inspection. I understand there is one check at the end of the period, when the house is finished, to see whether it complies with a few basic specifications, not detailed specifications, but a few standards which the FHA requires before it will insure a house.

Mr. MURDOCK. The Senator knows that Mr. Foley and other witnesses in connection with the warranty provision of the bill assured us that there is no need of a warranty provision in the bill because of the very particular and constant inspection by the FHA, to see that the contractor is living up to his contract.

Mr. TAFT. I did not understand Mr. Foley to testify anything of the kind, or to say that there was any such inspection. As a matter of fact, there is no such inspection of FHA individual homes which are insured under mortgages.

Mr. MURDOCK. Will the Senator yield for one more observation?

Mr. TAFT. I yield.

Mr. MURDOCK. If there is no inspection at all, if there are no details of construction which have to be adhered to under FHA, what is the protection of the Federal Government in insuring, on such a generous scale, the lending by bankers to the builders of the country?

Mr. TAFT. I understand that certain basic standards have to be approved before a house is begun. The plans have

to be submitted, and the FHA passes at that time on the question whether they meet the basic standards. When the house is completed, the FHA sends out a man to check it over to see whether the basic standards have been complied with in accordance with the plans and specifications. As I understand, there is no detailed inspection, there is no day-to-day inspection on the part of the FHA. What the banker who is insured does depends on him. Some do and some do not.

Mr. MURDOCK. I did not mean by my statement to indicate that there is a day-to-day inspection of each house, but I am quite sure the Senator will discover that when a house is begun it is thoroughly understood what the building and construction requirements are, and that certainly during the course of construction there are 2 or 3 inspections to see that the contractor is conforming to the general specifications of the FHA.

Mr. TAFT. Mr. President, as I have said, the effect is to put the Federal Government into the regulation of the construction from day to day and the operation of the contractor from day to day on every individual home erected in the United States.

Mr. President, probably the bill is of more direct benefit to building trade-unions than to anyone else in the United States, so far as actual advantage is concerned. It is a bill which should enable them to have the largest employment and the steadiest employment they have ever had. I think it is unfortunate they should ask something else, namely, to put in a prevailing wage provision, a union wage provision, in effect, in connection with the building of every home in every district in the United States.

Mr. President, we have encouraged the unions; we have given them assistance; we permit them to organize just as far as they possibly can organize; and I think they should rely on their own power today to organize the workers engaged in the building business, and secure such wages as are appropriate to the neighborhood, and as are paid under collective bargaining, not by the fiat of the Secretary of Labor.

I repeat, I think the bill is the greatest boon the unions can possibly have for permanent employment in the postwar period. I do not understand why they should press for this additional Government action, which has not been taken before, which was not taken in connection with existing law. So far as I know, what we propose would in nowise interfere with their organizational work, or interfere with proper wages in the building trades industries.

The FHA is very much opposed to the enactment of the amendment. They say, "We think it would kill FHA for the present." Why do they say that? Because they figure that the requirement would be so disagreeable to those who are going to build houses that they would not take out FHA insurance. The FHA insurance plan has gradually imposed upon the entire country a standard form of financing which has made it much cheaper for those who build a house to live in it. It seems to me that difficult terms should not be imposed on lenders who take FHA insurance. The FHA says that today there is plenty of money available for use during the next 2 or 3 years. Every bank, every building and loan association, will have money, and they are inclined to lend it in a more or less free way. They are very much afraid that if this amendment shall be enacted they will practically be driven entirely out of the business of prescribing the kind of financing which should prevail in the outer suburban districts and smaller towns in the United States. Therefore a contractor will say, "I cannot handle this if the FHA requirement is imposed upon me. I would have to pay wages twice as much as those I am paying now, and charge you more. Go around and see the banker and get a direct loan." Then the banker, instead of giving a 25-year loan duly amortized all the way through so that the purchase will be completed, will say, "I will grant you a loan for 5 years. You will have to pay it off at the rate of 10 per cent a year to reduce my mortgage promptly," and perhaps at a higher rate of interest. So the FHA are the ones who have objected most strenuously to the imposing of this condition.

Mr. LUCAS. Mr. President—

The PRESIDING OFFICER (Mr. HUFFMAN in the chair). Does the Senator from Ohio yield to the Senator from Illinois?

Mr. TAFT. I yield.

Mr. LUCAS. I think I am correct in my understanding that the FHA will have complete jurisdiction over the subject matter of this bill once it becomes the law.

Mr. TAFT. That is correct. Mr. Foley is Commissioner of the FHA, and has complete charge of the granting of mortgages.

Mr. LUCAS. I do not know how FHA has operated in other sections of the country, but so far as Illinois is concerned, it is the outstanding agency in Government today so far as industry and efficiency is concerned. I should dislike very much to do anything that would have any tendency to destroy an agency which has the confidence of the people in that community.

Mr. TAFT. Certainly the FHA officials are the best ones to judge, and Mr. Foley was very decidedly of the opinion that forcing FHA to impose a great many diferent requirements on the building of individual houses would practically shut them out of mortgage operations in that field. It might be said, "Well, if they do not need FHA insurance, why bother?" The difficulty is that we are likely to drift into methods of financing which are not beneficial to those who wish to build houses and which would also, perhaps, result in higher costs for money to those who want to build.

Mr. President, I think the bill contains many excellent provisions, many provisions helpful to labor. I hope the Senate will not impose what would be highly controversial additions to the housing picture, which I believe would in the end do more harm than good to those who should have the right to obtain new houses at reasonable costs.

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

Mr. TAFT. I yield.

Mr. MAGNUSON. If the Government participates in the financing of a house, or if the Government participates in any other matter, why should not the prevailing wage in the area be paid? That is what bothers me.

Mr. TAFT. I voted for the payment of the prevailing wage in connection with the hospital bill, where the Government money is actually being used to build. But in this case we are only insuring the mortgages. We are one step further away from the process. I think it would be unfortunate for the Government to dictate wages when it is not directly engaged in financing the project. In this case the Government is only remotely engaged in financing the building of houses, as in fact we are engaged in financing banks through the Federal Reserve Board, and through the Federal home loan bank we are engaged in financing building and loan associations. But we do not say to those banks and those building and loan associations, "When you borrow money from us, the Government, you will have to see that prevailing wages are paid on the project for which you loan money, because you are indirectly being helped by the Government." That would lead to the Government fixing wages in the United States, because directly or indirectly the Government is concerned.

I think the proper line drawn is where the Government money is directly concerned, where we appropriate money out of the Federal Treasury to build something; then we are participating in the building, and then I think we should say what the wage should be. But the moment we go beyond that it seems to me we are trying to fix wages in all industry. I think all Members of the Senate agree that the Government must not be the wage-fixing agency.

Mr. MAGNUSON. Mr. President, let me ask the Senator a further question. The prevailing wage means the wage which, by collective bargaining, has been fixed in the community for various trades that might be engaged in the building industry. We would not be fixing any wage. We would merely say in a case in which the Government participates, either in financing itself or insuring the loan, that when the project is built the wage should be paid that has been arrived at by collective bargaining, and as a result of conferences and contracts—the wage that prevails in the community. It might cover a period of years before the wages are arrived at. I cannot see any reason why anyone should oppose the Government saying that as a matter of policy the prevailing wage in the community should be paid.

Mr. TAFT. I think that would be an extraordinary thing to do. The Senator suggests that instead of the Government fixing all wages, which he says it should not do, the Government should say that when a collective-bargaining agreement is reached in an industry it should be applied to every industry, to every union or nonunion man, whether he is a party to the collective-bargaining agreement

or not. It seems to me that is delegating to somebody else to fix wages for workers who have no part in the collective-bargaining agreement. I do not think we can logically undertake to fix general wages at figures reached through private negotiation. So far as that is concerned, I do not even believe that the Government should enforce payment of certain wages to those who participate in the agreement.

Mr. MAGNUSON. As I understand the pending amendment, all that is proposed is that if the Government participates in the loan to be used to put up a building, the Government shall insist that the prevailing wage paid in that community, be paid on that project. The prevailing wage is a wage usually arrived at, not by Government order, but by a series of agreements reached between management and labor.

Mr. TAFT. Yes; but who determines that? The Secretary of Labor, in effect, will fix all the wages in the United States. He will follow almost entirely the union wage scale. He will extend the union wage scale from places where it prevails to outlying communities where it does not now prevail. If one were to build a house in a small town, he would not go to a large city to get a contractor and employ union labor to build the house. Many men in that town are carpenters. Most of them are nonunion and willing to work in the small town for less than if they went to work in a big city. Most of the building today in the small towns, and also in the outskirts of large cities, is done by that type of labor. Why do the unions want this provision? They want to raise the wages of everyone who is building houses and is not now in a union.

Mr. MAGNUSON. Does not the Senator from Ohio think that a great deal of our trouble has been due to the fact that there has not been a uniformity of wages areawise?

Mr. TAFT. I certainly do not. I think that if we were to try to have uniformity of wages all over the United States we would destroy the economy of most of the small towns and the rural communities of the United States. There must be and should be a proper differential with respect to large cities and small towns and rural communities.

Mr. MAGNUSON. Under the amendment the Secretary of Labor could determine the prevailing wage which may be paid in a small town or rural community. That need not necessarily be the metropolitan wage.

Mr. TAFT. Then we would have the Government fixing wages. In that event we would have the Government fixing wages for all residential building construction in the United States.

Mr. MAGNUSON. I cannot agree with the Senator from Ohio.

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

Mr. TAFT. I yield.

Mr. BARKLEY. As I visualize the situation, and as I pointed out in the subcommittee and in the full committee also, I do not see any difficulty about the administration of this amendment in urban communities where there is a well-understood standard, fixed by collective bargaining between builders and building trades, contractors, and so forth. All the Secretary of Labor is required to do is to certify what that prevailing wage is, and it is the same for all carpenters and all bricklayers and all construction workers in the urban community where there is a standard fixed by collective bargaining, which means ultimately that there is a standard fixed by labor organizations.

I recognize that there may be some difficulty in a small county seat town where there is no labor union. It may be 40 miles from a town where there is a labor union. It may be, and it is likely true, that carpenters and bricklayers in that outlying section are willing to work for a smaller wage than they would work for in an urban section, if they were members of a building trade union. But whatever that wage may be, there must be some standard in outlying communities that can be regarded as a standard prevailing wage. The Secretary of Labor might find a little more difficulty in ascertaining what that standard is in the outlying communities, but he can ascertain it. All he has to do is to certify what it is. It need not be the same as that which prevails in the larger city. It may not necessarily be the same as that prevailing among union carpenters and bricklayers. But if he can ascertain what the prevailing wage is in that community, all he does is to certify what it is, and then that wage must be paid in order that the loan may be secured.

Mr. TAFT. Mr. President, I understand the real purpose is to recognize, as under the Walsh-Healey Act, that the standard wage is the union wage. If there is no union wage the Secretary of Labor would have to guess what the wage might be in a small town.

Mr. BARKLEY. He would not have to guess about it. There is not a great deal of difference between the wages paid by different contractors in small communities to carpenters or bricklayers or others. There ought not to be a great deal of difficulty about that. It would be a little more difficult and a little more complicated, I grant, than in well-organized communities, but it does not have to be the same in a small town of 2,000, which happens to be the county seat of some county, and is 40 or 50 miles away from an urban section, as it is in the large city. It is the prevailing wage paid in that community, if he can ascertain it, that would be the standard.

Mr. TAFT. But why should the Government concern itself with a great number of private operations, because that is what they are, Those who want to do so can build houses without this insurance, if they want to, and why should we say to them, "If you take this insurance you have to build in a different way. You have to pay more for it. You have to pay a higher wage over and above what men are willing to work for." The union wages in some of these fields have gotten out of all relation to the actual value of the product. That is largely because these unions have had a closed shop in many districts. What they are really asking us to do here is to help them extend the closed shop to the entire United States. That is really the substance of the prevailing wage amendment. And while I should be glad to see them get the closed shop and the higher wages, I do not see why the Government should go out of its way to undertake the regulation of all building labor in the United States in order to bring about that result.

Mr. MAGNUSON. Mr. President, will the Senator yield,

Mr. TAFT. I yield to the Senator from Washington.

Mr. MAGNUSON. The Senator from Ohio just made the statement that the Government would be embarking upon a program to force builders in a small community to pay a higher price for houses. That is not necessarily true under this amendment. We hope that the prevailing wage will be paid anyway. Regardless of whether this provision is in the bill or not, in many cases the prevailing wage will probably be paid anyway.

Mr. TAFT. The Senator, of course, is familiar with the operations of the Walsh-Healey Act.

Mr. MAGNUSON. Yes.

Mr. TAFT. He will recognize that in effect it provides for the union wage. If there is no union wage, it is what the union wage would be guessed to be in the particular community. That is the purpose of it.

Mr. MAGNUSON. In some cases this amendment might provide a cheaper house.

Mr. TAFT. The Senator is optimistic. I do not think it would, under any actual conditions of which I have ever heard; and the FHA does not think so.

Mr. President, I hope the amendment will be defeated.

Mr. ELLENDER. Mr. President, I do not know that I can add much to what has already been said. The authors of the pending measure have spent much time in committee debating this very subject, as to whether or not there should be included the prevailing wage clause now sought to be added to the bill. When the bill was first introduced by the Senator from New York [Mr. WAGNER] and myself an effort was made by the Senator from New York to include this proposed amendment in the bill, and I refused to agree to it, because I thought it was impractical to do so and for the further reason that the evidence which was heard during the hearings showed, as was pointed out in a letter addressed to my distinguished colleague from Kentucky [Mr. BARKLEY], by Mr. Foley, that such an amendment would seriously curtail the insurance of mortgages. I quote from Mr. Foley's letter indicating his position:

> In my opinion, this proposed amendment would seriously curtail, if not completely destroy, one of the major operations of this Administration, namely, the insurance of mortgages on one- to four-family dwellings for the following reasons:

Then he proceeds to indicate his reasons for assuming such a position.

As has been pointed out by the distinguished Senator from Utah [Mr. MURDOCK] and the distinguished Senator from Kentucky [Mr. BARKLEY], the law

provides for the prevailing wage as to all public housing including also all large apartment buildings financed through insured loans. The prevailing wage provision was also included in all war housing legislation. Why? Because all such housing was built on a large scale, and it was found that there was not much difference between such projects and the large projects to which the prevailing wage already applied under the law. In other words war housing did not deal with individual homes, but with mass production for and on behalf of the Government.

Under this bill we seek to broaden the opportunities to build cheaper houses throughout the country for families of fairly low income. We have expanded the law so far as it applies to the home-loan building associations, in that we are giving them a larger coverage, whereby they can obtain more insurance and a larger class of insurance under the FHA plan. If this amendment were adopted it would deter banks from making loans of $2,000 or $3,000 to build small houses, because it would be essential, in order that the loan might be good, to show that the wages paid were the prevailing wages. Rather than go into all those details, as Mr. Foley has pointed out, the banks would not make the loans. I quote further from Mr. Foley's own language:

1. Banks and other lending institutions would be unwilling to advance construction funds in reliance upon our commitment to insure upon completion because such commitments would be of no effect if upon completion the contractor, over whom the lender has no control, was unable or unwilling to certify that he had paid the prevailing wage. Many banks and other lending institutions are not authorized by law to make high percentage loans except upon a binding commitment by this Administration to insure the mortgage upon completion. Such lending institutions would be unauthorized or unwilling to assume the responsibility of controlling or determining the wages actually paid by the contractor under his contract with the owner or of advancing its funds in reliance upon a commitment which was subject thereto.

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

Mr. ELLENDER. I yield.

Mr. MURDOCK. The Senator knows, and Mr. Foley knows, that the prevailing wage provision has been in the Federal Housing Act ever since its enactment. Is not that true?

Mr. ELLENDER. No; that is not true as to individual houses.

Mr. MURDOCK. When was it placed in the act?

Mr. ELLENDER. It was never in the act, as I pointed out to the Senator just now, in the form the Senator now proposes it.

Mr. MURDOCK. It is in the act today.

Mr. ELLENDER. Yes, with respect to large renting projects. I think I have made that clear.

Mr. MURDOCK. I think the Senator has. It is in the law today. Did Mr. Foley or anyone else point out that any bank in the United States had ever refused a loan under FHA because of the prevailing wage scale provision?

Mr. ELLENDER. Most of the large projects are built in large cities where the wages paid employees are usually the prevailing wages. But out in the country, in villages with a population of 500 or 1,000, the Administrator would get into trouble. Under the terms of the bill as it is now drafted we seek to broaden the power of the FHA, so that it may lend money for repair purposes, not only in large cities, but in small towns, and even in the country.

Mr. MURDOCK. Residents of Cincinnati, New Orleans, and other large cities tell me of the terrific trouble we would have in country towns. I live in a small town.

Mr. ELLENDER. So do I.

Mr. MURDOCK. I live in a town with a population of 2,000. Everyone in the town knows what everyone else makes. So if John Jones, the contractor, is chiseling on a contract, it will be known immediately. If the prevailing wage scale provision can be enforced in cities such as Cincinnati, Cleveland, and New York, it will be much less difficult to enforce it in a small town such as the town in which I live. It is said that such a provision would occasion a great deal of detail, and a large amount of trouble.

Mr. ELLENDER. Under the provisions of this bill, thousands of individual homes will be built throughout the country costing from $5,000 on down to as low as $1,500. Thousands of homes will be repaired wherein the cost may be as low as $500. Each contract would be subject to scrutiny to ascertain whether the prevailing wage was paid.

Mr. MURDOCK. Certainly; and that is being done now. What would happen immediately upon the adoption of this amendment? Wherever the FHA is operating the Secretary of Labor would be called upon to establish the prevailing wage. Once established, it would be no more difficult to administer than would be the case in a large city.

The Senator has made a great and wise contribution to housing legislation.

Mr. ELLENDER. I thank the Senator. The pending amendment is one of the provisions which I said should not be in the act for the reason that it would be difficult to administer and for the further reason that it would curtail and retard our housing program.

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

The PRESIDING OFFICER (Mr. MITCHELL in the chair). Does the Senator from Louisiana yield to the Senator from Utah?

Mr. ELLENDER. Before yielding further let me again state to the Senator there is no law now in effect providing that builders of individual homes under the FHA insurance system are obliged to pay prevailing wages. As I indicated before, the prevailing-wage clause applies only to public housing and to the building of large apartment houses. Such a provision is now in the law and is incorporated in the pending measure. I now yield to the Senator.

Mr. MURDOCK. It seems to me a little peculiar for the Senator to be importing bug-a-boos into the debate merely because it is desired to enforce the prevailing wage scale throughout the country, instead of limiting it to the larger projects. Such a provision would not be one whit more difficult to administer in the outlying sections than in the great metropolitan areas. I say that because I live in a small town.

Mr. ELLENDER. I am sorry that I cannot agree with the distinguished Senator from Utah. I am quite confident that in many sections of the United States where unions are not in operation, it would be rather difficult to administer such a law. It would at least entail lots of red tape and make it almost impossible to obtain financial aid from local banks.

Mr. MURDOCK. Does the Senator mean to tell the Senate that there is any place in the United States today where the people have not heard of labor unions?

Mr. ELLENDER. Certainly there are places where they are not in operation.

Mr. MURDOCK. I cannot conceive of it.

Mr. ELLENDER. I know of quite a few such places.

Mr. MURDOCK. In my State there is not a home so remote that the people do not know all about labor unions and all about everything else that is going on in the world today.

Mr. ELLENDER. The Senator lives in a large State which is thinly populated. It is not like living in Georgia or Louisiana, where one is never out of sight of a home. Homes are pretty well scattered over the country, and there are hundreds of villages of 100 or 150 inhabitants. Those States are unlike Utah and other mountain States.

Mr. MURDOCK. In all probability there is a radio in every home. If there is not a radio, newspapers are received every day. I simply cannot believe that the Senator is serious when he states that there are places in the United States today where the people do not know anything about labor unions.

Mr. ELLENDER. I am serious in what I have said.

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

Mr. ELLENDER. I yield.

Mr. MAGNUSON. Does the Senator contend that under the terms of this amendment it would be necessary to have a labor union in order to establish the prevailing wage?

Mr. ELLENDER. Oh, no. I am speaking of the difficulties which would arise by reason of these loans being made by the banks. As the Senator knows, under the FHA the Government does not put out a dime. The service rendered is that the loan is insured. The banks are assured that the loans will be paid. As Mr. Foley pointed out, if we begin to attach strings to such loans the bankers will not lend the money, and many homes will not be built. The building and repair of homes will be deterred.

Mr. MAGNUSON. I do not see why any banker, whether he comes from a town as small as the town from which my friend from Utah comes, or whether he comes from a small town in Louisiana, should be discouraged from making a

loan because the contractor says, "I am going to pay the prevailing wage."

Mr. ELLENDER. But suppose the contractor does not pay the prevailing wage? The loan would not be in accordance with the law and the bank might find itself in distress when it attempted to enforce the payment of the loan.

Mr. MAGNUSON. Mr. President, any contractor who does not pay the prevailing wage should not be in business, anyway.

The determination of whether the prevailing wage is paid should not be difficult. The carpenters and other workers will know whether they are paid the prevailing wage. The requirement that the prevailing wage be paid will not necessarily hurt the small homes, any more than it hurts the large projects, because in most cases the contractors already are paying the prevailing wages.

The Senator from Louisiana, who is a distinguished member of the Committee on Naval Affairs, knows that that rule has been on the books with respect to navy yards. During the war the United States built naval bases in communities where probably nothing was known about labor unions. That did not mean, however, that the wage scale established there by the Secretary of the Navy was based on the wages prevailing in the nearest urban community, for as a matter of fact it might have been based on the wage-scale existing in a community thousands of miles away.

I do not think the adoption of the prevailing-wage amendment will deter the bankers at all. I think most of them will loan more money, because when they lend money on a project on which well-paid workmen are used, they will know that probably the workmen will be of the better class and will do a better job.

Mr. ELLENDER. Mr. President, I propose to follow Mr. Foley's views in this matter. I shall read all of his letter in a few minutes. I wish to emphasize the fact that this bill is most comprehensive. First, let me say that we spent a great deal of time on it, and this proposal of paying prevailing wages on all FHA loans was thrashed out many a time. Before the subcommittee, which first held hearings, efforts were made to put this amendment into the bill. Then when the bill came before the subcommittee of the Banking and Currency Committee, which heard all the evidence, I understand that Senators were equally divided, and the full Banking and Currency Committee, which reported the bill to this body, voted down this provision. I am sure it did so because it felt that althought the amendment would not necessarily be entirely destructive, it would adversely affect the operation of the bill.

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

Mr. ELLENDER. I yield.

Mr. MURDOCK. The subcommittee of the Banking and Currency Committee, which heard all the evidence on the bill and listened to all the story of Mr. Foley and to all the other evidence, adopted the prevailing-wage amendment.

Mr. ELLENDER. I understood Senators were equally divided. In any event the full committee did not do so.

Mr. MURDOCK. Yes; for some reason or other which I cannot understand, it did not.

Mr. ELLENDER. Mr. President, I continue to read from the letter written by Mr. Foley:

Since participation of lending institutions in our program of mortgage insurance is purely voluntary and since no such requirement would attach to uninsured mortgages or to mortgages guaranteed or insured by the Veterans' Administration under the Servicemen's Readjustment Act, it seems clear that few, if any, lending institutions would be willing to participate in the Federal Housing Administration plan for the financing of new construction.

2. The amendment would appear to have the effect of completely preventing this administration from insuring any mortgage on existing construction, the construction of which was begun after June 3, 1939. While I am confident that this was not the intent of its proponents, your attention is called to the language of the provision which refers to construction which "was or is to be" commenced subsequent to the "effective date of this section" (approved June 3, 1939) and requires a determination by the Secretary of Labor "prior to the beginning of construction and after the date of filing of the application for insurance." Such condition would, of course, be impossible to meet with respect to existing construction.

3. The administrative difficulties presented would cause serious delay and uncertainty at a time when speedy construction of new dwellings is of the utmost importance.

I call your attention to a memorandum from the Department of Labor, which Senator WAGNER presented to the Senate during consideration of a similar proposal in 1938. It is printed in the CONGRESSIONAL RECORD of January 31, 1938, at page 1663, and contains the following statements:

"(1) It would mean that a prevailing wage rate would have to be determined in virtually every community, no matter how small, in the United States. The administrative difficulties involved would be very great, and delay that would be incurred would be a deterrent to the active construction so much needed in the very near future.

"(2) The word 'adequate' is not defined, nor can it be well defined as it refers to labor standards in this case. There is no definition in the law, and as a practical matter it would be almost impossible to define it administratively. It would have to vary from city to city and from town to town.

"(3) It would make it extremely difficult for families who need to do most of the building of their own houses to get their loans, and this is exactly the type of construction which we do not wish to discourage.

"The amendment vitiates the fundamental purpose of the bill, which is to get private capital immediately and quickly into the construction activity of the country for the purpose of relieving unemployment and find a suitable investment for idle capital."

These administrative difficulties would not be alleviated under the proposal now under consideration, but would be vastly increased because not only would a determination of prevailing wage be required "for every community however small," but a separate determination would have to be made with respect to each application for insurance, since the provision requires it to be made "prior to the beginning of construction and after the date of filing the application for insurance."

Section 212 of the National Housing Act was designed to apply only to large-scale rental housing projects where the mortgages are insured, not upon completion, as in the small-house program, but prior to the start of construction, which is subject to constant inspection by this Administration. Each advance by the mortgagee during the progress of construction is made only after this Administration has determined that the prevailing wage has been paid and has specifically authorized the advance. Such a procedure would be wholly impracticable in connection with the small-house program because of the delays and expense involved in the more complicated procedure.

I am hoping that this letter may be helpful in clarifying your understanding of the effect of this proposal upon our operations.

Sincerely yours,

RAYMOND M. FOLEY,
Commissioner.

Mr. President, I shall not take any more of the time of the Senate. As I have indicated, this question was thoroughly discussed by us in the subcommittee which held all the hearings which form the basis of this bill, and that committee decided not to place the provision in the bill. The Banking and Currency Committee as a whole has likewise decided that such a provision probably would delay our building program.

I earnestly request the Senate to reject the amendment.

Mr. MAGNUSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

Aiken	Hawkes	O'Mahoney
Austin	Hayden	Overton
Ball	Hill	Pepper
Bankhead	Hoey	Reed
Barkley	Huffman	Robertson
Bilbo	Johnson, Colo.	Saltonstall
Brewster	Knowland	Shipstead
Briggs	La Follette	Smith
Buck	Langer	Stewart
Byrd	Lucas	Taft
Capehart	McCarran	Taylor
Capper	McClellan	Thomas, Okla.
Carville	McFarland	Thomas, Utah
Donnell	McKellar	Tobey
Downey	McMahon	Tunnell
Eastland	Magnuson	Tydings
Ellender	Maybank	Vandenberg
Fulbright	Mead	Wagner
Gerry	Millikin	Walsh
Gossett	Mitchell	Wheeler
Green	Morse	Wherry
Guffey	Murdock	Wiley
Gurney	Murray	Young
Hart	O'Daniel	

The PRESIDING OFFICER. Seventy-one Senators have answered to their names. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Utah [Mr. MURDOCK].

Mr. MURDOCK. Mr. President, on this question I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BANKHEAD (when his name was called). I have a general pair with the Senator from Nebraska [Mr. BUTLER]. Not knowing how he would vote, I transfer that pair to the Senator from West Virginia [Mr. KILGORE], who, if present and voting, would vote as I intend to vote. I am, therefore, at liberty to vote. I vote "yea."

Mr. THOMAS of Utah (when his name was called). I have a general pair with the Senator from New Hampshire [Mr. BRIDGES]. Not knowing how he would vote, I transfer that pair to the Senator from Pennsylvania [Mr. MYERS], who, if present and voting, would vote as I intend to vote. I am, therefore, at liberty to vote. I vote "yea."

The roll call was concluded.

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY], the Senator from Texas [Mr. CONNALLY], and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Georgia [Mr. GEORGE] and the Senator from New Mexico [Mr. HATCH] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] and the Senator from South Carolina [Mr. JOHNSTON] are necessarily absent.

The Senator from West Virginia [Mr. KILGORE], the Senator from Pennsylvania [Mr. MYERS], the Senator from Maryland [Mr. RADCLIFFE], and the Senator from Georgia [Mr. RUSSELL] are detained on public business.

The Senator from New Mexico [Mr. CHAVEZ] is absent on official business.

I wish further to announce that if present and voting the Senator from New Mexico [Mr. CHAVEZ] and the Senator from Maryland [Mr. RADCLIFFE] would vote "yea."

Mr. WHERRY. The Senator from Nebraska [Mr. BUTLER], the Senator from Oklahoma [Mr. MOORE], and the Senator from Indiana [Mr. WILLIS] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from Kentucky [Mr. STANFILL] are necessarily absent.

The Senator from Illinois [Mr. BROOKS] is absent on official business.

The Senator from Michigan [Mr. FERGUSON] is necessarily absent. If present, he would vote "yea."

The Senator from South Dakota [Mr. BUSHFIELD], the Senator from Oregon [Mr. CORDON], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from West Virginia [Mr. REVERCOMB], and the Senator from Iowa [Mr. WILSON] are unavoidably detained.

The result was announced—yeas 51, nays 20, as follows:

YEAS—51

Aiken	Huffman	O'Mahoney
Austin	Johnson, Colo.	Pepper
Bankhead	Knowland	Saltonstall
Barkley	La Follette	Shipstead
Brewster	Langer	Smith
Briggs	Lucas	Stewart
Carville	McCarran	Taylor
Donnell	McFarland	Thomas, Okla.
Downey	McKellar	Thomas, Utah
Gerry	McMahon	Tobey
Gossett	Magnuson	Tunnell
Green	Maybank	Tydings
Guffey	Mead	Vandenberg
Gurney	Mitchell	Wagner
Hart	Morse	Walsh
Hayden	Murdock	Wheeler
Hill	Murray	Wiley

NAYS—20

Ball	Ellender	Overton
Bilbo	Fulbright	Reed
Buck	Hawkes	Robertson
Byrd	Hoey	Taft
Capehart	McClellan	Wherry
Capper	Millikin	Young
Eastland	O'Daniel	

NOT VOTING—25

Andrews	Ferguson	Radcliffe
Bailey	George	Revercomb
Bridges	Glass	Russell
Brooks	Hatch	Stanfill
Bushfield	Hickenlooper	White
Butler	Johnston, S. C.	Willis
Chavez	Kilgore	Wilson
Connally	Moore	
Cordon	Myers	

So Mr. MURDOCK's amendment was agreed to.

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 bill (H. R. 6064) to extend the Selective Training and Service Act of 1940, as amended, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were each read twice by their titles and referred or ordered to be placed on the calendar, as indicated:

H. R. 5244. An act to authorize the appointment of additional foreign-service officers in the classified grades; to the Committee on Foreign Relations.

H. R. 6064. An act to extend the Selective Training and Service Act of 1940, as amended, and for other purposes; ordered to be placed on the calendar.

VETERANS' EMERGENCY HOUSING ACT OF 1946—APPOINTMENT OF CONFEREES

The PRESIDING OFFICER (Mr. HUFFMAN in the chair). Under the order of the Senate of April 10, 1946, the Chair appoints the Senator from Kentucky [Mr. BARKLEY], the Senator from Utah [Mr. MURDOCK], the Senator from Idaho [Mr. TAYLOR], the Senator from Washington [Mr. MITCHELL], the Senator from Ohio [Mr. TAFT], the Senator from Delaware [Mr. BUCK], and the Senator from Indiana [Mr. CAPEHART] the conferees on the part of the Senate on the bill (H. R. 4761) to amend the National Housing Act by adding thereto a new title relating to the prevention of speculation and excessive profits in the sale of housing, and to insure the availability of real estate for housing purposes at fair and reasonable prices, and for other purposes.

PHILIPPINE TRADE ACT OF 1946

The PRESIDING OFFICER (Mr. MITCHELL in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 5856) to provide for trade relations between the United States and the Philippines, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WALSH. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. WALSH, Mr. BARKLEY, Mr. CONNALLY, Mr. BYRD, Mr. LA FOLLETTE, Mr. VANDENBERG, and Mr. TAFT conferees on the part of the Senate.

NATIONAL HOUSING POLICY

The Senate resumed consideration of the bill (S. 1592) to establish a national housing policy and provide for its execution.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment.

Mr. WHERRY. Mr. President, I should like to ask the distinguished Senator from Ohio a question or two about the bill.

Is there any particular hurry about the passage of the bill? I do not make the inquiry with any ulterior motive, but in order to get before the Members of the Senate the fact that last Thursday, as I understood, when the Senator made his remarks in behalf of the bill, he said it provided a 10-year program, or approximately that, and that for the first 2 years the emergency housing bill would be included in the over-all picture, and that that would be taken care of first.

Will the distinguished Senator point out to me why it is necessary at this time, if that is true, to pass a long-range housing program of the comprehensibility of the pending bill, which involves such huge expenditures over a period of 4 or 5 years?

Mr. TAFT. Replying to the Senator from Nebraska, I might say that the emergency housing bill has nothing in particular to do with anything that is in the pending bill. The emergency housing bill is directed to the securing of materials and the stimulation of the procuring of materials which will make it possible to build houses.

So far as providing houses for a larger group of people is concerned, people of very low income, or those who would benefit from the stimulation of rental housing under the FHA provisions of the pending bill, the emergency housing bill has nothing to do with that subject whatever. I would say that the emergency housing bill relates merely to speeding up every housing program under existing law. But we think that that housing should be made available to as large a group of the population as possible, and not confined merely to those who are well-to-do.

Furthermore, the National Housing Administration has been established under the War Powers Act, and unless we enact a permanent law setting up a permanent housing agency, it will fall to pieces when the War Powers Act comes to an end, and before that happens we must provide for some permanent form of organization.

I believe that in providing a permanent form of organization we should provide a permanent and constant Government policy on housing, including all features of housing. Therefore, it seems to me that while the bill does not have to be passed today, it is not like an emergency housing program, it is a matter for consideration as a part of the peace program, just as much as anything else we have been considering in all other fields of activity up to this time.

The program has been the subject of consideration by the Postwar Planning Committee, and the committee worked on it all during the year 1944 and the first part of 1945. The Banking and Currency Committee has worked on it ever since.

While it is a long bill, I do not know of any measure to which more careful consideration has been given by members of the committee and others who were directly interested in the subject. I realize that when a bill of this length is put before the Senate, no matter what the preparation may have been, many Senators will not have read it, but it has been before the Senate since last Thursday, and Senators have had an opportunity

over the week end to read it and study it more carefully, with the benefit, we hope, of the full explanation made by the authors of the bill last Thursday. I think action should be taken now.

If the Senator has any questions as to particular provisions, I shall certainly be glad to answer them and have the Senate give such further consideration as it desires.

Mr. WHERRY. Mr. President, I should like to ask the distinguished Senator a further question. The Senator did have the original bill amended, did he not, by offering a complete substitute?

Mr. TAFT. Yes; but I think it is fair to say that there is no substantial change except in the provision dealing with rural housing. The rural-housing program has had less consideration than the other matters; but we have studied it very carefully during the last month, and I think I can say that the members of the committee, at least, have felt it is a sound addition to the bill and a great improvement over what was originally suggested by the authors of the bill.

Mr. BARKLEY. Mr. President, if the Senator from Nebraska will yield, the original bill contained a rural-housing title. What the committee did was to rewrite that title, and I think improve it over what it was when the bill was introduced.

The bill has been before the Senate for months, hearings were had last fall, a subcommittee was appointed which considered it for 2 or 3 weeks, and while, of course, that does not mean that Senators who are busy on other committees had the same advantage of understanding the bill that was enjoyed by the members of the committee which handled it, the subject covered by the bill is one which has been under consideration for many months. It is necessary to coordinate all these housing agencies under one roof. I join the Senator from Ohio and the other authors of the bill, the Senator from New York [Mr. WAGNER] and the Senator from Louisiana [Mr. ELLENDER] in urging that we act upon it at the earliest possible date, because I doubt very much if we will become much more familiar with it in a few more days than we are now.

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

Mr. TAFT. I yield.

Mr. TOBEY. Having in mind the question which the Senator from Nebraska propounded to the Senator from Ohio, and the answer of the Senator from Ohio about the need for action, there is an advertising slogan which is used to good effect by one of the large milling concerns. I think Senators have seen it for themselves, and it is quite appropriate in this connection. It consists of four words: "Eventually, why not now?"

Mr. WHERRY. I thank the distinguished Senator for that statement, but it still does not really answer the fundamental question which I should like to ask of the distinguished Senator from Ohio. I also want to thank the distinguished Senator from Kentucky for his statement. But I should like to ask how many hearings were held by the committee on the final form in which the bill came to the Senate? How many hearings were held after the bill was amended?

Mr. TAFT. There were no substantial changes made after the main body of the testimony was taken, with the single exception, as I said, of the rural housing, concerning which, after the change was made, hearings were had and the committee heard from farm organizations and the Department of Agriculture. Otherwise there were no substantial changes. We had, as I said, hearings which lasted at least 3 weeks, which followed hearings of even greater length in the Postwar Committee in the previous year.

Mr. LA FOLLETTE. Which lasted, if I may interject, from June 1, 1944, to February 7, 1945.

Mr. TAFT. I thank the Senator from Wisconsin.

Mr. WHERRY. I thank the Senators for their contributions and for informing me with respect to the length of time the bill was under consideration. I still should like to ask the distinguished Senator from Ohio if hearings were held on the amended bill before it was reported by the committee to the Senate?

Mr. TAFT. Only on the rural housing which I spoke of. But I maintain that there was no reason to have further hearings because there were no changes made except with respect to matters that had been discussed in the hearings.

Mr. WHERRY. I ask the Senator, did any farmer come forward and offer any evidence on the rural housing portion of the bill?

Mr. TAFT. I think farm organizations appeared and also some gentlemen from Georgia, where experiments had been had with the only rural housing projects built under the United States Housing Act. While notice was given, I do not think there were any individual farmers who came before the committee. Ordinarily they would not naturally come when such questions were under consideration.

Mr. WHERRY. Permit me to ask a further question about the farm aid. Does the Senator feel that title VIII will avail to give many farmers an opportunity to build houses?

Mr. TAFT. The answer is, "Yes."

Mr. WHERRY. The first requirement is that "in order to be eligible for such assistance the applicant must show (1) that he is the owner of a unit of agricultural land which is without a decent, safe, and sanitary dwelling, and related facilities," and so forth.

If I am correct, in many States nearly half of those who are on farms are tenants. Would that title help the tenants in any way?

Mr. TAFT. The latter part of the sentence reads:

> or for the family of the operating tenant, lessee, or sharecropper.

Which answers the Senator's question.

Mr. WHERRY. But how can a tenant get a home built on a piece of land which he rents? How can he build with the money which he makes, or with his share of the crop?

Mr. TAFT. Obviously, the house would have to be built by the owner of the farm, and he would be able to get money on more reasonable terms than he otherwise would.

Mr. WHERRY. So the only farmer who is, in reality, entitled to have a house built is the man who owns a farm?

Mr. TAFT. Under the rural housing section a tenant might build a house on a piece of land which he might acquire off the farm, but not on the farm itself.

Mr. WHERRY. The Senator would say that that would be most unusual, would he not?

Mr. TAFT. That would be under the housing provision which extends the United States housing plan to rural sections. That is the kind of thing that has been done in Georgia, however. It is not a thing that is at all out of the range of possibility.

Mr. WHERRY. I am not familiar with the policies in Georgia, but I am quite sure that in my State of Nebraska it would be almost impossible for a tenant to build a house on a farm. I simply cannot conceive of that being at all practical or workable in my State.

Mr. TAFT. I do not quite agree with the Senator because the loan with respect to a farm is to be made only where the income from the farm will pay for the fixed charges on the house, except in certain subsidy cases where the farm can be rehabilitated. If the tenant is willing to assume the additional fixed charges, I see no reason why any reasonable owner would not be willing to make the application to have his property improved, and have the tenant, during his tenancy, whatever that may be, pay the additional fixed charges. If the farm will not support that, this particular kind of loan is not authorized.

Mr. WHERRY. Does the Senator care to express an observation on this question: If a farm is mortgaged, is the farmer entitled to a loan?

Mr. TAFT. Yes. Roughly speaking, a farm able to support a good house on it would justify a loan. The usual case would be one where the farmer's farm, the land, had a mortgage on it, and consequently he could not get any money for a house. Under this provision the Secretary of Agriculture may loan the money for the house at a low rate of interest and a low amortization rate, which the farmer may be able to pay.

Mr. WHERRY. Does that come under subsections 3 and 4 of this section? Is that the provision under which the Secretary can do that?

Mr. TAFT. The usual standard for a loan is under section 802, if the Secretary determines an applicant is eligible for assistance. Incidentally if he is able to get money from some other source at reasonable rates we do not propose to do anything for him. But the usual case is that of a man who, because he has a mortgage on the farm land, cannot get the additional money necessary for the building of the house.

Mr. WHERRY. In other words, one of the requirements to be eligible is that the farmer cannot get money from some other source?

Mr. TAFT. Yes. Furthermore, if he needed a house, or if the house he had were in very bad condition, the usual course would be to go to the first mort-

gagee and ask him to increase the size of the loan. If the first mortgagee would agree to increase the loan to enable the farmer to put the house in first-class condition, then the Government would not interfere. If the first mortgagee would not increase the loan, then the Secretary of Agriculture would be authorized to make the loan.

Mr. WHERRY. With the provisions in the measure as they are written now it is my opinion that it is going to be very difficult in my section to provide help to a farmer who may want to get a home. I feel that the tenant will have no chance at all, and that unless the owner of the farm, figuring his income and what it will cost to pay back the money, will make that a basis for consideration, there will be very few applications made for loans.

Mr. TAFT. May I ask the Senator what he would propose? Does the Senator think the Government should give the farmer a home, although the farm is a perfectly good farm, or should give the tenant a home on the farm, which then becomes a kind of a present to the owner who would not make the loan himself? I mean is there any alternative? We searched rather carefuly for all alternatives. I do not think any investigation has ever been conducted more diligently than the one in this instance. All I can say is that this is the best we could suggest, and it seems to me that it is going to be helpful. Certainly I know of no other alternative suggestion.

Mr. WHERRY. Mr. President, if the Senator will permit me I should like to say that I am not on the committee, and I do not have any alternative plan to suggest. In fact, as the Senator has already pointed out, this is a most comprehensive bill. It is a bill of 226 pages. But I have done my level best to acquaint myself with all the sections of the bill. Inasmuch as this is the only new section, which the Senator says has been added to the bill, and on which there were no new hearings, I am certainly most interested in it, and my observation now is that it will not avail very much to provide aid so far as building houses on farms is concerned.

Mr. TAFT. I said there were hearings after this section was proposed, and hearings at which testimony was offered by the Department of Agriculture and by farm organizations.

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

Mr. WHERRY. I yield.

Mr. BARKLEY. It ought not to be overlooked that hearings were had on the whole bill, including the original section for rural housing; and partly as the result of those hearings, a new title was written into the bill. After it was written in, the subcommittee held further hearings. That part of the bill was gone into in considerable detail.

Mr. WHERRY. If I may make another observation, it seems to me that the section on farm aid certainly does not give the farmer equal opportunity with the man in the city who is going to build to get relief by direct subsidies. I would not say that the man on the farm is discriminated against, but so far as the benefits are concerned, he is not to be in the same position at all with the one who is receiving the benefits in the urban districts. No provision is made for direct subsidies to the farmer. He must comply with the provisions of the loan. It may be that the interest rate is lower. The fact that the loan is amortized may be of some benefit. But after all, he must own the land, and he must make a showing to the local Federal Housing Authority or the secretary of the association in his district. A tenant on the land cannot build a home unless the owner makes an application to borrow the money. So I cannot see that the farmer has any benefit. I cannot see how the huge subsidy program of $5,000,000,000—if we carry it out to its ultimate conclusion—will do anything for the farmer.

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

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

Mr. WHERRY. I yield.

Mr. TAFT. The Senator says there is no subsidy for the farmer. I was speaking of the farm which is adequate to provide income to pay the fixed charges on a house. There is no subsidy in connection with such a project, any more than there is in connection with a house which is built anywhere in the United States by someone who is able to pay for it. Under section 803, if the farm is one which today cannot support the fixed charges, but the Secretary feels that within 10 years, by improvement or enlargement of the farm, or an adjustment of farm practices, it may pay such fixed charges at the end of 10 years, then the Secretary is authorized to subsidize payment on that house during the 10-year period by remitting the interest and one-half of the principal until the end of the 10 years, when the farm will presumably be able to support the fixed charges on the house.

Furthermore, if it is a farm which is hopeless from an economic standpoint, the Secretary is authorized to assist in the improvement of small dwellings on the farm, either for tenants or for the farmer himself, to the extent of advancing $1,000 for improvements to such dwellings, of which one-half may be a grant and the other half a loan. Those, of course, are the poorest type of farms, farms which are practically hopeless, farms with respect to which the Secretary of Agriculture may feel that all that can be done is to enable the farmer to install some sanitary facilities and somewhat improve the condition of the house, with the hope that some other plan may be developed later to improve the condition of completely and permanently substandard farms.

Mr. WHERRY. Am I to understand that after a 10-year period subsidies may be granted in the case of farm homes?

Mr. TAFT. No. With respect to a farm which needs a subsidy because it is not producing the fixed charges during the first 10 years, payment of interest and one-half of the principal due during those 10 years may be remitted. At the end of the 10 years, those payments are to be resumed. It is all based on the theory that at the end of that time, by proper improvement in practices on enlargement of the farm, it may be made self-sustaining.

Mr. WHERRY. In reality, it amounts to suspending payment during a certain portion of the period, to give the farmer an opportunity to pay back the loan later.

Mr. TAFT. Yes.

The subject of rural improvement came up first in the Postwar Planning Committee, and we were very anxious to develop a plan. At that time Mr. Wickard and the head of one of the bureaus of the Department of Agriculture appeared before the committee. They testified in a general way, with which we were not satisfied. We asked them to work on a plan for rural housing improvement.

A year later the question again came up in a subcommittee of the Committee on Banking and Currency. At that time Mr. Anderson appeared with one of his bureau chiefs. They said that they were not ready to submit a plan, but that they were working on something, and would submit it later.

After further study, and when the bill was otherwise finished, they came back with this particular plan. It was developed by the Department of Agriculture. It seems to me to be sound and that it would be most helpful in improving housing conditions on the farms.

Taking the country as a whole, housing conditions on the farms are worse than they are even in the urban districts. I must admit that, like some other parts of the bill, it is an experimental program. We do not know how it will work, but certainly our efforts was to do for the farmer something as nearly parallel as possible with what we were doing for the city dweller, taking into consideration the different conditions existing in rural areas.

Mr. WHERRY. But the Senator would not say that the benefit which would accrue to the farm builder would be as great as that which would accrue to the city builder, would he?

Mr. TAFT. Does the Senator mean the owner or the builder?

Mr. WHERRY. The owner or the one who builds the house in the country, as compared with one in the city who might be given the opportunity to rent cheaply or to build a house in the city.

Mr. TAFT. I believe that what we offer the farmer is at least equal to what we offer to anyone in the city, except possibly a person who lives in public housing and receives a subsidy on his rent. But it is very difficult to figure out how to do that for the farmer. There are a great many other farm aids, through the Farm Security Administration, which perhaps more closely parallel what we are trying to do through public housing for the extremely poor in the cities.

Mr. WHERRY. I ask if it is not true that when we total the amounts of the subsidies they will reach a maximum of at least $143,000,000 by the fifth year of the amortized plan. If the Senator cares

to do so, I should like to have him express an opinion as to what the total amount of the subsidies will be over the period provided for by the bill, which I understand is 45 years.

Mr. TAFT. I could not express an opinion as to the total subsidies. Nor do I recognize that that point has any bearing on the question. They will reach a total of $143,000,000 after the fifth year, and they will run at that rate more or less indefinitely. I do not believe that the total figure should be used, any more than we should say that the Army will cost us $100,000,000,000 in the next 20 years because it is now costing $5,000,000,000 a year. Those are current figures, and I do not recognize the relation to an over-all expense.

Mr. WHERRY. Let me suggest to the able Senator that we are providing for a 10-year program, and we are providing for an amortized insurance plan which will carry us over 45 years. Certainly, we must depend upon succeeding Congresses to continue to appropriate the money to pay for these subsidies.

Mr. TAFT. That is correct.

Mr. WHERRY. We are vitally interested in the question.

Mr. TAFT. We are vitally interested.

Mr. WHERRY. We should consider the total amount of the subsidies, and the load we shall be placing upon the future taxpayers of this country to give us this program for the next 10 years.

Mr. TAFT. Let me say what I think that load will be. Apparently we shall have a Federal Budget running between $20,000,000,000 and $25,000,000,000 a year. My view is that if to solve the housing problem of the United States we had to spend $500,000,000 a year, and if that would solve the problem, the cost would not be too great in proportion to the total expenditures of the Government. However, we are not proposing any such sum, and we are not saying that we are going to solve the entire housing problem. But it seems to me that the program which we are presenting, and the progress which we feel certain it will produce in the housing situation, justify, in the total Federal Budget which we are contemplating, an expenditure of $143,000,000 a year indefinitely.

Mr. WHERRY. If the Senator will permit me, I should like to state that I am glad to feel that the distinguished Senator is very optimistic about what our annual Budget is to be. If we keep adding to it as we have been doing we shall not be able to limit it to $25,000,000,000 a year. The Senator knows that to be so.

Mr. TAFT. That is quite correct.

Mr. WHERRY. I believe that my question has gone unanswered. I am still asking, as one who is interested in the appropriations, what the best judgment of the able Senator is as to the total amount of the Budget for this purpose over this period. We are making an authorization, and if we make the contracts during the next 10 years they will become an obligation on the United States Government. What is the program going to cost us?

Mr. TAFT. So far as I am concerned, I am willing to say that we are committing ourselves indefinitely for the future history of this country to a program of $143,000,000 a year for housing.

Mr. WHERRY. That is correct.

Mr. TAFT. I hope that it may decrease. I hope that the $143,000,000 may not be spent, because that is an outside figure which may be reduced by various circumstances which will probably occur. One may multiply $143,000,000 by as many years as he desires to look into the crystal ball of the future, and thereby obtain the figure which he desires.

Mr. WHERRY. I am not looking into the crystal ball, but I believe that some of those who are advocating these appropriations ought to look into the crystal ball and see what the amount is. This year, according to the President, we shall have a deficit of approximately $4,000,000,000. Already he has corrected that figure to $8,000,000,000. If we add this to what we have already appropriated, and then add the British loan, and some other things, the first thing we know we shall have a Budget of $45,000,000,000 or $50,000,000,000 this year. We already have a debt of $275,000,000,000.

So I return to the first question. What is the hurry? We have already passed the emergency housing bill. If the allocations are made as directed in that bill for the next 2 years the only ones who will be building houses will be veterans. If the allocations provided for in that bill are made, one could not build a house under this program. I am not sure, but I understand that the housing czar has authority to allocate building materials to veterans under priorities. If he exercises that right, it will be the veterans' houses that will be built. It will not be houses in the cities or on the farms. That is all right with me. We should build houses for the veterans.

Mr. TAFT. The veterans fall into every class which is helped by this bill. Veterans will build houses under the new FHA provisions of this bill. Veterans will fall under the provisions of the bill by which colleges are authorized to build dormitories for veterans who attend educational institutions. The great bulk of the farmers who will desire to build houses and start off in an improved condition will be veterans. The only result will be that under each classification of this bill, those who are veterans will, because of the other bill, have a priority over those who are not veterans, in respect to taking advantage of this bill. But in every respect the provisions of this bill, taken together with those of the other bill, will be confined almost exclusively to veterans for the next 2 years.

Mr. WHERRY. As I understand the Senator, if a veteran who comes from a farming community wants to get a home, in order to obtain the benefits of the provisions of this bill he will have to go to some college and be educated, and then go back to the farm and make application. I understand that he will not be able to receive the benefits provided by the bill unless he qualifies for the loan. Is that correct?

Mr. TAFT. That is correct. He will receive the benefit which I have described under the housing program, and that may be a subsidy or a grant or, if he does not need that, it may be only a loan.

Mr. WHERRY. But a veteran who is the owner of a farm will not receive a direct subsidy to build a home, I understand.

Mr. TAFT. Yes; he will.

Mr. WHERRY. How?

Mr. TAFT. He will if the farm is one which can support a home. Subsidies will not be granted unless there is some reason for giving them. Under section 803 and section 804 the veterans will receive subsidies. But, as I have said, under those sections the subsidies will have to go to veterans, because of the provisions of the bill we recently passed.

Mr. WHERRY. The Senator said that we must do this in order to aid the housing authorities, and that if we do not do it almost immediately, the emergency will have terminated and we shall not have done anything.

Mr. TAFT. No; I did not say that.

Mr. WHERRY. What did the Senator say?

Mr. TAFT. I said that without it we would have five or six housing agencies, instead of one, and it would be very difficult to maintain an adequate postwar housing policy under those circumstances.

Mr. WHERRY. Does the Senator believe that there is any need for doing that? Does he believe it would terminate the emergency at any early date?

Mr. TAFT. I feel we might terminate it sooner.

Mr. WHERRY. Before July?

Mr. TAFT. Before July.

Mr. WHERRY. What will happen to the other agencies?

Mr. TAFT. They will have to be terminated, either under a reorganization bill or otherwise. But I do not think there is any other Government agency in which so many different agencies are put together, and I do not believe there is any other agency whose falling apart would do so much harm.

Mr. WHERRY. Mr. President, I should like to ask the Senator another question. On page 17 of the report on the bill, under the heading "Title I—National Housing Agency" the following statement is found:

> The National Housing Agency is made a permanent Federal agency with powers for continuing the wartime coordination of the three constituent Federal housing agencies.

Will the Senator please explain that?

Mr. TAFT. I understand that the Senator's question relates to a statement in the report that the wartime coordination would be continued.

Mr. WHERRY. Yes.

Mr. TAFT. All that means is that under the War Powers Act those agencies were coordinated, the first time. So there was coordination during wartime. We are proposing that the coordination be continued in peacetime.

Mr. WHERRY. Is it proposed that the coordination be continued on the same basis?

Mr. TAFT. Yes. No new powers were given by the coordination of those agencies in wartime. They were simply put together in order to obtain a more

efficient administrative unit. That efficiency will be continued by the permanent joining together of all those agencies.

Mr. WHERRY. Mr. President, I ask unanimous consent to have printed in the RECORD at this point some letters from various organizations which oppose this bill. I make the request in view of the fact that it has been stated that a great number of private concerns approve the bill. Some of the organizations which have been mentioned in the report as approving this housing bill are apparently directly opposed to it. So with the consent of the Senate, I should like to have the letters printed in the RECORD.

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

CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA,
Washington, D. C., April 15, 1946.

Hon. ROBERT WAGNER,
United States Senate,
Washington, D. C.

DEAR SENATOR WAGNER: In the report on the General Housing Act of 1946, it is stated on page 11 that the United States Chamber of Commerce and certain other organizations submitted to your committee a private enterprise draft of a proposed housing bill. This statement is an error since the Chamber at no time has submitted any proposals to your committee for housing legislation.

Our representatives, L. Douglas Meredith, vice president and chairman of the committee on finance of the National Life Insurance Co., Montpelier, Vt., and Paul L. McCord, president of the board of commissioners, Indianapolis redevelopment department, appeared before your committee on December 5, 1945, and presented the Chamber's position with respect to the Wagner-Ellender-Taft bills, S. 1592.

The position taken by the chamber's members, which is opposed in substantial respects to this proposed legislation, was made clear by these two men.

In concluding his remarks, Mr. Meredith stated:

"It is our opinion that while S. 1592 contains numerous points of merit, the housing situation in America is not so grave that it calls for omnibus treatment with government entering the housing field on a basis and to an extent it has never entered this field before."

Again, Mr. McCord at the end of his remarks stated:

"We believe and certainly hope that in expressing our views in strong opposition to Federal grants for purposes such as housing we are providing the very best type of cooperation with our Representatives and Senators in Washington.

"We want you to know that we are convinced that the majority of the taxpayers want their local communities and their States to assume their rightful obligations of government and quit calling upon the Federal Government to transfer these obligations to Washington."

We have already sent you and other Members of the Senate a copy of the special number of our Legislative Daily dealing with S. 1592, on page 7 of which appears the existing policies established by actions of the members of the United States Chamber of Commerce and which are applicable to this legislation. There is also notation on the same page of the action of our board of directors which adopted a resolution on September 14, 1945, in pursuance of the chamber policies, in opposition to the Wagner-Ellender-Taft bill.

We are enclosing a copy of the testimony of Mr. Meredith and Mr. McCord, and also a copy of the special number of our Legislative Daily.

We are sending copy of this letter to the other two sponsors of the bill, Senator ELLENDER and Senator TAFT.

Sincerely yours,

RALPH BRADFORD,
General Manager.

NATIONAL ASSOCIATION OF REAL ESTATE BOARDS,
Washington, D. C., April 15, 1946.

Hon. ROBERT F. WAGNER,
United States Senate,
Washington, D. C.

DEAR SENATOR WAGNER: The report of your Committee on Banking and Currency on the General Housing Act of 1946, on pages 11 and 12, includes a section "Support of features of bill by private enterprise." There are implications in this section which are erroneous and must be corrected.

In general, the impression left by this section is that most of the features of the General Housing Act of 1946 with the exception of the public housing program are acceptable to private enterprise. The section refers to the fact that representatives of various private industry groups set forth their ideas on housing legislation in what is referred to as a private industry bill. The report then says that the sponsors of your bill "in substance incorporated many of their proposals in the bill."

This is not our viewpoint. The sponsors of the General Housing Act of 1946 gave the private enterprise bill cursory acknowledgment only. The few minor points in the private enterprise bill which were accepted by your committee were so negligible as to amount to almost complete shunting aside of the viewpoints of private enterprise.

Any implications in your report that the WET bill is acceptable to these groups is simply not true. The groups from the beginning consistently have opposed the WET bill. They so stated in their testimony before your committee. That was their position then and is their position today.

While I realize it is too late to amend your printed report, I will ask that this letter be placed in the record in order that our position remain perfectly clear and unentangled by inference.

Since the private enterprise bill was submitted to the sponsors of the General Housing Act of 1946 by me I am taking the liberty of sending a copy of this letter to Senators TAFT, ELLENDER, and others, and to the organizations listed in your report.

Very truly yours,

HERBERT U. NELSON,
Executive Vice President.

NATIONAL LUMBER MANUFACTURERS ASSOCIATION,
Washington, D. C., April 15, 1946.

Hon. ROBERT F. WAGNER,
Chairman, Banking and Currency Committee, United States Senate.

DEAR SENATOR WAGNER: On page 11 of the report of the Senate Banking and Currency Committee on S. 1592, the Wagner-Ellender-Taft housing bill (S. Rept. 1131), there is a reference to the National Lumber Manufacturers Association as sponsor of a draft of a housing bill "which in principle and in many details was entirely in accord with" certain features of the bill under consideration.

That statement implies that this organization is in accord with the provisions of S. 1592. This is not true. We unequivocably oppose S. 1592. We believe that except in periods of extreme economic emergency, the Federal Government should not engage in financing or building of houses, and should limit its housing activities to the encouragement of private enterprise. Public housing should, in any case, be limited to welfare needs and be provided by the local communities which are in a position to evaluate those needs.

We do believe that the pending bill (S. 1592) is unnecessary and untimely. Although the bill is given a "veterans" label in the committee report, it actually would be harmful to the veterans' housing program by setting up a huge Government competition for materials that are in such short supply as barely to meet the needs of the veterans' program. It is doubly inflationary in its provisions for unbridled and unnecessary credit and its subsidy of $6,000,000,000 over the next 45 years to help pay the rent of 500,000 families, at the expense of the whole population. It would extend Federal bureaucracy by making the NHA permanent and giving it control over FHA, FPHA, and the home-loan bank, thus combining public and private housing activities under one administration with irreparable damage to private housing certain to result.

The bill and the social philosophy behind it are a threat to private enterprise. We oppose it in toto.

Sincerely yours,

GEORGE M. FULLER,
Vice President.

STRUCTURAL CLAY PRODUCTS INSTITUTE,
Washington, D. C., April 15, 1946.

Hon. KENNETH S. WHERRY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WHERRY: In reading the committee report on the Wagner-Ellender-Taft bill, on page 11 under a subheading reading "Support of features of bill by private enterprise," I find an inference that the Structural Clay Products Institute has approved the details of the bill in question.

I wish to advise you that this is not the case. This association has at no time endorsed the bill and does not endorse it now.

Our organization, which is the national association of brick and tile manufacturers, is firmly opposed to the passage of the bill, and we wish to make it clear that we have not supported it by inference or otherwise.

I am sending a similar letter to Senator WAGNER, in order that our position may be entirely clear.

Very truly yours,

J. ERNEST FENDER,
President.

Mr. McFARLAND. Mr. President, I offer the amendment which lies at the desk and has been printed.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 3, in line 14, it is proposed to amend by striking out all of the provisions of title I—National Housing Agency, and title II—Research Market Analysis and Local Planning, inserting in lieu thereof the following:

TITLE I—FEDERAL HOME LOAN AND HOUSING BOARD

SEC. 101. There is hereby created a Federal Home Loan and Housing Board to be composed of the Secretary of the Treasury, or his designee, as Chairman, the Chairman of the Federal Home Loan Bank Board, the Administrator of the Federal Housing Administration, the Administrator of the United States Housing Authority, the Administrator of Veterans' Affairs, or his designee, and the Secretary of Commerce, or his designee. The members of said Board shall serve ex officio and without additional compensation.

SEC. 102. The Board shall meet from time to time at the call of the Chairman and at least once a month. It shall have authority to employ a secretary and such other clerical

assistance as may, in the judgment of the Board, be necessary for the proper performance of its duties. It shall consider and coordinate the general policies which are from time to time adopted and followed by agencies of the Government in reference to housing and real-estate financing and the conflicts arising therefrom, and the Board in establishing all policies shall give due consideration to the housing needs of World War II veterans and shall, where necessary, provide preference for such veterans in all rules and regulations which will assist them in the acquisition of homes or materials for building homes, and shall make such recommendations as it may determine desirable to the President, and to Congress for such executive action and legislation, as in its judgment, may be appropriate. Said Board shall not interfere with the administrative duties or functions of said housing or real-estate financing agencies. The administrative expenses of the Board shall be borne and paid in equal portions by the Federal Home Loan Bank Board, the Federal Housing Administration, and the United States Housing Authority, and they are, respectively, authorized to use their annual appropriations, to the extent necessary, for such purposes.

SEC. 103. The Department of Commerce is authorized to continue and enlarge its functions of general research, market analysis, and planning in the field of home ownership and housing to the extent provision is made therefor by appropriations by Congress. The other agencies of the Government concerned with home ownership, home financing, and housing may continue to provide such research and operating statistics as may be necessary in the performance of their functions as now provided by law.

Mr. McFARLAND. Mr. President, I shall take only a few minutes of the time of the Senate to discuss the amendment.

Mr. BARKLEY. Mr. President, will the Senator yield to me for a moment?

Mr. McFARLAND. I yield.

Mr. BARKLEY. I express the hope that Senators will remain on the floor of the Senate so that we may conclude consideration of this bill today, if possible. If that is done, I shall move that the Senate take a recess until Wednesday.

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

Mr. McFARLAND. I yield.

Mr. VANDENBERG. Inasmuch as I have an important engagement at the State Department at 5:30, I ask unanimous consent that I may be excused for the remainder of the day.

The PRESIDING OFFICER. Without objection, consent is granted.

Mr. McFARLAND. Mr. President, we have already passed the veterans housing bill. That bill is all-inclusive. It gives the Housing Expediter all the powers he needs.

The pending bill was considered by the Committee on Banking and Currency, but it is a long and cumbersome bill. One of the objections which has been made to the bill is that it would set up a Federal administrator. Mr. President, I submit that if we pass this bill it will be only a matter of time before that Federal administrator will have all the powers, although they were intended to be temporary, which we have given to the Expediter.

In place of a Federal administrator, my amendment provides for the appointment of a board. I do not know of any department or agency which has been brought into existence in our Federal Government which has not continued to expand. I realize that many good things are provided for in the pending bill. I realize that parts of the bill will tend to promote the building of private homes, and I believe that the building of private homes is most important to our form of government.

But this bill sets up a Federal Administrator and it puts under such Administrator the Federal Housing Administration. A great many of the people believe that if the Federal Administrator shall exercise all of the powers provided for by the bill the program will become, not a private building program but a Federal housing building program.

Let us see what Mr. Foley, the Administrator of the Federal Housing Administration, said in that regard. I shall read only a part of his statement:

I realize that it is easy to discuss the subject in such a manner as to be misunderstood, and therefore I am speaking very carefully.

First, although the end product of the various agencies has to do with housing, and the techniques and the responsibilities involved in the several agencies are markedly different, it does not follow—

I invite particular attention to this sentence.

It does not follow, in my opinion, that the agencies should be grouped together under one direction because their end product is housing. I think further, in the very language of the bill it is obvious that the great bulk of housing needs is expected to be met by private enterprise. Ninety percent, roughly, is the provision of this bill. We therefore, I think, have to take a realistic view against the background of the earnest desire on the part of all of us to get the housing job done as rapidly and as well as it may be done. Therefore, we have to recognize the facts as they exist. I have stressed in my previous testimony my earnest conviction that the home seekers of this country are best served, as matters now stand, if their housing is built under the program of the Federal Housing Administration, and if it is financed under the type of terms we offer. I recognize the fact that the use of the Federal Housing Administration by private enterprise is not compulsory. I recognize even more. I deplore the existence of widespread deep-seated opposition on the part of private enterprise to being required to function through an agency intended to work with private enterprise, but rank under the same direction with public housing.

In a few words, Mr. President, the fear among the people, which is shared by myself, is that public housing will be expanded at the expense of privately owned homes and at the expense of homes for veterans.

Mr. President, under the second title of this bill there would be established research, market analysis, and local planning. What will that mean? It will mean that the Federal Housing Administration will plan to grow. That will mean that the Federal housing building program will grow. We know how it will work. We know how these departments plan expansions. They will go out and promote public building. They will tell the people, "Wire your Congressman that more public housing is needed." Under my amendment the planning would be done in the Commerce Department, which has nothing to do with the building of houses. Therefore there would not be the incentive to expand the building of Federal houses. No one would suffer thereby, but we would be assured that there would not be an agency trying to promote and enlarge itself. That, Mr. President, is the gist of the amendment. I hope that it will be adopted.

Mr. ELLENDER. Mr. President, if it is the desire of the Senate to torpedo the pending bill, it can be done by adopting this amendment. The amendment does not create a board with any power. The Board is only supervisory. There would be no agency empowered to carry out the provisions of the bill. The adoption of the amendment would result in the Federal Home Loan Bank Board, the Administrator of the Federal Housing Administration, and the Administrator of the United States Housing Authority each going its own way. In fact, it would mean that our housing program would return to the same state of confusion that prevailed before the President, by Executive order, consolidated the 17 or more sprawling housing agencies that grew up under prior piecemeal housing legislation.

We discussed very thoroughly in committee the advisability of placing the entire housing program in the hands of a board instead of a single administrator. We concluded, after hearing all sides of the question, that it would be best to provide for a single administrator, because he would be more likely to carry into effect the policies of Congress than would be the case if a board were created and vested with power to make decisions with regard to policies. As I have said, the pending amendment does not create a board with power. On page 2, beginning in line 22 of the amendment, we find the following language:

Said Board shall not interfere with the administrative duties or functions of said housing or real-estate financing agencies.

Therefore, each agency would go its own way with no one to carry out the over-all provisions of the bill. The bill provides for much to be done by the Administrator therein provided, and the adoption of the suggestion of my good friend from Arizona would have the effect of killing the bill.

Mr. President, I see no reason to prolong the debate, and I hope the amendment will not be agreed to.

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

The amendment was rejected.

Mr. BYRD. Mr. President, on page 185 of the bill, beginning in line 22, after the word "contributions", I move to strike out the following: "and the acquisition, sale, exchange, lease, or other disposition of real and personal property, and vouchers approved by the Administrator in connection with such financial transactions,".

The purpose of the amendment is to make it clear that all transactions of the Administrator shall be audited by the General Accounting Office, except such

transactions as those relating to financial matters with reference to the making of loans and annual contributions. The amendment would merely place this agency in the same category in which other agencies of the Government have been placed.

Mr. ELLENDER. Mr. President, I see no objection to the amendment.

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

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

Mr. ELLENDER. Mr. President, before the bill is passed, I should like to say that at the hearings on it, and in the press, certain questions about the merits of this proposed legislation were raised. I believe that there is an answer to all these questions which will satisfy every fair-minded person. On the basis of the extensive record of hearings before congressional committees, I have prepared a list of 12 questions and answers about S. 1592, which I believe will prove invaluable during the consideration of this bill by the Congress and by the people. I ask unanimous consent that the 12 questions and the answers thereto be printed in the RECORD at this point following my remarks.

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

THE TWELVE QUESTIONS

1. Why do we need S. 1592 during the housing emergency?
2. Why do we need the middle-income plan in S. 1592?
3. Is the plan for middle-income home ownership financially sound?
4. Can housing costs be sufficiently reduced without S. 1592?
5. What does private enterprise think of the middle-income plans in S. 1592?
6. Why we need public housing.
7. Is S. 1592 public housing in disguise?
8. Is a single national housing agency necessary?
9. Would S. 1592 be inflationary by providing too much housing credit?
10. Why do veterans need S. 1592?
11. What about the cost of S. 1592?
12. Where does S. 1592 derive its support?

THE ANSWERS TO THE QUESTIONS

1. WHY DO WE NEED S. 1592 DURING THE HOUSING EMERGENCY?

Some people say that S. 1592 is a long-range program which should be postponed until Congress is finished with emergency-housing measures.

The truth is that these emergency measures and S. 1592 are necessary complementary programs that must go forward at the same time if either is to succeed.

We cannot start to build housing fast enough if there are materials shortages, or if the price level on housing is too high. This is why we need the various proposals, made by Mr. Wyatt, to break the materials bottlenecks, to check inflation on housing, to train an adequate labor force to build the needed housing, and to develop new methods which will produce houses more rapidly and more cheaply. These emergency measures, taken alone, would get us over the temporary dislocations caused by the war and would carry us back to the normal peacetime situation in housing.

However, with the normal peacetime situation restored, we would still be faced with the fact that we have not the financial and legislative machinery to build enough housing for low-income groups and middle-income groups, as well as for upper-income groups. It was the absence of this machinery, going back for 20 years, which caused a great housing shortage even before the war. Therefore, to overcome this shortage, and to lay the foundations for a housing program which will be large and stable through serving the whole housing need instead of only part of it, we need S. 1592. Without this legislation, the other emergency measures to speed up production and the flow of materials would lead to a short-lived housing boom for a narrow part of the population, just as we had after the last war.

In short, the other emergency measures are necessary to make sure that enough houses can be produced. S. 1592 is equally necessary, to make sure that they are produced for the right people, including veterans' families and other families of low and middle income.

Mr. Wyatt specifically has included in his recommendations for early action "the necessary financing and other aids provided in S. 1592 to make decent homes available for families of all incomes within their means."

The President of the United States, in his message to the Congress on the state of the Union, also called for the enactment of this measure as an essential part of the immediate housing program.

2. WHY DO WE NEED THE MIDDLE INCOME PLAN IN S. 1592?

Today, taking Nation-wide averages, it costs $6,000 or more to purchase or produce a house of good standards in most urban areas.

According to estimates, the new methods of production proposed by Mr. Wyatt may in time reduce this average cost to $5,000 or even to $4,000.

But even a $5,000 house or a $4,000 house, under present methods of financing, cannot be afforded by families whose incomes are less than $2,500 or $2,000 a year, respectively.

Contrary to popular impression, these are not actually the middle-income families. Of the 1,260,000 new nonfarm family units needed each year for 10 years in this country, about 480,000 units a year, coming to 38 percent of the total, are needed for families who have incomes between $1,000 and $2,000 a year—as national averages. These families can pay from $20 to $40 a month toward the purchase or rental of a home.

Thus, in addition to reducing the cost of producing the house, we must also have other improvements to make the housing available to these middle-income families.

S. 1592, for this purpose, adds these four provisions to the FHA insurance system in order to serve middle-income home owners through private enterprise:

(1) To make it easier to buy the house, the insured loan would cover 95 percent of the total cost of the house, compared with 90 percent today, so that the home owner would have to put up only a 5-percent down payment in cash. (A veteran could get this down payment through a GI loan.)

(2) To lower the monthly financing charges by which the home owner would pay off this loan, repayment would be extended over 32 years instead of 25, and the interest rate would be reduced from 4½ to 4 percent or less.

(3) To reduce the original cost of building the house builders would be encouraged to engage in larger-scale operations with consequent economies in construction and improvements in planning. This would be accomplished by insuring construction loans to builders, which would enable them to build more houses at once with the same amount of personal capital. To assure that this new plan would serve middle-income families, it would be limited to houses costing not more than $5,300.

(4) To give still more protection to the home owner, he would be permitted to defer his monthly payments in case of unemployment or other misfortunes beyond his control.

S. 1592 also assists private enterprise to serve middle-income families with rental or mutual ownership housing projects. In this case, longer term insured loans (up to 40 years), lower interest rates, and lower down payments, with other incentives to economy, would reduce the cost to the occupant.

Another part of the bill provides a plan for "direct investment" in rental housing—by insurance companies and other large aggregates of capital who would build and manage middle-income projects of their own.

These new insurance plans for middle income housing are not intended to cost the Government anything. The FHA would charge premiums for estimated losses and administrative expenses.

3. IS THE PLAN FOR MIDDLE INCOME HOME OWNERSHIP FINANCIALLY SOUND?

(a) There are some who say that FHA insurance covering a 95 percent loan for small home ownership is unsound, on the ground that the down payment by the home owner should be more than 5 percent. The best answer to this is contained in testimony before the Senate Committee on Banking and Currency in December 1937, when Jesse H. Jones, chairman of the RFC, stated:

"I do not think it makes a great deal of difference what a man pays down on his home. I have had experience in building and selling moderate priced homes in private life. They always pay for them if the monthly payments are not too large. I do not care much whether they pay 20 percent or no percent or 10 percent or 30 percent, if a man has a job and he and his family are interested in the home, they will pay for it."

S. 1592 reduces the monthly payments which the home owner has to make, by reducing the interest rate and lengthening the term of repayment. Therefore, it avoids the situation which existed in the past, where home owners of middle income had to overextend themselves to get a house—and ran into defaults when their family expenses increased or their incomes declined. The FHA program started with an 80 percent insured mortgage. When this was raised to 90 percent, it proved even more workable than the 80 percent mortgage on small homes. The 95 percent mortgage in S. 1592 is a further step forward along a tested path.

(b) Likewise, it is incorrect to say that the 32 year term of repayment by the small home owner is unsound. The original FHA system increased the term of repayment beyond then current practices, first to 20 years, and then to 25 years. Each step in this direction made the FHA system stronger. The longer term of repayment, by reducing the monthly charge against the home owner, will not only bring home ownership to millions of additional middle income families, but will also reduce the likelihood of defaults or losses by relating the payments better to the home owner's income. Also, the mass market for middle income housing is so large that this will give additional security to the investment. And the premiums collected on each house in 32 years would be greater than in 25 years, so that a larger insurance reserve would be built up to cover the losses in some individual cases.

(c) There is no merit in the claim that the lower interest rates provided in the middle income plan would be hurtful to insurance companies, banks, and other institutions, which lend money. The middle income plan does not force anyone to lend money. It merely provides an opportunity to invest

capital in middle income housing, at a 3½ percent or 4 percent interest rate, in volumes which have never been possible before. Because no such mortgage opportunity has existed in the past, much of this same money has gone into Government obligations earning only about 2 percent. Investment opportunities will be immeasurably broadened by widening the housing market and making it more stable, just as the automobile industry has been helped by producing cars for almost all income groups instead of mainly for upper income groups.

(d) The 85-percent firm commitment to builders in the middle income plan has been tested by experience. During the war, a 90-percent firm commitment in connection with FHA insurance encouraged builders to undertake large-scale operations and resulted in very large economies.

(e) The lapsed payment provisions, which give the home owner more time to repay his loan when he runs into unemployment or other misfortune, would help the lending institution and the FHA as well. Liberality of repayment provisions, rather than foreclosure, has been proved by the Home Owners' Loan Corporation to be a good business proposition for the lender as well as for the home owner.

4. CAN HOUSING COSTS BE SUFFICIENTLY REDUCED WITHOUT S. 1592?

There are those who say that more liberal credit terms are unnecessary because the way to reduce housing costs is by reducing the cost of building the house.

While reducing the cost of building the house is desirable, it is not enough. Even if the house which cost $6,000 in most urban communities were reduced in cost by 33⅓ percent, or to $4,000, it would require a family income of $2,000 a year to justify purchase of such a house. But middle income groups range between $1,000 and $2,000 in income.

S. 1592 does seek to reduce the cost of building the house; in fact, the middle-income plan is limited to houses costing not more than $5,300. The bill provides for research and studies to reduce these costs. It also will promote the large volume which will reduce these costs. But it also seeks to reduce land costs through urban redevelopment provisions; and it also seeks to reduce the financing charges through longer term of repayment and lower interest rates. All of these types of reductions must be combined to get the cost of housing low enough.

Housing legislation passed by the Congress has always regarded the reduction of financing charges, as well as reduction of other costs, as being essential. In fact, it was through the FHA legislation that interest rates on mortgages were reduced from 8 or 9 percent to 4 and 4½ percent. The further reduction provided in S. 1592, like these earlier reductions, will prove helpful to lending institutions by enlarging their opportunities for financing home owners, just as the earlier reductions were so helpful. They will also help these lending institutions by putting home financing on a sounder basis, more properly adjusted to the home owner's income.

5. WHAT DOES PRIVATE ENTERPRISE THINK OF THE MIDDLE INCOME PLANS IN S. 1592?

For many years, most private enterprise groups have strongly advocated most of the proposals in S. 1592—lower interest rates, longer term for repayments, firm commitments, Federal research, Federal aid for urban redevelopment, etc.

Most of these things were included in a bill presented to the sponsors of S. 1592 shortly before its introduction, by the following organizations: National Savings & Loan League, National Retail Lumber Dealers Association, National Real Estate Foundation, Mortgage Bankers Association of America; United States Savings and Loan League; Perpetual Building and Loan Association; Structural Clay Products Institute, National Lumber Manufacturers Association, United States Chamber of Commerce, Metropolitan Home Builders Association of Washington, Urban Land Institute, National Association of Home Builders of America, and National Association of Real Estate Boards.

The only reason why some of these organizations are now against S. 1592 is that it also includes public housing as part of a comprehensive housing program. Because of their mistaken opposition to public housing, they have temporarily reversed their own position on many sound proposals that will help private enterprise to build and sell twice as much housing as it ever did before. This view is not shared by the best-informed friends of private enterprise.

6. WHY WE NEED PUBLIC HOUSING

S. 1592 provides for 125,000 family units of low-rent public housing a year, for a 4-year period, coming to a total of 500,000 units. In view of the need for more than 1,250,000 houses a year, public housing would provide only one-tenth of the supply. Private enterprise would be left free to build and sell or rent, on a yearly average, about twice as many houses each year as it did between 1920 and 1929, and about four times as many houses each year as it did between 1930 and 1939. The bill also provides that the rents in public housing must be 20-percent lower than the rents at which private enterprise is providing decent housing in every locality. Therefore, there is no merit in the charge that public housing under the bill would be competitive with private enterprise.

Everyone, admits that without subsidy, decent housing cannot be provided for low-income families, with average incomes below $1,000 a year. Before the war, the average rents on public housing, which is entirely different from the war-housing program built with public moneys, was less than $15 a month. The average incomes of families in these projects was less than $750.

It is a matter of common knowledge that by no other method can decent housing for low-income families be provided in sufficient quantity. An impartial committee of the Senate studied this subject for a year and a half, heard witnesses of every type, and came to the just conclusion that there was no alternative to the public-housing program at this time.

7. IS S. 1592 PUBLIC HOUSING IN DISGUISE?

Some of the opponents of the bill have said that it is really a public housing bill in disguise.

This is refuted by a reading of the bill. The policy preamble of the bill states that (1) private enterprise shall be encouraged to serve as large a part of the total need as it can; (2) governmental assistance shall be utilized where feasible to enable private enterprise to serve more of the total need; (3) governmental aid to clear slums and provide adequate housing for groups with incomes so low that they cannot otherwise be served shall be extended only to those localities which estimate their own needs and demonstrate that these needs cannot fully be met through reliance solely upon private enterprise and without such aid. Title I of the bill establishes a National Housing Agency. Title II provides for research and studies to enable private enterprise and localities to meet more of the need for housing and related community development through their own efforts. Title III of the bill contains long-sought-after improvements in the operations of Federal Savings and Loan Association, the Federal home loan banks, the Federal Savings and Loan Insurance Corporation, and the Federal Housing Administration, all of which organizations exist to encourage or to insure private investment in housing. Title IV of the bill contains new FHA plans to enable private enterprise with FHA insurance to expand its operations by serving families of lower income than before (middle income families) with home ownership and with rental housing. Title V of the bill sets up a new plan to encourage direct investments by insurance companies and other financial institutions in rental housing for families of moderate income. Title VI of the bill is designed to encourage private enterprise to participate more extensively in the development or redevelopment of slums and other areas. Title VII of the bill continues the low-rent public housing program, and title VIII of the bill provides governmental aids to housing in rural areas. Title IX of the bill provides for the disposition of war housing presently owned by the Federal Government to localities and to individuals, with preference to veterans. Title X of the bill provides for periodic inventories of housing needs.

As has already been said, most of these provisions of the bill have long been advocated by private enterprise groups.

8. IS A SINGLE NATIONAL HOUSING AGENCY NECESSARY?

The wartime experience and the present experience with the critical postwar housing shortage, illustrated beyond question that there must be a single and unified responsibility for housing at the Federal level, instead of a number of conflicting and duplicating agencies.

There are some who oppose this unification on the ground that it would result in public housing being favored over private housing. This neglects the fact that the Congress, and the Congress alone, can determine the relative size of the different programs. Admitting that public housing should not compete with private housing, it is only by having them coordinated that this competition can be avoided.

There are also those who say that the Federal Home Loan Bank Administration and the Federal Housing Administration are credit agencies which have little or nothing to do with housing, and that therefore they should not be in a housing agency. The very names of these agencies refute this argument. They all deal, in different ways, with providing better housing for the American people at lower costs. They all have this same paramount objective. Therefore the different tools for accomplishing this objective should be utilized in harmony rather than in conflict.

Businessmen and taxpayers, who have so long been pleading for simplifying and streamlining the Government, should be the first, on the basis of economy and efficiency, to favor one housing agency instead of many. In fact, this point of view has for many years been expressed forceably by organizations of businessmen and taxpayers with respect to housing. The only reason for any contrary view today is the desire to eliminate public housing completely from the picture. This cannot be done consistently with the welfare of the people as a whole.

9. WOULD S. 1592 BE INFLATIONARY BY PROVIDING TOO MUCH HOUSING CREDIT?

It is argued, fallaciously, that S. 1592, by making it easier for people of low income and middle income to acquire houses, will increase the housing demand in relation to the shortages of materials, and would therefore be inflationary.

But the only real cure for inflation is to increase the supply. The only way to increase the supply is to enable low-income families and middle-income families to take the supply off the market as it is produced. To continue a situation where these low- and middle-income families cannot participate in enjoying the supply deals with the problem of inflation by adopting the viewpoint that where there is inflation the limited supply should be kept limited and should go only to those in the upper-income groups. This course would perpetuate the shortage in-

definitely, and the shortage is the main cause for the inflation.

The inflation and the shortage can be cured, not by limiting the supply or by restricting it to a small part of the population, but by providing the means for increasing the supply and by enabling more of the people to participate in its enjoyment.

For the same reasons there is no basis for the argument that there is plenty of housing credit available now without S. 1592. There is credit, but it is not available on satisfactory terms for the middle-income families and the low-income families who comprise most of our veterans' families and other families.

When the Congress enacted the housing provisions of the GI bill, it recognized that better credit facilities were necessary. But everyone knows that this bill alone has not provided sufficiently liberal credit terms to enable the majority of veterans to finance homes at costs within their means, quite aside from the shortage of materials.

S. 1592 will provide the kind of credit which will promote the stable production of housing at high levels for many years.

10. WHY DO VETERANS NEED S. 1592?

Some people have said that S. 1592 would hurt veterans, by enabling other persons to compete with them for the existing short supply of housing.

This is not true. The Government, in allocating materials for housing, presently requires that veterans get a preference on all privately financed housing. The same is true of publicly financed housing. So when S. 1592 makes it easier for middle income families and low income families to get housing, its benefits would flow first of all to the families of veterans. Further, S. 1592 will help veterans in these ways:

(1) It contains provisions enabling Federal savings and loan associations, the Federal home loan banks, and allied home financing institutions to participate more effectively under the GI bill of rights' home-loan program.

(2) In the FHA program, it provides for time extensions for veterans or their dependents who have been unable to keep up mortgage payments during the period of military service.

(3) For permanent-type war housing, the bill deals with disposition of such housing so as to establish the principle of preference to veterans. It also provides for preference to veterans in 500,000 new family units of urban public low-rent-housing and in rural housing as well.

(4) It provides for acceleration of the availability of authorizations whenever necessary to serve families of servicemen and veterans.

(5) It makes available to the veteran a 95 percent mortgage (the other 5 percent can be obtained under the GI bill of rights), a 32 year period within which to repay the mortgage, and a maximum 4 percent interest rate, as a result of which he can undertake ownership, say, of a $4,000 house at a total monthly cost of only $32.50, including maintenance costs, interest and principal payments and taxes and insurance.

(6) Under S. 1592, moderate and low-income veterans who prefer or need rental housing, or veterans who can undertake home ownership only under a mutual home ownership plan, or veterans who need public low-rent housing, or veterans in rural areas, would be served effectively.

(7) It makes long-term, low interest-rate mortgage provisions available to educational institutions for housing student veterans.

11. WHAT ABOUT THE COST OF S. 1592?

The greater part of the program under S. 1592 would not involve any cost to the Government—for example, the liberalized FHA provisions for middle income families would be covered by a self-supporting insurance system. The loans for public housing and for urban redevelopment would be repayable in full with interest.

There would be cost to the Government for aid to research and local planning, and for subsidies or annual contributions to help reduce rents on low-rent housing and to help make urban land available for redevelopment.

A 5-year program of building and redevelopment is contemplated under the bill. At the end of this 5-year period, with all the subsidies or annual contributions under way, the maximum payments by the Government would be $143,000,000 a year. These payments might be made for up to 45 years.

But it is unfair to multiply this annual cost of $143,000,000 by 45 years and then criticize the resultant figure for these reasons:

(1) The subsidies may not be paid for 45 years, but may be reduced if incomes rise;

(2) The payments each year represent benefits each year to families who are rehoused, and payments for 45 years would represent 45 years of continuing benefits. To total up the payments for 45 years is the same as if one were to total up the 45-year costs of public works, or social security, or highways, or the cost of running the Government.

Whether on a 1-year basis or on a long-term basis, $143,000,000 a year for housing is less than 1 percent of a normal postwar Federal budget, exclusive of expenditures for national defense. It is less than one-half of what the Government spent each day for war purposes during the war.

These costs are far outweighed by the benefits. The goal of S. 1592 is 1,250,000 to 1,500,000 houses a year. This would provide 3,000,000 to 4,000,000 jobs a year. It would means $6,000,000,000 to $7,000,000,000 in annual opportunities for investment. Better housing would reduce the cost, to the States and the Nation, of crime, disease, juvenile delinquency, discontent, and economic waste.

12. WHERE DOES S. 1592 DERIVE ITS SUPPORT?

These are the organizations which are actively supporting S. 1592 in all its major provisions: American Association of Social Workers, American Association of University Women, American Council on Education, American Council on Race Relations, American Federation of Labor, American Home Economics Association, American Planning and Civic Association, American Public Health Association, American Public Welfare Association, American Veterans' Committee, American Veterans of World War II (Amvets), Chicago Metropolitan Housing Council, Congress of Industrial Organizations, Consumers Clearing House, Consumers Union, Council for Social Action of the Congregational Christian Churches of the United States, Family Welfare Association of America, Federal Council of the Churches of Christ in America, General Federation of Women's Clubs, International Brotherhood of the Maintenance of Way Employees, National Association for the Advancement of Colored People, National Association of Housing Officials, National Association of Rural Housing, National Board of the Young Women's Christian Association, National Catholic Welfare Council, National Committee on Housing, Inc., National Conference of Catholic Charities, National Congress of Parents and Teachers, National Council of Catholic Women, National Council of Housing Associations, National Council of Jewish Women, National Council of Negro Women, National Farmers Union, National Federation of Settlements, National Institute of Municipal Law Officers, National Lawyers Guild, National League of Women Voters, National Mutual Housing Association, National Public Housing Conference, National Urban League, National Women's Trade Union League, Public Health Association of Cincinnati, the Ohio Housing Council and the Better Housing League of Cincinnati, United Neighborhood House, United States Conference of Mayors, and Veterans of Foreign Wars of the United States.

There are other organizations, which object to S. 1592 because they do not want any public housing whatsoever but who have long been on record as favoring many of the provisions of S. 1592 which are for the purpose of expanding private enterprise: National Savings and Loan League, National Retail Lumber Dealers Association, National Real Estate Foundation, Mortgage Bankers Association of America, United States Savings and Loan League, Perpetual Building and Loan Association, Structural Clay Products Institute, National Lumber Manufacturers Association, Metropolitan Home Builders Association of Washington, United States Chamber of Commerce, Urban Land Institute, National Association of Home Builders of America, National Association of Real Estate Boards.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 1592) was ordered to be engrossed for a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4761) to amend the National Housing Act by adding thereto a new title relating to the prevention of speculation and excessive profits in the sale of housing, and to insure the availability of real estate for housing purposes at fair and reasonable prices, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SPENCE, Mr. BROWN of Georgia, Mr. PATMAN, Mr. BARRY, Mr. WOLCOTT, Mr. CRAWFORD, and Mr. GAMBLE were appointed managers on the part of the House at the conference.

PROPOSED LOAN TO GREAT BRITAIN

Mr. BARKLEY. Mr. President, there being no Executive Calendar to consider, I move that the Senate proceed to consider Calendar No. 1160, Senate Joint Resolution 138, providing for the approval of a financial agreement between the United States and the United Kingdom.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The CHIEF CLERK. A joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kentucky.

The motion was agreed to; and the Senate proceeded to consider the joint resolution.

Mr. BARKLEY. Mr. President, I do not care to discuss the joint resolution this afternoon. I merely wished to have it taken up so that it would be the unfinished business.

DISPOSAL OF SUPLUS PROPERTY

Mr. MORSE. Mr. President, will the Senator from Kentucky yield to me for the purpose of making a brief statement in supplementing the remarks which I made last Friday on the subject of surplus property disposal?

Mr. BARKLEY. Mr. President, I yield the floor to the Senator from Oregon.

DISPOSAL OF WAR SURPLUS PROPERTY

Mr. MORSE. Mr. President, the RECORD will show that last Friday in a few brief remarks I supported the resolution offered by the Senator from North Dakota [Mr. LANGER] for an investigation of the procedures, practices, and policies of the War Assets Administration in its disposal of surplus property. I said on that occasion that I thought it very important that the resolution should be adopted by the Senate, and I set forth my reasons. I wish at this time briefly to supplement the statements I made last Friday, on the basis of certain information I have been able to secure since then.

Mr. President, in addition to the disclosure in the CONGRESSIONAL RECORD of Friday, April 12, regarding the sale of 600 new Studebaker military trucks by Gimbel Bros., New York, the following information should be of interest:

On Sunday, April 8, Gimbel made a second offering of 1½-ton Chevrolet military trucks. They not only offered them, but pointed out that they would be guaranteed and serviced by a prominent Chevrolet dealer in New York City.

Investigation at War Assets Administration indicates that these trucks were military trucks which had radar electronic equipment on them, and were returned from abroad to the Hallicrafter Co. plant, a radio-manufacturing company in the Chicago area, for the dismantling and removal of the electronic equipment. The trucks were then sold by the Capital Goods Section of War Assets Administration to a New York exporter, who did not export the trucks, but sold them to Gimbel's. I am informed that it was definitely understood and believed that these trucks were being sold for export sale and use.

This action by the Capital Goods Section of the War Assets Administration was in direct violation of the Surplus Property Act, which sets up specific priority categories which must be observed in the sale of all surplus war property.

This is not the first time that regulations and the law have been disregarded by War Assets Administration. I was informed of a case recently where a considerable number of Signal Corps trucks with specialized equipment were to be offered directly to the Western Electric Co., in disregard of the priority regulations, when Consumer Goods Section, which handles trucks, got word of it and forced Capital Goods Section to turn the trucks over to them to be handled by the regular procedure.

It should be pointed out that although these cases have come to light, there are probably others. By and large, it is my impression that the Consumer Goods Section of War Assets and its predecessor organizations, SPA and Treasury Procurement, have done a very creditable job in handling trucks. It is true that they have not been distributed to farmers, as the Senator from North Dakota [Mr. LANGER] pointed out in his speech on the floor Friday, in as large quantities as they might have been.

In fact, it is inexcusable that they have not been distributed to farmers and to veterans in a greater degree than they have been. However, I think it must be recognized that the disposal of these great quantities of goods is a very difficult task, and requires a great deal of administrative detail which possibly the administration has not had adequate time as yet to work out in as efficient a manner as they should. That does not, however, remove the obligation and responsibility of this administration to clean up what I say is a sorry mess in the disposition of surplus property. However, in fairness, I wish to say that, by and large, the job has been handled, I think, conscientiously by the Consumers' Goods Section, but the organization of the War Assets Administration lacks coordination. So far as I have been able to ascertain in my investigation of the matter, the Gimbel incidents represent the first time a store which was not a normal channel of trade has been utilized to sell trucks.

There is another problem which needs to be given attention by the War Assets Administration, namely, a practice which some veterans tell me is beginning to develop in the buying up of so-called veterans' certificates granting priorities for the purchase of trucks. Certain stores and retailers are buying veterans' certificates which would enable the veterans to buy trucks for their own use. They are giving some veterans a bonus for the certificates, even though the veterans have no intention whatsoever of really buying trucks for their own use. As a result, a great many veterans who need trucks for their own use are suffering as a result of this type of black-market operation. This practice is not fair to the veterans who need the trucks, and they are filing complaints in regard to the practice.

It is not the intention of the Surplus Property Act to permit a veteran to buy an unlimited number of trucks with a certificate. In fact, it is my understanding that such a certificate should be good for only one truck per veteran, and it certainly was not the intention to let a dealer buy them in the name of the veteran for immediate resale. We have a situation in which many deserving veterans are unable to get trucks and others are buying up many trucks for dealers. It seems to me that the abuse of the privilege by certain veterans is just as serious, if not more so, than the fact that Gimbels have been selling a few hundred trucks in New York. After all, in this case it may be only a question of maldistribution. However, the trucks are badly needed in the New York area, and many more trucks are badly needed by individual veterans and by individual farmers throughout the country. It is a shame that they are not getting a chance to purchase them to the degree that was intended by Congress.

Moreover, the important thing, it seems to me, is that this direct violation of the law by War Assets Administration officials indicates the looseness with which that agency is being administered, and the caliber of personnel that is being used on this job.

However, this is maybe explainable in the case of an organization of the temporary nature of the War Assets Administration one which has been thrown together so fast and its personnel increased so rapidly that one part of the organization apparently does not know what the other parts are doing. As I said before, the War Assets Administration should coordinate its functions and develop a more efficient check against its own mistakes and inefficiencies.

I make these remarks today, Mr. President, because I think it should be perfectly clear to this administration, as I suggested last Friday, that the American people are entitled to know the facts about the complaints which are being made in regard to the maladministration by the War Assets Administration. My position is the same on the Langer resolution as it has been on OPA resolutions. I have tried time and time again to point out to the Senate that the people of this country are entitled to know the facts about the maladministration of OPA and any other Government agency.

I see my good friend, the distinguished senior Senator from New York [Mr. WAGNER], the chairman of the Committee on Banking and Currency, in the Chamber. He knows that for months past I have pleaded on the floor of the Senate for the setting up of a special committee of the Senate to conduct an investigation of OPA. I have pointed out in speech after speech the value of such a committee not only to OPA, but to the entire administration. I have tried to make clear that I think such investigating committees can be of real service to the departments subject to the investigations because the committees can separate the true charges from the false complaints. They can be used as clearinghouses of factual information to the American people, since there is a great deal of suspicion abroad in the land in regard to the practices of many of the Government agencies.

I venture to assert, Mr. President, that if, months ago, when the Senator from Nebraska, the Senator from Indiana, and the Senator from Oregon, sought to persuade the Senate to create a special investigating committee to investigate OPA, the suggestion had been adopted by the Senate, the revolt now evident on Capitol Hill against the continuation of OPA would not have reached the point it has reached as of this hour. I say that because men in responsible positions in the Congress of the United States know very well that it is very difficult for them to justify casting a vote for the continuation of the inefficiency, the arbitrary practices, the capricious actions, and the downright gestapo methods, in some instances, of the OPA organization.

As one who has been a stanch defender and supporter of the major objectives of OPA insofar as they can be effective in checking inflation, I think the administration has put us in a very difficult position when it comes to vot-

ing for a continuation of OPA, with nothing from the administration but some more political promises that the abuses will be eliminated if we will only extend the life of this organization.

When the OPA extension bill reaches the floor of the Senate I shall discuss some of the enforcement practices of OPA which in my judgment should not be tolerated any longer and which I think are producing the same revulsion on the part of many people in this country against OPA which developed against the Volstead Act when similar enforcement methods were used by a swarm of enforcement snoopers. Many honest and patriotic merchants in this country have been branded as crooks and law violators by OPA in its enforcement practices because of unintentional and innocent mistakes in pricing. I can cite examples of unintentional pricing mistakes of one-half or 1 or 2 cents on an article which have resulted in fine citizens in my State being prosecuted by OPA and held up to their fellow citizens as law violators.

The OPA suffers from a prosecution complex in regard to inconsequential, unintentional, and innocent pricing mistakes of many small merchants in this country. If it had devoted just half of the effort in going after the black marketeers in this country that it has spent in harassing the small store merchants it might have been able to have really done something about checking the inflationary effects of the greatest cause of inflation in this country today, namely, the black market. This black market is rampant in meat, lumber, fruit, and a host of other products. What is its greatest cause? I charge that its greatest cause is the fact that there are a lot of subordinates in OPA who seem to think that allowing a fair and reasonable profit for the production of much-needed consumer goods is in violation of the private property economy of this country. They give every evidence of believing that so long as a company is $1 in the black it is not entitled to any price adjustment. In other words their ideology seems to be one of preventing profits rather than of preventing inflation. They need to be told by Porter, Bowles, and the President that the private property economy is based upon the fundamental principle that the opportunity of producing at a fair profit is the greatest incentive to production. A fair profit is not being allowed by OPA in accordance with the facts that I know have been presented to OPA in many cases in regard to which I have a knowledge of the facts.

Take lumber for example. There is a great lumber shortage and Wyatt cannot fufill the objectives of his housing program without lumber. I say now that if that lumber is not produced to the amount needed it will be due chiefly to the fact that the lumber industry in my State is thoroughly discouraged with the pricing policies of OPA. I think it is true that we would have more lumber if OPA would make it possible for the lumber industry to produce the maximum amount of lumber of which it is capable by allowing it a fair profit on the various types of lumber needed. Hence lumbermen, along with various other groups of men in my State, are urging me to vote for the complete abolition of OPA. I do not desire to cast such a vote because I firmly believe that the major objectives of OPA as intended by the OPA Act are in the best interests of this country during this reconversion period. However, it is very difficult to justify a vote for OPA if Mr. Porter, Mr. Bowles, and the President do not take the necessary steps to clean up the abuses of OPA and to give assurance that the policies of OPA will be adjusted in accordance with the ever-changing factual picture as far as supply of and demand for consumers' goods is concerned during the reconversion period. Unless OPA can be administered so that its pricing policies in relation to a given industry can be periodically changed in accordance with new facts as they develop then it will only continue as is now the case to discourage production in many industries. The most effective way to beat inflation is to encourage production and any pricing policy which does not allow a fair profit discourages production.

I here and now say that I think it is the obligation of the President of the United States, Mr. Truman, to come forward now and give to Congress and to the people of the United States very definite assurance that he is going to exercise some leadership in connection with the OPA problem. We want to know that he is going to take upon himself the responsibility, as the Chief Executive, to see to it that these abuses and practices of the OPA, against which we have complained for many months past, are going to be cleaned up. He should do that before he asks Congress to vote for the continuation of OPA.

Mr. President, I want to vote for the continuation of OPA, but it is difficult to justify voting for its continuation until I have definite assurance that it will end the abuses, which I know to be factual, and which the Senate should have eradicated long ago by the type of an investigation committee some of us have asked for in months past.

This assurance, I say, must be received by the Congress of the United States if the administration is to look to us to help carry out what I think are the real objectives of OPA, but which OPA itself, by its improper practices makes it almost impossible for it to carry out.

Now we have another similar problem, Mr. President, with the War Assets Administration. I say that now is the time, when the charges made against it, for the administration to get behind the resolution providing for an investigation of the charges. If they are false the investigation will show it. If they are true it is the public duty and obligation of the administration to clean up the situation. I am at a loss to understand, as I suggested last Friday, why Democratic Senators in this body, every time a proposal is made to make an investigation of one of these agencies, about which we have stacks of complaints, oppose the resolution.

I repeat today what I said in effect Friday, that I entertain the suspicion—oh, it is more than a suspicion, Mr. President—I entertain the belief that this administration is afraid to face an investigation of any of these major agencies about which complaints have been filed. If it is not afraid, then I urge the Democratic Senators on the other side of the aisle to join forces with us in the interest of the people of the United States to find out what the facts are about these charges. Let them support us in our requests to carry on an investigation that will sift the falsehood from the truth in connection with the charges that have formed the basis for the resolutions calling for an investigation of OPA, the War Assets Administration, the court martial systems and penal practices of the Army and Navy, and the other investigations which have been proposed. The people of the country are entitled to the facts which would be disclosed by such investigations.

AUTHORIZATION FOR SIGNING OF BILLS

Mr. WAGNER. Mr. President, I ask unanimous consent that the President pro tempore be authorized to sign duly enrolled bills during the recess of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. HOEY in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

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

RECESS TO WEDNESDAY

Mr. WAGNER. I move that the Senate takes a recess until Wednesday next at 12 o'clock noon.

The motion was agreed to; and (at 5 o'clock and 13 minutes p. m.) the Senate took a recess until Wednesday, April 17, 1946, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 15 (legislative day of March 5), 1946:

DIPLOMATIC AND FOREIGN SERVICE

The following-named persons to be foreign-service officers, unclassified, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

Keld Christensen, of Iowa.

Robert J. Gibbons, of Ohio.

David G. Nes, of Maryland.

Robert M. Sheehan, of the District of Columbia.

SECURITIES AND EXCHANGE COMMISSION

Richard B. McEntire, of Kansas, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1948.

CIVIL AERONAUTICS BOARD

James M. Landis, of Massachusetts, to be a member of the Civil Aeronautics Board for the remainder of the term expiring December 31, 1947.

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

TO BE BRIGADIER GENERALS

Col. Conrad Edwin Snow (lieutenant colonel, Signal Corps Reserve), Army of the United States.

Col. Maurice Hirsch, Army of the United States.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 15, 1946

The House met at 12 o'clock noon.

The Rev. Dr. Joseph Francis Thorning, rector of St. Joseph's Church, Carrollton Manor, Md., and special lecturer on South American history in the University of Maryland extension division, cofounder and organizer of the inter-American seminars in the other American Republics and Canada, offered the following prayer:

In the name of the Father and of the Son and of the Holy Spirit. Amen.

Lord of light and of love, regard with eyes of favor the Speaker of this House and all the Members of the Congress of the United States.

Aware of the loyal devotion of the citizens of the other American Republics and Canada, we implore that the treasures of Thy grace be poured forth abundantly upon the President of the United States, who, with the chief executives of our sister nations, is eager to cherish the spirit of friendship, a second line of defense and progress, throughout the Western Hemisphere.

Gathered together for this second official celebration of Pan-American Day, an anniversary dear to all the children of the Americas, we invoke Thy blessings upon the deputies and senators of all American democratic assemblies, where the values of truth, liberty, justice, and charity are respected. Light up their minds, dear Saviour, with the radiance of Thy beauty and glory.

Bestow Thy benediction in particular upon the architect of the good-neighbor policy and all loyal collaborators in governments, universities, colleges, inter-American centers, and schools. Lift up and enlarge this friendship to the plane of a good-neighbor policy for all men, women, and children of the world.

This we ask through Christ our Lord. Amen.

The Journal of the proceedings of Saturday, April 13, 1946, was read and approved.

PHILIPPINE TRADE ACT OF 1946

Mr. DOUGHTON of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5856) to provide for trade relations between the United States and the Philippines, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. DOUGHTON of North Carolina, COOPER, DINGELL, ROBERTSON of Virginia, KNUTSON, REED of New York, and WOODRUFF.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed a joint resolution and a bill of the House of the following titles:

On April 12, 1946:

H. J. Res. 328. Joint resolution making an additional appropriation for veterans' housing and related expenses.

On April 13, 1946:

H. R. 3796. An act to quiet title to certain school-district property in Enid, Okla.

MESSAGE FROM THE SENATE

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

H. R. 2115. An act relating to the domestic raising of fur-bearing animals;

H. R. 4896. An act to provide for payment of travel allowances and transportation and for transportation of dependents of members of the naval forces, and for other purposes; and

H. J. Res. 273. Joint resolution authorizing and requesting the President to issue annually a proclamation designating December 15 as Bill of Rights Day.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 287. An act for the relief of Murphy & Wischmeyer;

S. 470. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim or claims of W. P. Richardson, as successor and assignee of W. P. Richardson & Co., of Tampa, Fla.;

S. 593. An act for the relief of Warrant Officer Wayne C. Proper;

S. 875. An act for the relief of Mercy Duke Boehl;

S. 943. An act granting the consent of Congress to the State of Washington to construct, maintain, and operate a free highway bridge across the Columbia River at Northport, Wash.;

S. 997. An act for the relief of Aldona Kojas;

S. 1201. An act for the relief of Arthur F. Downs;

S. 1286. An act for the relief of Sam Bechtold;

S. 1325. An act to amend the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended;

S. 1442. An act for the relief of George O. Weems;

S. 1507. An act to better adapt the loan programs authorized by the Bankhead-Jones Farm Tenant Act, as amended, to the needs of veterans and low-income farmers, and for other purposes;

S. 1516. An act to amend section 12 of the Bonneville Project Act, as amended;

S. 1563. An act for the relief of Ferris Ruggles;

S. 1604. An act for the relief of Leo Stuhr;

S. 1636. To amend the Surplus Property Act of 1944 to designate the Department of State as the disposal agency for surplus property outside the continental United States, its Territories and possessions, and for other purposes;

S. 1714. An act to amend the act entitled "An act to prevent purchase and sale of public office," approved December 11, 1926;

S. 1742. An act for the relief of Socony-Vacuum Oil Co.;

S. 1747. An act for the relief of John C. Spargo;

S. 1757. An act to amend the Surplus Property Act of 1944, as amended, so as to broaden the scope and raise the rank of the veterans' priority;

S. 1801. An act authorizing the appointment of an additional judge for the district of Delaware;

S. 1802. An act to provide for the delivery of custody of certain articles of historic interest from the U. S. S. *Nevada* and the U. S. S. *Wyoming* to the State of Nevada and the State of Wyoming, respectively;

S. 1805. An act to authorize the promotion of personnel of the Navy, Marine Corps, and Coast Guard who were prisoners of war;

S. 1812. An act to provide reimbursement for personal property lost, damaged, or destroyed as the result of explosions at the naval ammunition depot, Hastings, Nebr., on April 6, 1944, and September 15, 1944;

S. 1834. An act granting the consent of Congress to the State of Iowa or the Iowa State Highway Commission to construct, maintain, and operate a free highway bridge across the Des Moines River at or near Farmington, Iowa;

S. 1854. An act to establish the civilian position of academic dean of the Postgraduate School of the Naval Academy and compensation therefor;

S. 1857. An act to authorize the availability of certain necessary administrative expenses of appropriations for the Department of the Interior;

S. 1862. An act to repeal section 1548 Revised Statutes (34 U. S. C. 592);

S. 1871. An act to authorize the conveyance of a parcel of land at the naval supply depot, Bayonne, N. J., to the American Radiator & Standard Sanitary Corp.;

S. 1872. An act to provide for the rank of original appointments in the Corps of Civil Engineers of the United States Navy, and for other purposes;

S. 1916. An act to authorize the Secretary of State to transfer certain silver candelabra to May Morgan Beal;

S. 1932. An act conferring jurisdiction upon the United States District Court for the Eastern District of South Carolina to hear, determine, and render judgment upon the claim of the board of trustees of the Saunders Memorial Hospital;

S. 1959. An act to authorize the payment of additional uniform gratuity to Reserve officers commissioned from the status of aviation cadets;

S. 1961. An act to exempt from taxation certain property of the Disabled American Veterans in the District of Columbia;

S. 1963. An act to authorize additional permanent professors of the United States Military Academy;

S. 1978. An act to authorize the restoration of Philip Nickum, Jr., to the active list of the United States Navy with appropriate rank and restoration of pay and allowances;

S. 1980. An act 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;

S. 1986. An act to regulate the manufacture, sale, distribution, and use of barbiturates in the District of Columbia, and for other purposes; and

S. 2029. An act to authorize the Director of the United States Geological Survey to produce and sell copies of aerial or other photographs and mosaics, and photographic or photostatic reproductions of records, on a reimbursement of appropriations basis.

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the Committee on World War Veterans' Legislation be permitted to sit during general debate of the sessions of the House for the rest of the week.

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

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Alabama [Mr. JARMAN] is recognized.

PAN-AMERICAN DAY

Mr. JARMAN. Mr. Speaker, it is with a feeling of sadness which normally would be gladness that we approach the commemoration of Pan-American Day, the sadness resulting from the fact that last year it was necessary to postpone this occasion because of the unexpected death of our great President, one who was not only a great President, not only a great Commander in Chief of our Army and Navy at war, but an equally great and good friend of pan-Americanism, one whose administration did as much to cement the relations between the American countries as any other administration has ever done or probably ever will do.

Personally I have another reason for approaching this occasion with sadness. It results from my reference last year to a great soldier. In referring at that time to the great liberator of South America, Simón Bolívar, and speaking of his widespread interest and influence, I referred to the fact that our troops on Okinawa were at that moment under the able command of one who bore his name. I wish to repeat the conclusion of that reference. I spoke, of course, of General Simon Bolivar Buckner, Jr., and referred to the fact that in South America he would be called Simón Bolívar Buckner, Jr. I said:

> I know General Buckner personally. In view of that fact and my natural interest, I wish to heartily congratulate him and express my deep appreciation of the magnificent work the Tenth Army has done on Okinawa under his able leadership; and then I would indulge the hope and reverent prayer in which I know I will be joined by every person in this Chamber, for his similar future success.
>
> The nearest American troops to Japan, I wish not only General Buckner, but every officer, noncommissioned officer, and private under him Godspeed, rapid progress, and early entrance into Tokyo.

I am happy to believe that that wish was fulfilled insofar as many of the soldiers under General Buckner were concerned because of their valor in conquering Okinawa and because of the fact that they were nearest to Japan. Unfortunately, it was not the good fortune of General Buckner or the United States or, I may add, Japan, for it to be fulfilled insofar as he was concerned, because just at the end of the Okinawa engagement, when the island had been all but conquered and there was only a little tip of it left to be conquered, that great soldier, General Buckner, while out in a front line observation post observing his troops wipe up that little tip of Okinawa, was felled by an enemy shell that ended the career of a distinguished gentleman and a great soldier.

It happened that I was not too far away at the time. I was at Guam. In fact, the day before I had been 825 miles nearer, on Iwo Jima. We were the guests at Guam of another able fighting man, that charming, suave, efficient, and able gentleman and sailor, Admiral Nimitz. He had been telling us at mealtimes about the progress of Okinawa, always encouraging reports, but on this morning he said, "Well, only a few more days will be necessary, gentlemen, on Okinawa, just two or three more days, but unfortunately we lost our Army commander yesterday." You can imagine the shock with which that information was received by us.

Mr. BENNETT of Missouri. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I gladly yield to the gentleman from Missouri.

Mr. BENNETT of Missouri. The gentleman has referred to the great South American liberator, General Bolivar. The gentleman will be interested to know that a number of towns in North America are named after the great liberator. The largest of these towns is known as Bolivar, Mo., in the district which I represent. Within the last few days the Ambassador from Venezuela has proposed to the President of the United States that South America be permitted to erect a monument in Bolivar, Mo., in honor of General Bolivar. Of course, we all hope that can be done.

Mr. JARMAN. I thank the gentleman very much for that contribution. I certainly consider the idea an excellent one, and I share his hope that it will be done.

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

Mr. JARMAN. I yield to the gentleman from Mississippi.

Mr. RANKIN. One of the greatest contributions to pan-American unity took place within the last 2 weeks when this administration repudiated a Communist attempt to create a war between us and Argentina, reestablished diplomatic relations with Argentina, and sent an Ambassador to Buenos Aires. That is one of the greatest contributions to pan-American unity that has taken place in a long time.

Mr. JARMAN. We are all very appreciative of any contribution which may occur to pan-American unity.

Pan-American Day was originated in a resolution adopted by the Governing Board of the Pan American Union on May 7, 1930, as follows:

> Whereas it would be desirable to recommend the designation of a date which should be observed as Pan-American Day in all the republics of America and which should be established as a commemorative symbol of the sovereignty of the American nations and the voluntary union of all in one continental community;
>
> Whereas April 14 is the date on which the resolution creating the Pan American Union was adopted;
>
> The governing board of the Pan American Union resolves: To recommend that the governments, members of the Pan American Union, designate April 14 as Pan-American Day, and that the national flags be displayed on that date.

Pursuant to this recommendation, the President of the United States issued a proclamation calling upon schools, civic associations, and people of the United States generally to observe the day with appropriate ceremonies, thereby giving expression to the spirit of continental solidarity and to the sentiment of cordiality and friendly feelings which the Government and the people of the United States entertain toward the peoples and governments of the other republics of the American continents.

Proclamations have been issued and legislation enacted in all the other American Republics setting aside April 14 as Pan-American Day.

Today Pan-American Day has become one of the significant anniversaries of the country. It is the only day set apart by the governments of an entire continent to symbolize their common bond and their common hope for a system of international relations based on mutual respect and cooperation. The observance of Pan-American Day by Government leaders, as well as by educational institutions, clubs, commercial associations, and other groups, and its recognition by the press and radio, conveys its message of solidarity to young and old throughout the continent. It has become a powerful aid in bringing about a closer understanding among the nations of the Western Hemisphere.

The theme for 1946, the sixteenth annual observance of the day, is "Free and united, the Americas go forward." I repeat, "Free and united, the Americas go forward." The programs will be as diversified as the character of the 16 regions in which they will take place, but a common theme will be the first commemoration of the day of the Americas since the Allied victory in World War II.

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

Mr. JARMAN. I yield.

Mr. RICHARDS. Mr. Speaker, there is no subject of greater importance to the American people than pan-American unity and pan-American friendship. I have served with the gentleman from Alabama [Mr. JARMAN] on the Committee on Foreign Affairs for many years. I have noted his zeal year in and year out in the cause of perpetuating friendly relations between the peoples of the Americas. I know of no man on that committee or in the House of Representatives who has done more to cement good relations between the people of North America, South America, and Central America than the distinguished gentleman from Alabama. I congratulate him on his accomplishments in that direction. I think I speak for the whole House when I say that we will all join in the movement, so forcefully led by the gentleman, to bring about still better relations between our people and the peoples to the south of us. When we contemplate what is happening in other parts of the world, a war-ravaged world, and then look around us and observe the spirit of friendship which exists in the Western Hemisphere, then we know that the efforts of the gentleman from Alabama and others like him have borne fruit.

Mr. JARMAN. I sincerely thank my distinguished friend, the gentleman from South Carolina, for those remarks, though I am afraid they are too generous. I appreciate them very much nevertheless. I also appreciate his assurance of

the same cooperation in the future which he has so kindly indulged in in the past. He has always been very fine and very kind to me.

The gentleman referred to the war-ravaged earth. I need not call attention to the fact that this is the first time in 5 years when it has been our privilege and pleasure to commemorate Pan-American Day amidst a world at peace. My earnest hope and reverent prayer, in which I know I will be joined by everyone present, is that we may continue to celebrate Pan-American Day under those circumstances, not only in the immediate future but throughout the ages that are yet to come.

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

Mr. JARMAN. I yield to the distinguished gentleman from West Virginia.

Mr. RANDOLPH. Mr. Speaker, the gentleman from Alabama appropriately addresses his colleagues and the country on this vital subject matter. The gentleman made mention of the fact that we are at peace during the observance of this Pan-American Day. Our neighbors in the Latin-American countries are, in great degree, friendly and cooperative with the United States. They look to us for leadership. We must not fail to provide it. Does not the gentleman believe that regardless of the success of the United Nations Organization, and we trust it will be successful, that if the peoples of North America, Central America, and South America can be joined together in one great purpose for peace, there could be no other part of the world that could stand against it?

Mr. JARMAN. I not only agree with the gentleman in that possibility, but I predict that that will occur should it become necessary.

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

Mr. JARMAN. I yield to the distinguished gentleman from California.

Mr. VOORHIS of California. I should like to say that I am sure we all regret it has not been possible to devote a whole day to the observance of Pan-American Day, but in the absence of that possibility, those of us who might have liked to have spoken at some length on the subject feel that the gentleman from Alabama has eloquently, ably, and effectively said the things we wanted to say. I believe his speech should be read in the light of its being literally the voice of the House on this most important matter.

Mr. JARMAN. That is certainly very kind of the gentleman from California, and I thank him very much. However, I wish to express the hope that anyone who may wish to follow me and comment on Pan-American Day will be permitted to do so, and I understand he or she will be.

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

Mr. JARMAN. I yield to the distinguished gentleman from Pennsylvania.

Mr. RICH. I want to voice my praise for the work which the gentleman from Alabama [Mr. JARMAN] is doing in trying to cement the good offices of our State Department with the state department offices of all the countries of North America, South America, and Central America. I think it is imperative that the United States, Central America, and South America stand together for the principles which have been inculcated and laid down by the founders of our Constitution, and carry out the Monroe Doctrine. I think that in itself speaks for the position that our Nation can take in trying to work with and aid and assist the countries of South and Central America. Certainly, the more we can do to promote a feeling of good will between these Western Hemisphere peoples, the better it will be not only for the people of the Western Hemisphere but for the people of the world at large.

I am glad to add my praise to the work which the gentleman is doing in cementing more and more this friendship.

Mr. JARMAN. I thank the gentleman very much for his gracious reference.

Mr. MANSFIELD of Montana. Mr. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I yield to the distinguished gentleman from Montana.

Mr. MANSFIELD of Montana. I too would like to join with my colleagues in complimenting and congratulating the gentleman from Alabama who is chairman of the Subcommittee on Latin-American Affairs of the Committee on Foreign Affairs of the House of Representatives, on the great interest he has always taken in bringing about greater affection between the countries of the Americas, and also because of the fine presentation he is making at the present time.

I think it is highly imperative that the nations of the New World continue to draw thus closer and closer together because I think it is the New World which offers hope to the rest of the world.

I feel also that it is very significant and highly important that we had such a distinguished Latin-American scholar as Father Joseph Thorning give the prayer on this particular day. As the gentleman from Alabama well knows, Father Thorning has been very much interested in closer cultural, commercial, and political relations between this country and the hemisphere, and has performed a great service over the years in giving publicity to those aspects of inter-American cooperation.

I know the gentleman from Alabama speaks for all of us in the House as he develops the idea of greater pan-American cooperation, and we appreciate the great amount of hard and assiduous labor he has performed in the interests of all the countries in this hemisphere.

Mr. JARMAN. I thank the gentleman from Montana very much, and I want to comment on two phases of his reference. First, the necessity for closer cooperation between the pan-American countries. I wish to assure the gentleman that for my part I never intend to fail to challenge anything that in any way tends to impair or lessen the importance of those relations.

I thoroughly agree with his reference as to the appropriateness of having Father Thorning offer the invocation this morning. Someone was very thoughtful in arranging that. I appreciate it very much, and I appreciate his being with us at this time.

Mr. CANNON of Florida. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I yield.

Mr. CANNON of Florida. Coming as I do from the city that we call the Gateway to the South Americas wherein all the passengers from that area disembark first after reaching the United States, I wish to commend the gentleman on the great service he has given to this people, and the fight he is now waging in their behalf. I feel that the cementing of friendship between the two areas, when it finally comes about, will be as a practical and direct consequence of the great and outstanding work which the gentleman from Alabama has done. I want to recognize his work on my own behalf and on behalf of the people of my district.

Mr. JARMAN. I thank the gentleman very much for his kind remarks, but he is entirely too generous.

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

Mr. JARMAN. I gladly yield to the distinguished gentleman from Texas, ranking member of the Committee on Military Affairs.

Mr. THOMASON. Coming as I do from another gateway to Latin America, down in Texas, I also want to commend the gentleman for the fine work he has done and especially to mention the praise that is due the gentleman as chairman of the Pan-American Subcommittee of the Committee on Foreign Affairs, the work he and his committee have done to promote the friendly relationship that should exist between this country and our South American friends. I know that down in Laredo and right across the river in Juarez the very friendliest of relationships exists; and I am happy to join the gentleman from Alabama in doing everything I can to promote the uninterrupted work on the good-neighbor policy that our great Secretary of State, Mr. Hull, sponsored, and to say that I think it is highly important in the difficult days that lie ahead that we do everything in our power not only to extend the hand of friendship to our Pan-American friends, but also to further cement the ties of friendship that now exist between us.

Mr. JARMAN. I thank the gentleman from Texas very much.

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

Mr. JARMAN. I am happy to yield to the distinguished gentlewoman from Massachusetts, the second ranking Republican on the Foreign Affairs Committee.

Mrs. ROGERS of Massachusetts. I too wish to express my appreciation for the remarkably fine work the gentleman from Alabama has done in cementing ties with the Latin-American countries, and also for his work otherwise. We have served on two committees together, the Committee on World War Veterans' Legislation, where he rendered a great contribution, and the Committee on Foreign Affairs. Because I am so interested in cementing the ties between this country and the other Latin-American countries, I went to Mexico City as a delegate to a conference last year. There I found the finest courtesy, the most un-

derstanding cooperation, from every one of the delegates in working out a program in that Inter-American Conference that was there held. I hope this effort will continue. I hope that Argentina will be with us in the next conference and that we will go on improving our relations.

Mr. JARMAN. I thank the gentlewoman very much. May I comment here that both she and the gentleman from Texas [Mr. LUTHER A. JOHNSON] rendered yeoman service at the Inter-American Conference in connection with the problems of war and peace at Mexico City. They did a fine job in representing this House and I hope the gentlewoman will make some appropriate remarks later on.

Mrs. ROGERS of Massachusetts. It was a very great privilege to serve.

Mr. JARMAN. I yield now to the gentleman from New Jersey [Mr. EATON].

Mr. EATON. Mr. Speaker, I would say amen to all the fine things that have been said here about the distinguished gentleman and his service in our committee as an individual and as our leader in pan-American relations. I doubt that any man in this House has done a more constructive job than our friend the gentleman from Alabama [Mr. JARMAN], and I want to express as a citizen my appreciation for all he has done and all that he is.

In our conference at San Francisco we had a wonderful illustration of the solidarity of purpose and ideals as between the nations of these two continents. We never would have been able to put through the charter without the support that we received in our leadership from all the South American peoples. One great issue in which we stood adamant against all comers was that in the new age of the world civilization all the nations of this new world must form a bloc with the same ideals, the same sense of unity and the same purpose to serve mankind and to maintain peace. We did that and that is one of the foundation policies of the United Nations.

Mr. Speaker, I do not know any one in this House or out of it who did more to advance that solidarity than our friend, the distinguished gentleman from Alabama.

Mr. JARMAN. I thank the gentleman very much and again I say, like I did with reference to others, he is entirely too generous. But I cannot refrain from commenting on his valuable service at the United Nations Conference at San Francisco where he also did such a fine job. Incidentally he is the ranking minority member on the Pan-American Subcommittee of the Foreign Affairs Committee as well as the ranking minority member of the committee as a whole.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I want to commend and endorse what the distinguished gentleman from New Jersey has just said in commendation of the able and distinguished gentleman from Alabama who is now addressing us and the continued interest he has taken in preserving and in carrying on recognition of celebration of Pan-American Day. In that connection may I say that the gentleman from Alabama [Mr. JARMAN] represented our Government last year, together with the gentleman from Illinois [Mr. CHIPERFIELD], in attending a celebration of an historic event in Chile. Thereafter it was my privilege to attend the Inter-American Conference at Mexico City last March. I met some of the distinguished citizens of Chile who spoke very highly of the work of the gentleman from Alabama [Mr. JARMAN] and the gentleman from Illinois [Mr. CHIPERFIELD] in attending that meeting and in cementing still more the friendship between our country and that great republic. I commend the gentleman from Alabama for the fine interest and continuing part he has taken in it. I know of nothing more important than the friendship of the family of the 21 nations of the American Republics.

Mr. JARMAN. I thank the distinguished ranking member of our Foreign Affairs Committee very much. As I said to the gentlewoman from Massachusetts, he will have an opportunity to comment on the Mexico City conference later, and I hope he will do so.

Before I proceed further and yield to the distinguished gentleman from New York, I wish to express to the gentleman from Texas a sentiment that I know is entertained by every Member of this body. While we are delighted at his recent appointment, we are delighted that he will have no more campaigns, we are delighted that he has been placed in a position that he will so ably fill, yet we sincerely hate to lose him in the House of Representatives. The gain of the judiciary is the distinct loss of this body.

I now yield to the distinguished gentleman from New York [Mr. KEOGH].

Mr. KEOGH. I would like to pay my compliments to the gentleman from Alabama. I am certain he knows of, and I am sure he does not mind my referring to, the work that has been done in this field by the Pan American Union of which Frederick E. Hasler, of New York City, has served so capably as president during the last few years.

Mr. JARMAN. Indeed I do, and it has been a very wonderful contribution.

I now yield to the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. May I say to the gentleman from Alabama that last summer I had the honor of representing the United States at the inauguration of the new President of Peru, Mr. Bustamente. I would like to say to the gentleman that he is remembered well, fondly, and favorably by the delegates there from Panama, Colombia, Ecuador, Chile, and Peru. One thing they wanted to know was if I knew Señor JARMAN, from Alabama. Naturally, I had the honor of knowing the gentleman from Alabama, and they told me of the great work that he had done in cementing the relations between us and our South American neighbors. I think this work that the gentleman from Alabama is perpetuating did a great deal to establish our defenses during the troubles of the late war. Friendship, certainly, and security to the south otherwise would never have been so certain. Indeed, I hope the gentleman, with the approval of his colleagues and the country at large, will carry on the great policy of friendship with our good neighbors to the south.

Mr. JARMAN. I thank the gentleman very much, and I am particularly pleased and proud to receive the messages from my colleagues from South America.

I now yield to the gentleman from Utah [Mr. ROBINSON].

Mr. ROBINSON of Utah. I just want to call the gentleman's attention to the fact that a committee has visited a number of the countries he has talked about in Central America, having traveled a large part of the route from Panama City to Mexico City. I happen to be chairman of that committee. We were all very much impressed with the fine, friendly, and cooperative feeling that exists between these countries and our country. We have started to build a road from Panama City to Mexico City and have spent considerable money on that road, and we now have before the gentleman's committee a bill introduced by me for an authorization of $25,000,000 to complete this highway. I hope that the gentleman and the members of his committee will, at the earliest date possible, consider this bill and authorize that this money be expended, because it was the unanimous opinion of all of the members of the committee who went through that territory and made a careful study of it, which committee consisted of three Republican members and three Democratic members, that this road should be built at the earliest possible moment because of the fine feeling that exists in those countries, and the fact that this feeling should be continued.

Mr. JARMAN. I appreciate the gentleman calling my attention and that of the House to that item of legislation. Having visited most of the countries in 1944 traversed by that route, and having traveled many miles on that road, I naturally observed that friendly attitude on the part of the people toward us to which the gentleman refers and it is equally natural for me to agree with his desire to see that road completed just as soon as possible, and I hope that the committee will take favorable action on it at an early date.

Mr. ROBINSON of Utah. I thank the gentleman from Alabama.

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

Mr. JARMAN. I gladly yield to the distinguished gentleman from Massachusetts, the majority leader.

Mr. McCORMACK. In order for individuals of a community to live together as good neighbors, mutual understanding, tolerance, and trust must exist. The same applies to nations. The peoples of the Western Hemisphere in recent years, under the good-neighbor policy, have made great progress in the development of that mutual understanding, tolerance, and trust so essential for the objective that all of the nations seek.

The more powerful an individual may be, the more he can afford to be tolerant and understanding of the other fellow. The same applies to nations. The more powerful a nation the more tolerant and more understanding it can afford to be

of other nations that from an economic angle or other angles are weaker than it. I think that applies to our country. Our country has been following that policy, and I am confident it will continue to do so. Certainly we are all proud of the great progress made by the countries and the peoples of the Western Hemisphere in developing the good-neighbor policy.

In connection with that, as other Members have done, and properly so, I want to pay my tribute, not to embarrass the gentleman but as an expression of the truth, which sometimes is sweet and sometimes bitter, that the leader insofar as the Congress is concerned in developing the good-neighbor policy and making it stronger and stronger is the distinguished gentleman from Alabama [Mr. JARMAN], who is now addressing the House. With him are other Members, such as the gentleman from Texas [Mr. LUTHER A. JOHNSON], the gentlewoman from Ohio [Mrs. BOLTON], the gentlewoman from Massachusetts [Mrs. ROGERS], and many others on both sides of the aisle. However, the gentleman from Alabama [Mr. JARMAN] is the one who from a legislative angle, as I see it, is the spearhead and the leader. I know the people of the country appreciate what the gentleman is doing because it has very far-reaching effects not only abroad but here, for the extension and strengthening of the good neighbor policy is consistent with the national interest of our country as well as of the other countries of the Western Hemisphere. I join my colleagues in paying my simple and humble tribute to the great work the gentleman from Alabama [Mr. JARMAN] has done in connection with the furtherance of this policy. I know the people of his district profoundly appreciate the character of leadership he has given to this, as he has to all his legislative activities in this body.

Mr. JARMAN. The distinguished majority leader is very kind, and I thank him sincerely.

Mrs. BOLTON. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I yield to the gentlewoman from Ohio, a member of the Committee on Foreign Affairs.

Mrs. BOLTON. I thank the gentleman very much for the opportunity given us today to join together in celebration of this, the first Pan-American Day since the end of the war. As chairman of the subcommittee of the Foreign Affairs Committee having to do with Latin America, the gentleman is giving truly constructive service to the committee and to this House. His is a position of responsibility that gives opportunity to play a strong part in the molding of opinion in this House through keeping us all informed of those matters involving our relationships with the other republics of this New World. I am particularly grateful to him that this time has been set aside for this House to express its sense of friendship and cooperation with our sisters south of the Rio Grande, because Pan-American Day this year has a deeper significance than ever before.

We are celebrating here today the first Pan-American Day since victory in Europe and victory in Japan; and we in the United States will not forget the Brazilian soldiers in Italy and the Mexican airmen over the Pacific who died to help win those victories. Nor shall we ever forget that when we were attacked at Pearl Harbor, the little Central-American Republic of Costa Rica was the first in this hemisphere—a few hours ahead of the United States itself—in declaring war on Japan with the gallant assertion that whenever any American country is attacked, Costa Rica is attacked.

We have had borne in upon us during the years of war the knowledge that in spite of all our differences of nationality and custom and language, we peoples of the 21 Republics of America have a real bond of union in the Americanism that is our common heritage and our way of life throughout the Western Hemisphere.

During more than three centuries of growth, the American peoples have shared the historical experience of making and living in a new world. They have known, from farthest north to farthest south, discovery and settlement and the slow, difficult, but unflinching advance of the frontier. They have shared, and they share, the faith in themselves and the invincible hope that made them free. In our varying languages—in English and Spanish and French and Portuguese—we have written into our national constitutions truths that are true not for Americans only but for mankind. And today, this solemn day of reaffirmation and rededication which is Pan-American Day in what may be the most critical year in the world's history, all the countries of America share the awe-inspiring sense of responsibility that comes from our knowledge that the eyes of the world and its outstretched empty hands are turned toward America. Humanity's hope and humanity's hunger alike seek sustenance from the Americas. We who were drawn closer together by mutual danger in the war years find a new solidarity now in the mutual obligation to make the dearly bought peace of the world endure.

> The house of freedom is the only one that inspires and fully satisfies an American, whether he be North American or South American.

German Arciniegas, Minister of Education of the Republic of Colombia, said recently. And he added:

> The writings of George Washington should be read by us Colombians not as foreign history but as part of our own story, just as it is to be hoped that North Americans will be interested in reading the letters of Bolivar and of Santander as documents in their own country's history.

I like to recall that when the great Argentine statesman and educator, Sarmiento, was planning the public-school system of Argentina, he declared that one book that should be required reading for every schoolchild was Benjamin Franklin's autobiography, because Franklin exemplified the best and most useful citizen for any American country. And I also like to recall what the distinguished Brazilian man of letters, Erico Verissimo, wrote about the United States not long ago after visiting us as a guest of the Department of State. I like it because it shows the good sense and the good humor that help build real, understanding friendship.

> The people of the United States are quixotic—

He said—

> They build good dams and write good songs. They are accustomed to standardization but have great respect for their fellow men. And they are quick to respond to a noble crusade. * * * If throughout this time of stress they can preserve their ideas of humanity, equality, and brotherhood we may expect * * * a new world [demanding] all our capacity for love, all our creative intelligence, all our scientific achievement, for construction of a society just, noble, and beautiful. * * * And I should like to close with this one word: Hope.

And I, too, should like to close on that note of hope for the Americas and therefore for the world.

Mr. JARMAN. Mr. Speaker, I yield to my colleague, the senior member of the Alabama delegation, Judge HOBBS.

Mr. HOBBS. Mr. Speaker, I cannot refrain from saying that which is in the heart of every Member in this body. I am sure we take great pride and pleasure in acknowledging the leadership of the great committee representing this House in its foreign relations, or affairs, as they are more properly called. We from Alabama are peculiarly prideful in the leadership which the distinguished gentleman now standing in the well of the House has exercised as chairman of the subcommittee on the subject to which he is now addressing himself, for whether in peace or in war, Alabama is proud of her representative who speaks for our State on that great committee and as chairman of the Subcommittee on Pan-American Affairs. We, sir, if I may be permitted as an individual to do so, voice the sentiment of our delegation, both in the House and Senate, in appreciation of the splendid leadership which you have exercised both in war and in peace. We express publicly our gratitude for your leadership and for the services you have rendered in conjunction with your eminent colleagues on this great committee.

Mr. JARMAN. My distinguished friend from Alabama is very kind. I thank him very much, although I must again say he is entirely too generous.

Mr. Speaker, I yield to the gentleman from Georgia [Mr. PETERSON].

Mr. PETERSON of Georgia. Mr. Speaker, I wish to add my word of commendation to those that have already been spoken regarding the splendid work that is being done by our distinguished colleague from Alabama [Mr. JARMAN]. I wish also to subscribe to the statement made by the very able chairman of our Committee on Roads [Mr. ROBINSON of Utah] regarding the importance of opening up the Pan-American Highway in Central America. It has just been my privilege to go over every segment of the Pan-American Highway that can be traversed by automobile from Panama City all the way through to the Mexican border and then on up to Mexico City. There are three sections of that road that are at present impassable and which form a bottleneck to a through road for the en-

tire section of 1,600 miles to Central America and then for about 1,500 miles through Mexico. Those segments are on the frontier. The most difficult one and the most serious bottleneck is between Panama and Costa Rica. An appropriation of $25,000,000 has been asked for to complete this road. In my opinion, it is vitally important that this particular segment be opened up. Then there is a segment of less cost, but which will have to be opened up between Costa Rica and Nicaragua, which should not cost over a few hundred thousand dollars. We have already spent over $100,000,000 on this 1,600 miles of road through Central America but we are not getting any benefit to speak of because of those two links which form a bottleneck. There are over 8,500,000 people in Central America who certainly comprise one of the most fertile groups of customers that the United States could possibly have. It appears to me a very good expenditure on the part of our Government to follow up the funds that we have already spent to open up these segments and open up this great channel of commerce between the six Central American Governments.

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

Mr. JARMAN. I yield to the distinguished gentleman from Missouri.

Mr. SHORT. The gentleman from Georgia [Mr. PETERSON] has made a very fine statement, but I am just wondering what contribution, if any, the Central American countries and Mexico have made to the construction of this international highway.

Mr. PETERSON of Georgia. It is very great. In each of the Central American countries they have fairly good paved roads. I would not say they are strictly first-class roads as we describe them in the United States, but they have a very good road for quite a distance out toward the frontier from the capitals of the various countries. I was surprised to find the fine roads in Mexico. They are just as good as the roads we have in the United States. I am sure that by the time we open the segments in the Central American countries, Mexico will have opened up the additional 100 miles that is yet closed in Mexico.

Mr. SHORT. I am highly pleased to hear that, but that is not the question I asked the gentleman. I wanted to know what contribution, if any, the Central American countries and Mexico have made to the construction of this international highway.

Mr. PETERSON of Georgia. I understand that Mexico has spent its own funds entirely on the road that is being built in Mexico. It is true that Mexico has borrowed some money from the Export-Import Bank. I have forgotten just the amount, but Mexico is paying every cent it borrowed, according to the terms of the loan. The other countries have spent certain amounts. I will place certain figures in the RECORD, together with a log of the condition of every mile of this road, at a later time when I make my full report on my trip. However, they have spent some thirty or forty million dollars of their own funds in building roads to open up that section.

Mr. SHORT. I understand it is a very scenic drive, and perhaps many Members would like to take the trip.

Mr. PETERSON of Georgia. It is not any more scenic than the roads we have in the United States, but it will open up on the North American continent a great trade territory, eight and a half million people in Central America, and about 19,000,000 people in Mexico, who cannot now be served because they are isolated. Mexico is isolated from Central America. Panama is isolated from Costa Rica. Costa Rica is isolated from Nicaragua, Honduras, Salvador, and Guatemala. I do not believe those people are financially able to spend the huge sums necessary to open up that one segment between Panama and Costa Rica. And the one between Costa Rica and Nicaragua, I understand, will be one of the most costly pieces of road in the world. But we are spending huge sums all over the world, when we could spend this modest sum in opening up this avenue of trade and commerce.

Mr. SHORT. I agree with the gentleman we are spending huge sums all over the world, but I think it is time we stopped spending all the money we do not have, and taxing our own people to pay for it, to build roads and hospitals in Central and South America.

Mr. PETERSON of Georgia. It is a good expenditure when we know we will reap vast benefits in trade and commerce.

Mr. SHORT. I would like to have a few more good roads in my own district.

Mr. JARMAN. Mr. Speaker, I thank both gentlemen for their fine contributions.

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

Mr. JARMAN. I yield to the distinguished gentleman from Mississippi.

Mr. RANKIN. The Monroe Doctrine is not a policy of intervention. It is a policy adopted by the American people to prevent intervention. We have just had a test when irresponsible individuals in the State Department induced this Government to intervene in the internal affairs of Argentina. I am glad to see that the Secretary of State and the President have at last got that Department back on the beam, and, to a large extent, have eliminated the injury which that misguided conduct brought about. Now we have reestablished our diplomatic relations with Argentina and have sent an ambassador to that country. I hope that never again will this country yield to the pressure of any outside elements to violate the Monroe Doctrine, so far as our neighbors to the south are concerned. If we will support and abide by the Monroe Doctrine, we will maintain the good-neighbor policy and promote peace among the nations of both North and South America.

Now, if I may be permitted to proceed for just a few moments more, I really wished to follow the remarks of the distinguished majority leader a moment ago with this statement, and I did not do so only because of my desire to yield to others who wished to comment. As is known, a resolution was passed by the House setting aside this day exclusively for the commemoration of Pan-American Day. That was done in good faith by all concerned. Circumstances beyond anyone's control occurred which caused it to be desirable on the part of the leadership to change that resolution in order that other business might be transacted if necessary. I did not happen to be in town and consequently was not consulted, but I have been assured, in fact, the majority leader assured us all on the floor here Saturday, and I want particularly the people of all Latin-American countries as well as this country who are interested in pan-Americanism, to understand that no slight, no affront, no reflection whatever was intended by the leadership either on the pan-American concept, our good neighbors of the other American countries, or anyone else. I am authorized to say, as the majority leader said on Saturday, and it affords me pleasure to do so, that I have been given to understand that although I really cannot yield to the Members as I did last year, that anyone who may desire to follow me in commenting on Pan-American Day will have an opportunity to do so.

This day commemorates the political economy and the spiritual unity of the Americas based on the doctrine of absolute juridical equality and respect for the sovereignty of each. Each year since its inception in 1930 the day has been more generally celebrated in this and the other American countries. I confidently hope and believe it will continue to be more generally celebrated throughout the years of the future even than it has been in the past. One of the distinguished gentlemen referred to the Pan-American Congress in Chile in 1944. At that time the President of Chile invited a member from each American Chamber of Deputies or House of Representatives to participate in the celebration of Pan-American Day in Santiago in 1944. It was my good fortune, in company with my good friend the distinguished gentleman from Illinois [Mr. CHIPERFIELD], to represent this country at that time. It was a gala occasion, a very enjoyable one, and we are thoroughly agreed that much was accomplished. We are also agreed in the hope that similar occasions will occur in the future.

Incidentally, the gentleman from Illinois, who on account of official business is prevented from being here today, has asked me to speak for him in expressing his thorough agreement with the sentiments in which I am indulging relative to Pan-American Day.

On the day after this occasion the basis for an Inter-American Parliamentary Congress was laid. It was agreed that the 10 American countries there represented would be the initial, or one might say the charter, members, and other American countries would thereafter be invited to participate. I was honored by being selected to represent our country and this House was kind enough to pass legislation authorizing our participation in this Parliamentary Congress some months later.

There are so many reasons for the solidarity of the Americas that it is difficult to select from among them. Suffice

it to refer to the reciprocal character of their economies and the close parallel of their political evolution. There is no single one of the Americas that produces everything it needs, yet all of the Americas produce practically everything the continent needs. Stated in other words, while none of the Americas is self-sufficient, the American Continent is practically so.

Did it ever occur to you what that means? You have thought, I am sure, of what it might have meant had Hitler accomplished his purpose of conquering Europe, including England. It might have meant a great deal.

As you well know, these countries were at one time colonies of some European country. The bases of the revolutions which created their independence were practically the same. They were found in the dissatisfaction of the people with the economic, political, and intellectual restrictions of their home countries, which created a desire and a determination to proceed a great distance and pioneer a new existence, a free life in a great, vast, at that time almost uninhabited, lush, new country.

Time was when it was very difficult for the peoples of one extremity of this continent to know much about those at the other. This is emphasized when I call your attention to the fact that Chile alone is 2,550 miles long. Twenty-five years ago how could a shepherd at the Straits of Magellan, near the South Pole, be very familiar with what was happening in Montreal, Canada? Lack of transportation and communication facilities and the fact that many of these countries are not very thickly populated caused it to be difficult indeed for us to know each other in yesteryears. However, the progress of science has greatly improved that condition, largely through radio and aviation. Now that shepherd down at the Straits of Magellan can by short-wave radio, if he knows the English language, get a program from Montreal, or perhaps he may need to know French if the program comes from Montreal, and vice versa. Similarly, a Canadian statesman, a Canadian Government official, a Canadian businessman, can now, if necessary, proceed to Santiago, Chile, by plane in a matter of 4 or 5 days, I believe. They do not travel at night in South and Central America; otherwise he could make the trip even more quickly.

As science continues to progress, as radio, aviation, and other comparatively recent developments are improved and new ones occur, the good-neighbor attitude will become increasingly general by leaps and bounds.

Reference has been made to the Monroe Doctrine, which, in my opinion, constitutes one of the most important, one of the most effective, statements ever made by an American President in a message to Congress.

The act was signed by President Monroe 123 years ago. In it he substantially said to foreign countries, "If any of you countries who have had colonies over here on this continent have any idea of ever regaining them or repossessing them, you had just as well forget that idea. This continent is posted. Beware. You shall not pass."

That was the United States alone saying to the rest of the world, "Any aggression on any American Republic will be considered an aggression on us." That was effective for 117 years, may I add. One hundred and seventeen years later, at the Habana Conference in 1940, just after France fell, at which time I suppose the people of a larger part of the world realized for the first time the seriousness of the war with which we were confronted—we had been talking about it as a phony war—the Monroe Doctrine was in effect broadened by agreement of all of the American Republics that any aggression on any one of them from without would be considered an aggression on all of them; in other words, the other 20 republics joined the United States in guaranteeing the integrity of all of their acres against any aggression from without. Then came the Mexico City Conference on the problem of war and peace. There another great principle was formed. The gentleman from Texas and the gentlewoman from Massachusetts have already referred to it.

The main accomplishment of that conference was what I like to think of as the crowning glory of the Monroe Doctrine. I refer to the Act of Chapultepec wherein it was recognized that aggression might occur on one of these American Republics from within as well as from without, and they agreed among themselves that any aggression on one of the 21 republics either from within or from without this continent would be considered as an aggression on all of them. I am sure that the chaplain can realize better than most of us the satisfaction in the minds not only of the leaders but of many of the citizens of numerous small Latin-American countries that must have resulted from this additional guarantee which grew out of the Act of Chapultepec. I know they have slept much better. I know they have been much happier every hour of every day since the promulgation of that act. Of course, we naturally adhered to that act under the President's War Powers Act as a war matter, and when the war terminates our adherence to the Act of Chapultepec will terminate without further action, and that is one of the main reasons for the conference which we hope to have at Rio de Janeiro soon.

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

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. How much time is allotted for this speech on Pan-American Day?

The SPEAKER. No time.

Mr. RANKIN. Does the Chair mean this is going on all day?

The SPEAKER. The Chair does not know.

Mr. RANKIN. If so, we might as well adjourn.

The SPEAKER. The gentleman from Michigan makes the point of order that a quorum is not present. The Chair will count.

Mr. HOFFMAN. Mr. Speaker, in view of the fact that I understand this is not going to take much longer, I withdraw my point of order.

Mr. RANKIN. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. Mr. Speaker, I make the point of order that the gentleman from Alabama is recognized under the rules of the House and is entitled to only 1 hour. We have an hour rule in this House. Unless there is unanimous consent or a rule to the contrary, under the hour rule no Member can speak more than an hour. I am willing for the gentleman to extend his remarks in the RECORD, but we have some very important legislation on which Members are anxious to vote. It seems to me it is an imposition on the Membership of the House to take up a whole day here going over the same ground. The gentleman has the right to extend his remarks, but he is limited to 1 hour.

Mr. EBERHARTER. Mr. Speaker, I demand the regular order.

The SPEAKER. The gentleman is making a point of order, which he has the right to do.

Mr. RANKIN. Under the rules of the House a Member can be recognized on a motion for only 1 hour, unless, as I said, there is a unanimous-consent agreement or a rule to the contrary. Therefore, I make the point of order that the gentleman from Alabama has exhausted his time.

The SPEAKER. The Chair will state to the gentleman from Mississippi that we are operating today under a resolution of the House that fixes no time. This being Pan-American Day, remarks appropriate to the occasion are in order.

Mr. KNUTSON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. KNUTSON. Is Pan-American Day more important than national defense?

The SPEAKER. That is a question upon which the Chair is not called upon to pass.

The gentleman from Alabama is recognized.

Mr. JARMAN. Mr. Speaker, in reply to the gentleman from Minnesota, I say that Pan-American Day is a very important part of national defense, and in reply to the gentleman from Mississippi, I say that I have made no motion.

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

Mr. JARMAN. I shall be glad to yield to the gentleman from Vermont, as I have been glad to yield to everybody.

Mr. PLUMLEY. I wish to take this occasion out of the gentleman's time to call the attention of the House to the fact that no man in the country over the years since the South American Republics were recognized was ever more valuable or more important or more successful in welding together the differences of opinion existing between these governments of ours than the Honorable John Barrett, to whom the Pan American Building in this city is a monument,

and who came from Grafton, Vt., and needs no other monument.

Mr. JARMAN. I thank the gentleman very much.

Mr. Speaker, I yield to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Speaker, I think the gentleman is to be commended for the foresight which he has shown in bringing to the attention of the House in a proper manner his devotion to Pan-American Day. During the war I happened to have had the distinction of being chairman of a committee which traveled through 17 countries in South and Central America for the purpose of establishing and solidifying, so to speak, the Western Hemisphere, which we thought was so necessary at the time and regarding which I said at that time I hoped that our devotion to the principle of consolidation of the Western Hemisphere would not turn out to be a wartime honeymoon. The gentleman is augmenting that fact today in addressing the House on Pan-American Day. I think he is to be highly commended. I further said on that occasion when I was in those South American and Central American countries, "Tell me where your treasure is and I will tell you where your heart is." At that time I called their attention to the fact that the Panama Canal was as close to them as it was to us. That is where we placed our heart for the protection of the Western Hemisphere. And having it so placed, I said, "It stands for the entire Western Hemisphere, for its protection on every shore."

Mr. JARMAN. I thank the gentleman very much. He is well aware of my thorough agreement with him in every respect. I wish to add that I found when I visited South and Central America, that he did a magnificent job on the trip to which he refers of cementing relations between the American republics, for which I wish to thank him and on which I wish to congratulate him heartily.

I have but a few more remarks to make at the conclusion of which my participation in this celebration of Pan-American Day will be concluded. I repeat that I have been assured any Member who wishes to address the House may do so. At the time the point of order of no quorum was made, I had just referred to the Act of Chapultepec. My colleagues will recall that from the Mexico City conference many of our delegates went directly to the San Francisco Conference. You will also recall it was strictly understood everything that was done at Mexico City must fall within the requirements and the framework of whatever charter might be created at San Francisco. I remember having indulged in the prediction the day the Act of Chapultepec was published, or expressing the hope, that it might be the forerunner of things to come. Of course, I had in mind San Francisco. Not only did the San Francisco Charter materialize it, but it is the intent and desire of the United Nations that all of the little grievances that can possibly be ironed out in such regional organizations as the Pan American organization be ironed out and not brought to the Security Council. I feel quite sure that much will be accomplished in such regional organizations throughout the world.

It is well known by all, as I have repeatedly said on the floor, that civilization simply cannot survive another war in view of the progress of science, both as of today and in the light of what is to be expected in the future. We simply cannot stand the shock of it and it must not occur. In conclusion, I repeat the expression of my belief that the United Nations, which is at the moment our main hope for permanent peace, will succeed. Its Security Council has done nobly at New York.

I think, considering its short life, considering what it had dumped into its lap in London and in New York, it has functioned well and accomplished much. I believe it will continue to do so and that in the years to come our children and our grandchildren can look back on that San Francisco Conference as an outstanding period in the history of the world, a time when an organization was created which saved the world by the creation of permanent peace. I know that everyone present, every Member of this House, heartily shares my expression of sincere hope and my reverent prayer that this belief may prove to be correct.

I thank you so much for your generosity.

Mr. MURDOCK. Mr. Speaker, it is well and appropriate that we take time out each year about the middle of April to celebrate fittingly Pan-American Day. I know this is a busy season now, and much remains to be done by this body before we can leave for the Easter vacation. I know that there are yet pressing bills to be acted on and some unfinished business from our last daily session, but I do beg leave to say these few brief words to express, however poorly, my own feeling in regard to this all-too-brief pan-American program. I heard the distinguished chairman, the gentleman from Alabama [Mr. JARMAN], when asked to compare the importance of this program with legislation for national defense, declare in substance that cementing good will with our neighbors, especially our Latin-American friends to the south, was the very core and essence of national defense, and I quite agree with those sentiments.

In thinking of the sum total of value to our country of friendly relations with Latin America we must certainly include—but include much more than—the matter of national defense. And if we seem to lay stress on national defense let it be known that it is because of the present inquiry and not because of the superlative importance of the defense element in a long-range view. It is probably correct to say that this Government first gave its attention to the Latin American countries in the interest of our national defense. Naturally, this country has hoped to procure and keep the good will and friendship and powerful support of those Latin-American Republics lying to the south of the Rio Grande. In that good will and sympathetic understanding, and not in anything like joint armies or navies or military treaties, does that element of defense come. The good will among the republics of this hemisphere toward each other and toward the whole group constitutes a powerful element of defense for each and for all.

There is more fruitful benefit to the pan-American spirit even than mutual defense, important as that is. There is more benefit from the amiable relations existing among these American Republics than that of prosperity based on a mutually profitable commerce, and yet mutually profitable commerce and reciprocal trade advantages cannot be regarded as small or insignificant. In fact, it is a great and major element of benefit accruing from the pan-American attitude and spirit. However, I would not call it the greatest of such benefits.

There is a cultural benefit which, if we but recognize it, can be of increasing profit to ourselves, and as a North American I may add without too much conceit that there is here culture which might be of mutual benefit if shared with our neighbors to the south. It is a sad fact that those historical beginnings on this continent emanating from the men of Spain may not be too well known by those of us who look back to Jamestown and Plymouth Rock for our Anglo-American sources. As I have many times previously pointed out, a large part of American history in the southern tier of States was written by men of Spain before Anglo-Americans arrived on the scene, especially in the Southwest, of which my State is a part. Our culture in the Southwest is a composite of Anglo-American and Spanish-American elements. The fact that we have neglected to study sufficiently the Spanish-American elements accounts in part for our lack of understanding, but there is a group of historians—led by the master, Dr. Herbert E. Bolton, director of the Bancroft Library of the University of California at Berkeley—giving study to the Spanish contribution to American history and culture. When the influence of this school is felt throughout the Nation it will have much to do in fostering trade, developing good will, and cementing the Republics of the two America's together. It is well that we consider such matters as we celebrate Pan-American Day.

Mr. TRIMBLE. Mr. Speaker, we have come through a tragic war and all of us are hopefully and prayerfully looking forward to a just and lasting peace. No greater step can be made than that we of the United States must be good neighbors to all the world. That policy as pursued in the Americas has borne good fruit and will continue to do so through the years. We so often forget that nations are made up of individuals and that they react by and large as individuals. Friendship and neighborliness always pay dividends of peace. Let us continue to strive to be tolerant and understanding of our neighbors.

I congratulate the gentleman from Alabama for the fine work which he has done and is doing. I am happy to be associated with him and to do my small part in this great work.

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks, I include the following letter and

declaration of principles of the Peoples Mandate Committee:

PEOPLES MANDATE COMMITTEE
FOR INTER-AMERICAN PEACE
AND COOPERATION,
Washington, D. C., April 13, 1946.

MY DEAR CONGRESSMAN ROGERS: We hear from the Pan American Union that the session of the House on Monday will be devoted to observance of Pan-American Day. We shall indeed appreciate it if you on this occasion call attention to the enclosed declaration of principles adopted by a conference in which women of all the American Republics took part. A list of delegates from Latin America is enclosed.

Thank you for your cooperation in this matter.

Sincerely,

MABEL VERNON.

[Enclosure]

PEOPLES MANDATE COMMITTEE
FOR INTER-AMERICAN PEACE
AND COOPERATION,
Washington, D. C.

Believing too little public attention is being given to the peace treaties, the Peoples Mandate Committee held a Conference on Peace Settlements at the Shoreham Hotel on March 21 and 22. This conference was attended by women from all the American Republics. Program of the conference is attached.

The conference adopted the enclosed declaration of principles, which in our opinion, are indispensable if a peaceful world is to be established. We are using this declaration as the means of bringing the moral force of the Americas to bear upon the great powers which are dictating the peace treaties demanding that the interests of the people affected, not the rivalry of governments for power, must be their first concern.

The declaration will be presented to the heads of government in all the American Republics during the week of April 23. We are now asking President Truman to receive a delegation from our committee during that time. It will be sent to Secretary of State Byrnes before he leaves for Paris by people in all parts of the country who are asking him to adhere to these principles generally supported by American public opinion.

We are asking Members of Congress to help in bringing these fundamental principles to public attention and urging them upon the foreign ministers of the great powers, particularly upon our own Secretary of State. We shall be deeply appreciative of any assistance you can give.

DECLARATION OF PRINCIPLES ADOPTED BY THE CONFERENCE ON PEACE SETTLEMENTS OF THE PEOPLES MANDATE COMMITTEE, WASHINGTON, D. C., MARCH 21 AND 22, 1946

We call upon men and women throughout the world whose lives are at stake to demand of the great powers dictating the peace treaties that they be based on justice.

The way to end war must be found now.

The treaties which are now being negotiated ending the World War must lay down terms that will make possible the maintenance of peace.

These treaties must be based on justice. Peoples always have combatted and always will combat intolerable conditions. Neither armaments nor machinery can be created strong enough to maintain an unjust peace.

We pledge ourselves to seek the support of the peoples and governments of the Americas for the following principles which are indispensable if a peaceful world is to be established:

In all the peace settlements human values must be placed first. Human needs, physical, mental, and spiritual, and the equal rights of all men to have these needs satisfied provide the only basis of unity on which an enduring world organization can be established and lasting peace maintained.

Provision for the feeding of the hungry and the clothing of the destitute must be given precedence over every concern of power politics. The interests of the people affected, not the rivalry of governments for power, must be the first consideration in all treaties and agreements made.

The treaties must promote and encourage respect for human rights and for fundamental freedom for all without distinction as to race, sex, language, or religion, in accordance with the purposes of the United Nations.

Agreements must provide, in accordance with the dignity and worth of individual man, that all people shall be free to choose their own form of government and enjoy the guaranty of a universal bill of individual rights.

The treaties must provide for free flow of information between nations through the radio, the press, and books. They must remove restrictions upon the dissemination of news and of scientific knowledge, including atomic-energy research to be used for the benefit of humanity.

The treaties must open the way for the trade arrangements whereby each country can fully develop its resources, thus gaining the means to sustain itself and raise the standard of living of its people.

The people must be fully informed of all treaties and agreements that are made before any final decision is taken.

We, women of the American Republics, dedicate ourselves to bringing all the moral force of the Americas to bear upon the great powers in support of treaties based upon these principles.

We recommend that the declaration of principles be opened to the endorsement of all organizations and to the signature of men and women throughout the Americas, that it be presented to the heads of government of all the American Republics and brought before the Peace Conference scheduled to meet in Paris no later than May 1.

The executive council of the Peoples Mandate voted on March 23 to proceed at once with these recommendations.

Among the delegates to the Peoples Mandate Conference from the other American Republics are the following:

Senora de Brunet, Argentina, wife of Admiral Brunet, member of Inter-American Defense Committee; Senora de Andrade, wife of the Ambassador of Bolivia; Senorita Marina Núñez del Prado, famous sculptor, and Senora Carmen de Lozada, of Bolivia; Miss Alice dos Santos Maia, of Brazil, winner of Mademoiselle scholarship; Mme. A. Boulitreau Fragoso, wife of the first secretary of the Brazilian Embassy; Mme. Geraldo de Paula Souza, Brazil; Senora Marta Vergara de Chamudis, Chilean educator; Senora de Belt, wife of the Ambassador of Cuba; Senorita Roselia Caballero, vice consul at the Cuban Embassy; Senora Celia de Hazera, sister of the Ambassador of Costa Rica; Senora Lottie T. de González, cultural attaché, of Costa Rica; Dr. Anita Figueredo, distinguished physician, of Costa Rica; Senorita Consuelo Reyes Calderón, Costa Rica, Latin-American secretary of the Peoples Mandate committee; Senorita Leticia Guerrero, daughter of the late President of Ecuador, member of the staff of the Pan American Union; Senora Piedad Levi de Suro, correspondent for her family newspaper, El Telégrafo, of Guayaquil, Ecuador; Senora Concha de Ferris, El Salvador; Senora Judith de Garcia Granados, wife of the Ambassador of Guatemala, and daughter, Miriam; Senora Lucy de Linares Aranda, wife of the first secretary of the Guatemalan Embassy; Senora Clemencia Ostos de Kiel, prominent Mexican educator; Senoritas Alicia and Esther M. Saavedra, Dolores Banda, Isabel Arroyo, and Bertha Rodríguez, of Mexico; Senora Graciela Rojas Sucre, special commissioner of the ministry of education, Panama; Senora María Luisa Candia de Burt, journalist, broadcaster, and Senorita Leopoldina González, of Paraguay; Senora Olga Briceño, distinguished novelist, of Venezuela. From Puerto Rico come Senoritas Lidia Clemencia Rosario, Gladys Lasa, woman lawyer, and Senora Angela Muñoz de Rodriguez.

"Neither the United States nor any other major power can buy its safety by sanctioning the present spreading disregard of the rights of weaker people, by doing homage to force rather than to justice, or by abandoning for the sake of apparent expediency those proven principles in international relations which alone can make for a free and peaceful world.

"SUMNER WELLES."

The SPEAKER. Without objection, all Members may have the privilege of extending their own remarks following the remarks of the gentleman from Alabama on Pan-American Day.

There was no objection.

Mr. JARMAN. Mr. Speaker, I offer a resolution (H. Res. 599) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

Whereas April 14 is the fifty-sixth anniversary of the founding of the Pan American Union and is the date celebrated throughout the Americas as Pan-American Day since its designation 16 years ago by the Governing Board of the Union; and

Whereas the President of the United States has issued a proclamation ordering the week beginning April 14, 1946, to be known as Pan-American Week, in order that the people of the United States may publicly testify to the mutual confidence and good will existing between them and the peoples of the other American Republics; and

Whereas there is special reason at this time to give recognition to the Pan American Union, the official organization of the 21 republics of the hemisphere as one of the world's oldest international organizations, in view of the contribution which this organization of the Americas has made and will be called upon to make to the building of world peace and to the support of the United Nations; and

Whereas this House adopted a resolution setting aside Monday, April 15, for the celebration of Pan-American Day: Therefore be it

Resolved, That—

(1) the House of Representatives of the United States reaffirms its belief in the principle of friendly cooperation for the solution of all problems which face the countries of this hemisphere, a principle that is a cornerstone of the inter-American system; and

(2) the House of Representatives hereby extends its most cordial greetings to the other popular representative organs of each of the other American Republics; and

(3) the Pan American Union is felicitated on this occasion of its anniversary; and

(4) copies of the present resolution shall be distributed to the legislative bodies of the other American Republics, and one copy shall be transmitted to the Pan American Union.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF SELECTIVE TRAINING AND SERVICE ACT

The SPEAKER. The unfinished business is the reading of the engrossed copy of the bill (H. R. 6064) to extend the

Selective Training and Service Act of 1940, as amended, and for other purposes.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the reading of the engrossed copy be dispensed with, and that it be printed in the RECORD at this point.

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

There was no objection.

(The engrossed copy of the bill reads as follows:)

H. R. 6064

An act to extend the Selective Training and Service Act of 1940, as amended, and for other purposes

Be it enacted, etc., That so much of the first sentence of section 3 (a) of the Selective Training and Service Act of 1940, as amended, as precedes the first proviso is amended to read as follows:

"SEC. 3. (a) Except as otherwise provided in this act, every male citizen of the United States, and every other male person residing in the United States, who is between the ages of 20 and 30, at the time fixed for his registration, or who attains the age of 20 after having been required to register pursuant to section 2 of this act, shall be liable for training and service in the land or naval forces of the United States: *Provided*, That so much of the second sentence of section 3 (a) of the Selective Training and Service Act of 1940, as amended, as precedes the first proviso in such sentence is amended to read as follows: 'The President is authorized after, and not before, October 15, 1946, to select and induct into the armed forces of the United States for training and service, in the manner provided in this act, such number of men as is required for such forces to bring them to the strength authorized by the Congress, and no monthly requisitions for men shall be made on Selective Service by either the Secretary of War or the Secretary of the Navy between May 15, 1946, and October 15, 1946, and thereafter only with the approval of the President.'"

SEC. 2. The fourth proviso of the second sentence of section 3 (a) of the Selective Training and Service Act of 1940, as amended, is amended to read as follows: "*Provided further*, That on July 1, 1947, the number of men in active training or service shall not exceed 1,070,000 in the Army, 558,000 in the Navy, and 108,000 in the Marine Corps; and the monthly requisitions on Selective Service under this act by the Secretary of War and the Secretary of the Navy shall not exceed, after consideration of the actual number of voluntary enlistments during the previous month, the number of men so required."

SEC. 3. Section 3 (b) of the Selective Training and Service Act of 1940, as amended, is amended to read as follows:

"(b) Each man heretofore or hereafter inducted under the provisions of subsection (a) shall serve for a training and service period of 18 months, unless sooner discharged, with the exception of cadets of the Military Academy and midshipmen of the Naval Academy who have been certified by the Secretary of War or the Secretary of the Navy to have completed successfully 18 months of satisfactory service."

SEC. 4. Section 5 (e) of the Selective Training and Service Act of 1940, as amended, is amended by adding at the end thereof the following new paragraph:

"(3) After May 15, 1946, no individual who has a child or children shall be inducted without his consent for training and service under this act. As used in this paragraph the term 'child' includes a child legally adopted, a stepchild, a foster child, and a person who is supported in good faith by the individual in a relationship similar to that of a parent and child but such term does not include any person 18 years of age or over unless such person is physically or mentally handicapped."

SEC. 5. Section 5 (k) of the Selective Training and Service Act of 1940, as amended, is amended by adding at the end thereof the following new paragraph:

"In carrying out the provisions of this subsection the local selective-service board in classifying the registrant shall base its findings solely and exclusively on whether the registrant is necessary to and regularly engaged in an agricultural occupation or endeavor."

SEC. 6. Section 16 (b) of the Selective Training and Service Act of 1940, as amended, is amended to read as follows:

"(b) All of the provisions of this act, except the provisions of sections 3 (c), 3 (d), and 8, and the fourth proviso of the second sentence of section 3 (a), shall become inoperative and cease to apply on and after February 15, 1947, or on such earlier date as may be specified in a concurrent resolution of the two Houses of Congress for that purpose, except as to offenses committed prior to such date. On February 15, 1947, or on such earlier date as may be specified in such concurrent resolution, all of the functions, responsibilities, records, and property of the Personnel Division of the Selective Service System shall be transferred to such agency of the Federal Government as the Congress may designate, or, if not so designated, to such agency of the Federal Government as the President may prescribe."

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

Mr. SHORT. Mr. Speaker, as a minority member of the Committee on Military Affairs, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SHORT. I am unmistakably, sir.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. SHORT moves to recommit the bill (H. R. 6064) to the Committee on Military Affairs.

Mr. MAY. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The question was taken; and on a division (demanded by Mr. THOMASON) there were—ayes 74, noes 135.

So the motion to recommit was rejected.

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

Mr. VINSON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 290, nays 108, not voting 32, as follows:

[Roll No. 83]

YEAS—290

Abernethy	Beckworth	Butler
Adams	Bell	Byrne, N. Y.
Allen, La.	Bennet, N. Y.	Byrnes, Wis.
Almond	Blackney	Camp
Anderson, Calif.	Bland	Campbell
Andrews, Ala.	Bloom	Canfield
Angell	Bolton	Cannon, Fla.
Arends	Bonner	Cannon, Mo.
Auchincloss	Brooks	Carlson
Baldwin, Md.	Brown, Ga.	Carnahan
Baldwin, N. Y.	Bryson	Case, N. J.
Barrett, Wyo.	Buck	Case, S. Dak.
Barry	Buckley	Chapman
Bates, Ky.	Bulwinkle	Chelf
Bates, Mass.	Burch	Clark
Clason	Heffernan	Pickett
Clements	Hendricks	Ploeser
Clippinger	Herter	Poage
Cole, Kans.	Heselton	Price, Fla.
Cole, N. Y.	Hess	Price, Ill.
Combs	Hill	Priest
Cooley	Hinshaw	Quinn, N. Y.
Cooper	Hobbs	Rabaut
Corbett	Holmes, Mass.	Rabin
Courtney	Holmes, Wash.	Ramey
Cox	Hope	Randolph
Cravens	Horan	Rankin
Crawford	Howell	Rayfiel
Curtis	Huber	Reed, Ill.
D'Alesandro	Jackson	Resa
Daughton, Va.	Jarman	Rich
Davis	Jenkins	Richards
Delaney, James J.	Jennings	Riley
	Johnson, Calif.	Rivers
Delaney, John J.	Johnson, Ill.	Rizley
	Johnson, Luther A.	Robertson, N. Dak.
D'Ewart		
Dingell	Johnson, Lyndon B.	Robertson, Va.
Dirksen		Robinson, Utah
Domengeaux	Johnson, Okla.	Robsion, Ky.
Dondero	Jonkman	Rodgers, Pa.
Doughton, N. C.	Judd	Roe, Md.
Douglas, Calif.	Kean	Rogers, Fla.
Doyle	Kearney	Rogers, Mass.
Drewry	Kee	Rogers, N. Y.
Durham	Keefe	Rooney
Dworshak	Kefauver	Rowan
Earthman	Kelly, Ill.	Ryter
Eaton	Keogh	Sabath
Eberharter	Kerr	Sadowski
Elliott	Kilburn	Sasscer
Ellis	Kilday	Scrivner
Ellsworth	Kirwan	Shafer
Elsaesser	Kopplemann	Sharp
Elston	Kunkel	Simpson, Ill.
Engel, Mich.	Lanham	Simpson, Pa.
Engle, Calif.	Larcade	Slaughter
Ervin	Latham	Smith, Maine
Fallon	Lea	Smith, Va.
Fenton	LeCompte	Somers, N. Y.
Fernandez	LeFevre	Sparkman
Flannagan	Lesinski	Spence
Fogarty	Lewis	Starkey
Forand	Luce	Stewart
Fuller	Lyle	Sullivan
Fulton	Lynch	Sumners, Tex.
Gallagher	McConnell	Taber
Gamble	McCormack	Talbot
Gardner	McGehee	Tarver
Gary	McMillan, S. C.	Taylor
Gathings	Mahon	Thom
Gavin	Maloney	Thomas, N. J.
Gearhart	Manasco	Thomas, Tex.
Geelan	Mankin	Thomason
Gifford	Martin, Mass.	Tibbott
Gillette	Mathews	Torrens
Gore	May	Towe
Gorski	Merrow	Trimble
Gossett	Michener	Vinson
Grant, Ala.	Miller, Calif.	Vorys, Ohio
Green	Mills	Vursell
Gregory	Monroney	Wadsworth
Gwinn, N. Y.	Morrison	Walter
Hale	Mundt	Wasielewski
Hall, Edwin Arthur	Murdock	Weaver
	Murphy	Weichel
Hall, Leonard W.	Murray, Tenn.	West
	Neely	Whitten
Halleck	Norblad	Whittington
Hand	Norrell	Wickersham
Hare	O'Brien, Ill.	Wigglesworth
Harless, Ariz.	O'Brien, Mich.	Winstead
Harness, Ind.	O'Hara	Wolcott
Harris	O'Toole	Wolverton, N. J.
Hart	Outland	Wood
Hartley	Pace	Woodhouse
Hays	Patman	Woodruff
Hébert	Pfeifer	Worley
Hedrick	Phillips	Zimmerman

NAYS—108

Allen, Ill.	Chenoweth	Gross
Andersen, H. Carl	Chiperfield	Gwynne, Iowa
	Church	Hagen
Andresen, August H.	Clevenger	Havenner
	Coffee	Healy
Andrews, N. Y.	Cole, Mo.	Hoch
Arnold	Crosser	Hoeven
Barden	Cunningham	Hoffman
Barrett, Pa.	De Lacy	Holifield
Beall	Dolliver	Hook
Bender	Feighan	Hull
Bennett, Mo.	Flood	Jensen
Biemiller	Folger	Johnson, Ind.
Boren	Gillespie	Jones
Bradley, Mich.	Gillie	Kelley, Pa.
Bradley, Pa.	Goodwin	King
Brehm	Gordon	Kinzer
Brown, Ohio	Granahan	Klein
Brumbaugh	Granger	Knutson
Buffett	Grant, Ind.	Landis
Celler	Griffiths	Lane

Lemke	O'Konski	Smith, Ohio
Link	Patterson	Smith, Wis.
Ludlow	Peterson, Ga.	Springer
McCowen	Philbin	Stefan
McDonough	Pittenger	Stevenson
McGlinchey	Plumley	Stockman
McGregor	Powell	Sumner, Ill.
Madden	Reed, N. Y.	Talle
Mansfield, Mont.	Rees, Kans.	Tolan
	Rockwell	Traynor
Marcantonio	Russell	Voorhis, Calif.
Martin, Iowa	Savage	Welch
Mason	Schwabe, Mo.	White
Miller, Nebr.	Schwabe, Okla.	Wilson
Morgan	Sheridan	Winter
Murray, Wis.	Short	Wolfenden, Pa.

NOT VOTING—32

Bailey	Gerlach	O'Neal
Bishop	Gibson	Patrick
Boykin	Graham	Peterson, Fla.
Bunker	Hancock	Rains
Cochran	Henry	Reece, Tenn.
Colmer	Izac	Roe, N. Y.
Curley	LaFollette	Sheppard
Dawson	McKenzie	Sikes
Douglas, Ill.	McMillen, Ill.	Stigler
Fellows	Mansfield, Tex.	Sundstrom
Fisher	Norton	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Graham for, with Mr. Bishop against.

Mrs. Douglas of Illinois for, with Mr. Mansfield of Texas against.

Mr. Fellows for, with Mr. Henry against.

General pairs until further notice:

Mr. Cochran with Mr. Reece of Tennessee.

Mr. Roe of New York with Mr. Hancock.

Mr. Rains with Mr. McMillen of Illinois.

Mr. Colmer with Mr. LaFollette.

Mr. Izac with Mr. Sundstrom.

Mr. McDONOUGH changed his vote from "yea" to "nay."

Mr. O'KONSKI changed his vote from "yea" to "nay."

Mr. RANKIN changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

THE LATE BENJAMIN JONES

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I am very sorry to be obliged to announce the death of Mr. Benjamin Jones, who for 39 years has been in charge of the Republican cloakroom.

Mr. Jones came from Illinois when Speaker Cannon occupied the chair of this House, and upon appointment at the request of Congressman Rodenberg, of Illinois. For 39 years Ben Jones has endeared himself to all of us who sit on the Republican side of the aisle by his good nature, his kindly disposition, and courteous service. He was a man of fine character, and he had a profound knowledge of national affairs. He loved the House; he was a sturdy champion of it as an institution and strong in the Republican faith.

We all regret his untimely death. We extend to his wife and family our sincere sympathy in their hour of bereavement.

Mr. McCORMACK. I deeply regret to hear the announcement of our late friend, and I join with the distinguished minority leader in his touching expression of sympathy.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that any Member who wishes may extend his remarks on this subject at this point in the RECORD.

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

There was no objection.

Mr. ARENDS. Mr. Speaker, it was with real sadness that I this morning learned of the death of Ben Jones, who for 39 years has so ably and efficiently presided over the Republican cloakroom.

During the 12 years I have been a Member, I got to know Ben, as we affectionately called him, real well. Our entire membership respected and admired him for the fine qualities he possessed. He was always a gentleman; faithful, sincere, and thoughtful of those with whom he came in daily contact. He served well, and we will miss him. Our deepest sympathy goes out to his family.

Mr. BUCK. Mr. Speaker, I am grieved at the death of Ben Jones. The attentive yet unobtrusive and quiet manner with which he performed his duties in the Republican cloakroom brought him admiration and respect. His aim was to serve and he served well. He will be missed in the House of Representatives. The world needs more men of Ben Jones' character.

Mr. MICHENER. Mr. Speaker, it is with regret that I have learned of the sudden passing of one of the most capable, trustworthy, and faithful employees of the House—our friend, Ben Jones.

Thirty-nine years ago today he became attached to the House of Representatives and when I came to Congress many years ago he was well-versed in procedure and was of much assistance to me as a new Representative. He was always dependable and occupied a unique position in connection with the House. His long experience and keen mind made it possible for him to have a general understanding of the House procedure in general. In charge of the Republican cloakroom and lunchroom, he was in daily contact with the membership on the Republican side of the aisle, and was always prepared to advise as to what the program of the day would be. A man with a character above reproach, a patriotic citizen, and one who took pride in his race, he was a credit to his race. Mr. Speaker, Ben Jones will be greatly missed. I want to extend my sympathy to his family and especially the two daughters who have so politely and so ably assisted in his work here in the Capitol.

Mr. PRICE of Illinois. Mr. Speaker, the announcement by the minority leader [Mr. MARTIN] of the death of Mr. Ben Jones comes as a shock to me.

Soon after I came to Washington, in March 1933, as secretary to former Congressman Edwin M. Schaefer, I met Mr. Jones when he paid a visit to Mr. Schaefer's office. I have had many pleasant contacts with him since.

He liked to talk about his old home, Lovejoy, Ill., in my congressional district. He came to Washington about 38 years ago at the request of Congressman William Rodenberger. He was a familiar figure in the Republican cloakroom ever since.

His passing will be mourned by the great number of Members on the left side of the aisle whom he served so well, and by many on the right side who also admired him for his genial ways.

I personally mourn the loss of a fine constituent, and extend my deepest sympathy to his family.

THE LATE BEN JONES

Mr. REED of Illinois. Mr. Speaker, I think the House generally, but especially the Republican membership, will join me in paying a fitting tribute to the memory of Ben Jones, who served us so long and who departed this life last Saturday night.

Ben Jones came from Illinois. Thirty-nine years ago on this very day he began his service in the House as a janitor. He early saw an opportunity to be of greater service, however, by selling a few apples in the Republican cloakroom, a service that proved so desirable that he gradually enlarged it to include some other fruits and some sandwiches. From that humble beginning has grown the service, similar to that on the Democratic side, that is patronized by almost 200 Members daily.

Ben Jones was able to render this singular service to the Republican Members of the House and to some 50 employees because of his fine courtesy, his foresightedness, his willingness to work, and the high quality of his products. He exemplified in his daily conduct the type of citizen that America needs.

Thousands of Members on both sides of the House have come and gone during the long service of this faithful employee, and today but one Member, the gentleman from Illinois [Mr. SABATH], remains of the Congress that Ben came first to serve, 39 years ago. Ben Jones leaves behind him an example that can be followed appropriately by the youth of his race.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—NATIONAL CAPITAL HOUSING AUTHORITY

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk and, together with accompanying papers, referred to the Committee on the District of Columbia:

To the Congress of the United States:

In accordance with the provisions of section 5 (a) of the District of Columbia Alley Dwelling Act, approved June 12, 1934, I transmit herewith for the information of the Congress the report of the National Capital Housing Authority for the fiscal year ended June 30, 1945.

HARRY S. TRUMAN.

THE WHITE HOUSE, *April 15, 1946.*

DRAFT EXTENSION

Mr. VORYS of Ohio. Mr. Speaker, I ask unanimous consent to extend my

own remarks at this point in the RECORD on the bill just passed.

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

There was no objection.

Mr. VORYS of Ohio. Mr. Speaker, I think the House ought to do whatever it is going to do about extending the draft now, before the Easter recess, and that is why I voted for this bill and against recommitting it. The bill in its present form does not suit me. I did not decide upon an Easter recess for the House, and feel that we had better stay in session for this period, in order to go ahead with the heavy schedule that faces us. The House leadership has, however, decided in favor of a recess, and this bill is the best bill, in fact the only bill, that this House can put together before the first of May, and the draft ends May 15.

The important amendments adopted were offered by the gentleman from Kentucky [Mr. MAY], chairman of the House Military Affairs Committee, and the gentleman from Georgia [Mr. VINSON], chairman of the House Naval Affairs Committee. It is natural that the House should adopt these amendments. Taken together, they make the draft extension bill a very clumsy piece of legislation.

I voted against the May amendment which excluded the teen-age boys from the draft. This was a hard vote, and a difficult decision, but if we need a draft at all now, we need to draft the 18- and 19-year-old boys. There are only 100,000 in the whole group from 20 to 30 years of age who are available for the draft. The rest of them have either been in service or are not fit for service. Out of this 100,000 only about 50,000 would qualify for the draft, according to the past experience of selective service. There are about 100,000 boys becoming 18 every month in the United States. About half of them would qualify for the draft. If we find we must resort to the draft, and leave out the teen-agers, we may find that we are redrafting men who have already served, in order to secure the necessary forces.

There is another reason why I voted to draft the teen-agers. My son was 18 this spring. He feels, and so do I, that as I voted to draft teen-agers to fight during the war, it would be wrong for me to leave them in the service indefinitely because I refused to vote to draft this year's teen-agers to replace them.

I believe it is a mistake to call this a peacetime draft. Whatever else you may call this state we are in, we are not in a state of peace. Both Congress and the President now have the power to declare that the war is over and they have not done it. We have not yet made peace treaties. We have thousands of troops occupying enemy countries. Congress recently extended the President's war powers. I felt that these powers should be reduced, in recognition of the fact that, while we are not at peace, we are not in a fighting war, but I was voted down. In 1943 I said this, "How will we know we have won the war? Not when our troops march into Berlin and Tokyo, but when our troops march out of Berlin and Tokyo for home, for good, knowing that he will not have to return." That statement made in the middle of the war is still true. We have not yet won the war. It is a mistake to call this peacetime conscription.

There is still another reason why we dare not consider this as a period of peace. The United Nations, in which we are pinning our faith and hope for a peaceful world, is being subjected to a series of shocks and crises by one member, which is apparently determined to use the organization as a means of carrying out and confirming a series of aggressions in defiance of the very principles for which we fought, or to wreck the United Nations so that the aggressions may continue unhindered. We all hope and pray that these present difficulties can be settled without war. To pretend to ourselves, however, that the Soviet threat is not a threat to peace which prevents this from being a time of peace for our country and the world, is simply to ignore the facts.

I voted for the Vinson amendment which would have provided for a 5-month period to find out whether the volunteer system would meet our needs. Many statistics have been quoted to show that this is possible. The Army's own figures show that where they anticipated securing 300,000 volunteers they have already secured more than twice that number. With increased pay, which we are voting today, with the elimination of abuses in the military caste system, military service will become more attractive. Statistics show that there is no danger that our armed forces would drop below safety levels in 5 months, even though the volunteering did not come up to our full expectations. On the other hand, the end of the 5 months' period would come before election, so that none of us who voted for it can be accused of attempting to duck the issue of draft continuation because of the election.

This country is not going to depend for its postwar defense on peacetime conscription. We are going to have a comparatively small, highly skilled, highly trained, and highly paid force of volunteers. We should lead the world toward international disarmament, international elimination of conscription, effective and permanent outlawry of war.

Right now, however, with the world the way it is, with uncertainty as to volunteering, uncertainty as to the strength of our allies, uncertainty as to the intentions of potential enemies, we dare not gamble on maintaining our minimum defense strength by volunteering. That is why I am voting for this bill.

PERMISSION TO COMMITTEE ON RIVERS AND HARBORS TO SIT DURING SESSIONS OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the Committee on Rivers and Harbors may sit during general debate during sessions of the House for the balance of the week.

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

There was no objection.

EXTENSION OF REMARKS

Mr. PETERSON of Georgia. Mr. Speaker, I secured permission last Friday to include in the RECORD a letter from Dr. Van Lear, president of the Georgia School of Technology. The Public Printer advises me that this letter exceeds the limit established by the Joint Committee on Printing and will cost $180. In view of the important data contained in this document, I ask unanimous consent that it be extended, notwithstanding the cost.

The SPEAKER. Notwithstanding the cost, without objection, the extension may be made.

There was no objection.

Mr. MADDEN asked and was given permission to extend his remarks in the RECORD and include an article by A. B. Whitlock appearing in the Gary American, of Gary, Ind.

Mr. WICKERSHAM, Mr. PATTERSON, Mr. KELLY of Illinois, Mr. HAVENNER, Mr. STARKEY, Mr. McDONOUGH, and Mr. BUCK asked and were given permission to extend their remarks in the Appendix of the RECORD.

Mr. DOYLE asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, and in each to include extraneous matter.

Mr. KELLEY of Pennsylvania asked and was given permission to extend his remarks in the Appendix of the RECORD and include certain excerpts from the report of the mediator of the Westinghouse strike to the Secretary of Labor.

Mr. HEDRICK asked and was given permission to extend his remarks in the Appendix of the RECORD and to include an editorial from a local paper.

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

Mr. SPENCE asked and was given permission to extend the remarks he intends to make in the Committee of the Whole today and to include therein a report from the Committee on Banking and Currency.

Mr. ERVIN asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from this morning's Washington Post on the draft holiday.

Mr. LANE asked and was given permission to extend his remarks in the Appendix of the RECORD in opposition to the St. Lawrence waterway.

Mr. STEWART asked and was given permission to extend his remarks in the Appendix of the RECORD and include part of an editorial which appeared in today's Post.

Mr. PHILBIN asked and was given permission to extend his remarks in the Appendix of the RECORD and include certain letters.

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

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

Mr. RIZLEY asked and was given permission to extend his remarks in the Appendix of the RECORD and include an advertisement appearing in today's Times-Herald.

Mrs. LUCE asked and was given permission to extend her remarks in the Appendix of the RECORD in two instances, in one to include a copy of a resolution she is introducing today and in the other to include two editorials.

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

Mr. MASON asked and was given permission to extend his remarks in the Appendix of the RECORD on the subject of the proposed Office of Peace Information and to include therein an editorial on the same subject from the Christian Science Monitor.

Mr. WELCH asked and was given permission to extend his remarks with reference to H. R. 6064.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and include a set of resolutions.

Mr. JUDD asked and was given permission to extend his remarks in two instances in the RECORD, and in each to include certain extraneous matters.

Mr. THOMAS of New Jersey asked and was given permission to extend his remarks in the RECORD and include an editorial from a New Jersey newspaper.

Mr. GILLIE asked and was given permission to extend his remarks in the RECORD on the draft bill.

Mr. PLOESER asked and was given permission to extend his remarks in the RECORD and include a letter on the subject of the draft.

Mr. HARNESS of Indiana asked and was given permission to extend his remarks in the RECORD.

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

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

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

Mr. SHAFER asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. DONDERO asked and was given permission to extend his remarks in the RECORD and include a resolution passed by the City Council of Detroit, and a letter.

Mr. GROSS asked and was given permission to extend his remarks in the RECORD on the bill just passed.

Mr. BENDER asked and was given permission to extend his remarks in the RECORD and to include an editorial from the Cleveland News.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the RECORD in two instances, to include in one a letter, and in the other an editorial.

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

Mr. GORE asked and was given permission to extend his remarks in the RECORD and include a statement by Mr. Williams.

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

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

SPECIAL ORDER GRANTED

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that tomorrow, after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

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

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

REVISIONS IN THE BOUNDARY OF THE HOPEWELL VILLAGE NATIONAL HISTORIC SITE, PA.

The Clerk called the first bill (H. R. 3533) to authorize revisions in the boundary of the Hopewell Village National Historic Site, Pa., and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to withdraw from the Hopewell Village National Historic Site, Pa., all or any part of the lands added to the Hopewell Village National Historic Site by the act approved June 6, 1942, entitled "An act to authorize the disposition of recreational demonstration projects, and for other purposes," which in his opinion are not required for historic-site purposes. Any lands so withdrawn shall revert to the status of a recreational demonstration area and may be disposed of by the Secretary of the Interior in accordance with such act approved June 6, 1942.

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

The Clerk read as follows:

Amendment offered by Mr. COLE of New York: Page 2, line 3, strike out all of line 3 and insert "The provisions of the Surplus Property Act (Public Law 457, 78th Cong.)."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE ALASKA RAILROAD

The Clerk called the bill (H. R. 4731) to authorize the Alaska Railroad to engage in the business of operating ocean-going vessels.

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

Mr. RICH, Mr. KEAN, Mr. COLE of New York, and Mr. BLAND objected.

THEODORE ROOSEVELT NATIONAL PARK

The Clerk called the bill (H. R. 4435) to establish the Theodore Roosevelt National Park; to erect a monument in memory of Theodore Roosevelt in the village of Medora, N. Dak.; and for other purposes.

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

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

MARINE BAND

The Clerk called the bill (H. R. 5641) to authorize the attendance of the Marine Band at the national convention of the United Spanish War Veterans to be held in Milwaukee, Wis., August 4 to 10, inclusive, 1946.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President is authorized to permit the band of the United States Marine Corps to attend and give concerts at the national convention of the United Spanish War Veterans to be held at Milwaukee, Wis., August 4 to 10, inclusive, 1946.

SEC. 6. For the purpose of defraying the expenses of such band in attending and giving concerts at such convention, there is authorized to be appropriated the sum of $9,408.26, or so much thereof as may be necessary, to carry out the provisions of this act: *Provided*, That in addition to transportation and Pullman accommodations the leaders and members of the Marine Band be allowed not to exceed $6 per day each for additional living expenses while on duty, and that the payment of such expenses shall be in addition to the pay and allowances to which they would be entitled while serving their permanent station.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RAILROAD REORGANIZATIONS

The Clerk called the bill (H. R. 5924) to enable debtor railroad corporations, whose properties during a period of 7 years have provided sufficient earnings to pay fixed charges, to effect a readjustment of their financial structure without further proceedings under section 77 of the Bankruptcy Act, as amended.

The SPEAKER. Is there objection to the present consideration of the bill.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

SAN FRANCISCO AND BAY FARM ISLAND BRIDGE

The Clerk called the resolution (H. Res. 529) requesting the Secretary of the Navy and the Secretary of War to appoint a joint board to investigate and report on the need for constructing a bridge between San Francisco and Bay Farm Island or a system of dams across San Francisco Bay.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, I should like to inquire of the gentleman from Cali-

fornia if this bill involves any expenditure of Federal funds other than the necessary expenses for making the investigation and study as to the needs of this bridge and preparing the report.

Mr. WELCH. Mr. Speaker, the best answer to the question of the gentleman from New York [Mr. COLE] is the fact that during the depth of the depression we have built two world-famous bridges. The Golden Gate Bridge, which is the longest single span bridge in the world was built at a cost of $35,000,000 without the appropriation of a dollar by the Federal Government. The San Francisco-Oakland Bay Bridge was also built during the depth of the depression at a cost of over $80,000,000 without a single dollar of Government funds.

The Golden Gate Bridge was built by a subdivision of the State of California created by an act of the State legislature, known as the Golden Gate Bridge and Highway District, all property within it being security for the bonds that were issued. The San Francisco-Oakland Bridge was built pursuant to an act of the California State Legislature, authorizing the sale of bonds for that purpose. It is reliably estimated that the bridge will be completely paid off within another 7 years.

Mr. Speaker, the great seaport city of San Francisco, which became one of the world's greatest ports of embarkation for the defense of our Nation during the recent war, is so located geographically, that Federal Government approval is necessary to construct adequate highway approaches to it across navigable San Francisco Bay. It is for this reason that I introduced House Resolution 529, to establish a joint Army-Navy board to investigate and report on proposals to build a bridge from San Francisco to Bay Farm Island on the eastern side of San Francisco Bay, and to also investigate and report on the feasibility and practicability of carrying into effect the so-called Reber Plan, for accomplishing adequate highway facilities to the city. Before either the city of San Francisco or the State of California undertakes any expenditures in connection with this important matter, it is necessary that the Federal Government give approval to either construct a bridge or carry out the Reber plan. This is the course that was followed in connection with both the Golden Gate Bridge and the San Francisco-Oakland Bay Bridge.

As a member of the board of supervisors of the city and county of San Francisco, I introduced the original resolution urging the necessary Federal action to make the Golden Gate Bridge possible. I was an active leader in subsequent citizens groups and committees which made possible the preparation of tentative plans for the bridge, and I introduced the subsequent resolution in the board of supervisors requesting the War Department to investigate, improve, or correct these plans and grant authority for the construction of the Golden Gate Bridge. The War Department made an exhaustive investigation and granted the necessary authority.

I also took an active leading part in securing the necessary State legislation to create the Golden Gate Bridge and Highway District. That legislation was sponsored by Hon. Frank L. Coombs who served with distinction in this body. When this was accomplished an election was held authorizing a bond issue of $35,000,000 secured by all property within the district, which made the construction of the Golden Gate Bridge a reality. From its creation to the present time I have continuously served as a director of the Golden Gate Bridge and Highway District.

Likewise, before the San Francisco-Oakland transbay bridge could be constructed it was necessary to secure Federal Government permission. It was only after I personally appealed to President Hoover that this permission was secured. He appointed the Hoover-Young Commission, which made exhaustive studies and investigation and then unanimously approved a plan which led to the construction of this great structure. To finance its construction at a cost of more than $80,000,000, revenue bonds were sold.

Mr. Speaker, I might say in passing that both of these world-famous bridges were built at the depth of the depression without the appropriation of a single dollar from Federal funds.

The extreme importance of adequate highway facilities from San Francisco to the western or continental side of the bay is amply attested to by the fact that during peak hours the traffic is so heavy on the San Francisco-Oakland Bay Bridge that automobiles travel almost bumper to bumper throughout its length. Steps must be taken at the earliest possible moment to relieve the heavy traffic congestion thus entailed and to eliminate the traffic hazards this creates.

Two plans have been proposed. One is to build either a high-level or a low-level bridge from the vicinity of Hunters Point in San Francisco to Bay Farm Island on the eastern or continental side of San Francisco Bay. The other is to carry into effect the Reber plan of a system of dams and causeways. Either plan must be of sufficient size to have several lanes of automobile, bus, and truck traffic, as well as to provide for railroad traffic into San Francisco.

The need for this construction is growing greater with every passing day. It must be satisfied. It is needless for me to repeat the importance of this whole San Francisco Bay area to the defense of our Nation. Its strategic geographical location, its wonderful harbor capable of handling any size or any number of naval and merchant ships, are too well recognized to require any further comment from me. Likewise, the great number of Army, Navy, Coast Guard, air stations, and other Federal Government activities reaching out in every direction from San Francisco, require further transportation facilities to the continental side of the bay.

Mr. Speaker, it is of the utmost necessity that the whole problem be thoroughly investigated and reported upon to Congress at the earliest possible date. House Resolution 529, which I have introduced, is the first requisite step to secure that investigation and report.

Mr. COLE of New York. Then it is the gentleman's opinion that based on past experience the city of San Francisco and the State of California are able to build their own bridges without help from the Federal Government?

Mr. WELCH. Yes; it is my opinion.

The SPEAKER. Is there objection to the present consideration of the resolution?

There being no objection, the Clerk read the resolution, as follows:

Whereas the city of San Francisco, its bay, and the territory adjacent thereto are of the highest strategic importance to any adequate defense of the entire Pacific coast; and

Whereas in recognition of this importance there have been located in or near the city of San Francisco the Presidio Military Reservation, Fort Winfield Scott, Fort Mason, the Army Transport Docks, the United States Risdon Naval Plant, the United States Naval Base at Hunters Point, Mare Island Navy Yard, Oakland Naval Air Base, Oakland Naval Supply Base, the United States Army Moffett Air Field, Fort Barry, Fort Baker, the United States Bombardment Base, and many other military and naval establishments in the San Francisco Bay area; and

Whereas the lessons of the recent war have demonstrated the necessity of adequate highways between national defense activities; and

Whereas the natural development of the great international seaport of San Francisco makes it imperative that additional highway and railroad facilities be made available; and

Whereas the San Francisco-Oakland Bay Bridge constitutes the only direct approach by highway to San Francisco from the Oakland-Alameda side of the bay: Therefore be it

Resolved, That the Secretary of War and the Secretary of the Navy are requested to review their report submitted to Congress in response to House Resolution 158, Seventy-seventh Congress, first session, for the purpose of investigating and reporting upon the need and feasibility, from the standpoint of the national defense and the development of peacetime economy, of constructing a bridge from San Francisco to Bay Farm Island, or a system of dams across San Francisco Bay as provided for in the so-called Reber plan, and to be forwarded to the Congress as soon as practicable by the Secretary of War and the Secretary of the Navy, who are further requested to transmit therewith their recommendations in the premises.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REIMBURSING CERTAIN NAVY PERSONNEL

The Clerk called the bill (S. 1492) to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in building No. 141 at the United States naval repair base, San Diego, Calif., on May 1, 1945.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $22,434.28, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Navy personnel and former Navy personnel for the value of personal property lost or damaged as the result of a fire in building No. 141 at the United States naval repair base, San Diego, Calif., on May 1, 1945: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account

of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REIMBURSING CERTAIN NAVY AND MARINE CORPS PERSONNEL

The Clerk called the bill (S. 1363) to reimburse certain Navy and Marine Corps personnel and former Navy and Marine Corps personnel for personal property lost or destroyed as the result of water damage occurring at certain naval and Marine Corps shore activities.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $1,581.44 as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Navy and Marine Corps personnel and former Navy and Marine Corps personnel for personal property lost or destroyed as the result of water damage occurring in the baggage room, main bachelor officers' quarters, Marine Corps air station, Cherry Point, N. C., on February 20, 1944; and as the result of the destruction of commanding officers' quarters, amphibious training base, Okracoke, N. C., on September 14, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SHASTA NATIONAL FOREST, CALIF.

The Clerk called the bill (H. R. 2854) to add certain public and other lands to the Shasta National Forest, Calif.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subject to any valid claim or entry now existing and hereafter legally maintained, and for the purposes of protecting, improving, and utilizing their forests, watershed, recreational and other resources, all lands of the United States within the following-described areas are hereby added to and made parts of the Shasta National Forest and hereafter shall be subject to all laws and regulations applicable to the national forests: Section 31, township 36 north, range 3 west; sections 7 to 36, inclusive, township 36 north, range 4 west; sections 11 to 16, inclusive, 20 to 29, inclusive, 33 to 36, inclusive, township 36 north, range 5 west; sections 5 to 9, inclusive, 16 to 21, inclusive, 29 to 32, inclusive, township 35 north, range 3 west; all township 35 north, range 4 west; sections 1 to 4, inclusive, 9 to 17, inclusive, 20 to 29, inclusive, 31, 33 to 36, inclusive, township 35 north, range 5 west; sections 35, 36, township 35 north, range 6 west; sections 26 to 34, inclusive, township 34 north, range 2 west; sections 5 to 11, inclusive, 13 to 36, inclusive, township 34 north, range 3 west; all township 34 north, range 4 west; all township 34 north, range 5 west; sections 1, 2, 3, 10 to 14, inclusive, 23 to 36, inclusive, 35, 36, township 34 north, range 6 west; sections 4 to 7, inclusive, township 33 north, range 2 west; sections 1 to 17, inclusive, township 33 north, range 3 west; sections 1 to 12, inclusive, township 33 north, range 4 west; sections 1 to 18, inclusive, township 33 north, range 5 west; sections 1 to 4, inclusive, 9 to 14, inclusive, township 33 north, range 6 west; all Mount Diablo base and meridian: *Provided*, That lands within the flow lines of reservoirs operated or maintained as parts of the Central Valley reclamation project or otherwise occupied and used for the operation of said project shall continue to be administered by the Bureau of Reclamation of the Department of the Interior.

SEC. 2. The provisions of the Forest Exchange Act of March 20, 1922, as amended (42 Stat. 465; U. S. C., title 16, secs. 485, 486), are hereby made applicable to the areas described herein.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BOULDER CITY CEMETERY ASSOCIATION

The Clerk called the bill (H. R. 3966) authorizing the Secretary of the Interior to convey certain lands situated in Clark County, Nev., to the Boulder City Cemetery Association for cemetery purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he hereby is, authorized to convey to the Boulder City Cemetery Association, a rural cemetery association incorporated pursuant to the laws of the State of Nevada, for cemetery purposes, upon such terms and conditions as he may prescribe and subject to such rules and regulations for the protection of property and interests of the United States of America and for the preservation of the public health, safety, and welfare in Boulder City, Nev., and vicinity, as may thereafter be promulgated by him or pursuant to his authority, all right, title, and interest of the United States of America in and to certain lands in Clark County, State of Nevada, heretofore withdrawn for reclamation purposes, described as follows:

The east half of the southwest quarter of the northwest quarter of the northwest quarter of the southwest quarter, the southeast quarter of the norhwest quarter of the northwest quarter of the southwest quarter, the west half of the southwest quarter of the northeast quarter of the northwest quarter of the southwest quarter, the east half of the northwest quarter of the southwest quarter of the northwest quarter of the southwest quarter, the northeast quarter of the southwest quarter of the northwest quarter of the southwest quarter, and the west half of the northwest quarter of the southeast quarter of the northwest quarter of the southwest quarter, section 10, township 23 south, range 64 east, Mount Diablo base and meridian, Nevada, consisting of 10 acres, more or less, by deed reserving a right-of-way thereon for the construction, operation, and maintenance of electric transmission lines and telephone lines constructed by the authority of the United States or under permit from the Secretary of the Interior: *Provided*, That title to all of said lands shall revert to the United States in any of the following events: (a) If any portion of said lands shall cease to be used and maintained for cemetery purposes; (b) if any portion of said lands shall be used for any purpose other than cemetery purposes; or (c) if said association shall violate any of the rules or regulations hereafter promulgated by the Secretary of the Interior pursuant to this act and if the Secretary, whose decision shall be final, shall determine in writing that as a result of such violation the interests of the United States require a reverter of said lands; a reverter resulting from any of the aforesaid events shall become effective upon the filing for record by the Secretary with the recorder of Clark County, State of Nevada, of a declaration that a reverter has occurred for reasons therein stated and upon the service of a copy thereof upon the association by regular mail addressed to it at its last known address.

With the following committee amendments:

Page 2, line 25, strike out "all" and insert "such."

Page 3, line 1, after the word "lands", insert "as should in the judgment of the Secretary so revert."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DECATUR COUNTY, IND.

The Clerk called the bill (H. R. 3988) for the relief of Decatur County, in the State of Indiana.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $7,696.82 to the county treasurer, or other proper officer of the county of Decatur, in the State of Indiana, in full settlement of all claims against the United States arising out of the construction of emergency pipe lines within and across said Decatur County, in the State of Indiana, during the winter and early spring in the year 1943, and the resulting damage to public highways in said county by reason thereof: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COTTON MARKETING QUOTAS

The Clerk called the joint resolution (H. J. Res. 336) relating to cotton marketing quotas under the Agricultural Adjustment Act of 1938, as amended.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that the joint resolution be passed over without prejudice.

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

There was no objection.

FORT PECK PROJECT, MONTANA

The Clerk called the bill (H. R. 1111) for the acquisition of Indian lands required in connection with the construc-

tion, operation, and maintenance of electric transmission lines and other works, Fort Peck project, Montana.

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

There was no objection.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 486, be considered in lieu of the House bill.

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

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That in aid of the construction of the Fort Peck project, there is hereby granted to the United States, subject to the provisions of this act, such right, title, and interest of the Indians as may be required in and to such tribal and allotted lands as may be designated by the Secretary of the Interior from time to time for the construction, operation, and maintenance of electric transmission lines and other works of the project or for the relocation or reconstruction of properties made necessary by the construction of the project.

SEC. 2. As lands or interests in lands are designated from time to time under this act, the Secretary of the Interior shall determine the amount of money to be paid to the Indians as just and equitable compensation therefor. The amounts due the tribe and the individual allottees or their heirs or devisees shall be paid from funds now or hereafter made available to the Department of the Interior for the Fort Peck project to the superintendent of the appropriate Indian agency, or such other officer as may be designated by the Secrtary of the Interior, for credit on the books of such agency to the accounts of the tribe and the individuals concerned.

SEC. 3. Funds deposited to the credit of allottees, their heirs, or devisees may be used, in the discretion of the Secretary of the Interior, for the acquisition of other lands and improvements, or the relocation of existing improvements or construction of new improvements on the lands so acquired for the allottees or heirs whose lands and improvements are acquired under the provisions of this act. Lands so acquired shall be held in the same status as those from which the funds were derived, and shall be nontaxable until otherwise provided by Congress.

SEC. 4. The Secretary of the Interior is hereby authorized to perform any and all acts and to prescribe such regulations as he may deem appropriate to carry out the provisions of this act.

SEC. 5. All designations of Indian lands pursuant to this act shall be made subject to the condition that in the event any such lands shall no longer be required for the purposes for which they were designated, then the right, title, or interest so acquired in lands so designated shall revert to the United States in trust for the Fort Peck Indian Tribes.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 1111) was laid on the table.

MIDDLE RIO GRANDE CONSERVANCY DISTRICT OF NEW MEXICO

The Clerk called the bill (H. R. 2119) to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands.

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

There was no objection.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 718, be considered in lieu of the House bill.

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

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the provisions of the act of August 27, 1935 (49 Stat. 887), as amended by section 5 of the act of June 20, 1938 (52 Stat. 779), authorizing the Secretary of the Interior to provide by agreement with the Middle Rio Grande Conservancy District, a subdivision of the State of New Mexico, for the payment of operation and maintenance charges on newly reclaimed Pueblo Indian lands and lands purchased by the United States by virtue of the act of June 7, 1924 (43 Stat. 636), as amended, for certain Pueblo Indians, are hereby extended for an additional period of 10 years to 1955.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 2119) was laid on the table.

AUTHORIZING ADJUSTMENT OF INDIAN DEBTS

The Clerk called the bill (H. R. 2231) to authorize the Secretary of the Interior to adjust debts of individual Indians, associations of Indians, or Indian tribes, and for other purposes.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

INDIAN IRRIGATION PROJECTS

The Clerk called the bill (H. R. 2457) to authorize adjustments of irrigation charges in certain land exchanges within Indian irrigation projects.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized, in effecting exchanges between Indians and non-Indians of irrigable lands within Indian irrigation projects where any such exchanged lands are subject to liens covering unpaid irrigation costs, to transfer liens between the exchanged lands in such manner and in such amounts as he may deem appropriate: Provided, That such transfers shall not reduce the total amount of the unpaid irrigation costs against the exchanged lands.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UINTAH INDIAN IRRIGATION PROJECT, UTAH

The Clerk called the bill (H. R. 2637) to cancel drainage charges against certain lands within the Uintah Indian irrigation project, Utah.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the action of the Secretary of the Interior by order dated October 15, 1943, taken pursuant to the authority contained in the Act of June 22, 1936 (49 Stat. 1803), in canceling $23,090.62 of irrigation drainage charges due the United States against 3,120.05 acres of non-Indian-owned land within the Uintah irrigation project, Utah, is hereby approved, and the Secretary of the Interior is directed to take any necessary action to remove from the records the landowners' obligations so canceled.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FREE HIGHWAY BRIDGE ACROSS MISSOURI RIVER, FRAZER, MONT.

The Clerk called the bill (S. 1601) to revive and reenact the act entitled "An act granting the consent of Congress to the counties of Valley and McCone, Mont., to construct, maintain, and operate a free highway bridge across the Missouri River at or near Frazer, Mont," approved August 5, 1939.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act approved August 5, 1939, granting the consent of Congress to the counties of Valley and McCone, Mont., to construct, maintain, and operate a bridge and approaches thereto across the Missouri River, at or near Frazer, Mont., be, and is hereby, revived and reenacted: *Provided*, That this act shall be null and void unless the actual construction of the bridge herein referred to be commenced within 1 year and completed within 3 years after the date of the termination of the unlimited national emergency proclaimed by the President on May 27, 1941.

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

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NORFOLK & WESTERN RAILWAY CO.

The Clerk called the bill (H. R. 5187) granting the consent of Congress to the Norfolk & Western Railway Co. to construct, maintain, and operate a bridge across New River near Radford, Montgomery County, Va.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Norfolk & Western Railway Co., a corporation organized under the laws of the State of Virginia, its successors and assigns, to construct, maintain, and operate a railroad bridge and approaches thereto across New River at a point suitable to the interests of navigation near Radford, Montgomery County, Va., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to the Norfolk & Western Railway Co., its successors and assigns, and any corporation to which such rights, powers, and privileges may be sold, assigned, or transferred, or which shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized to exercise the same as fully as though conferred herein directly upon such corporation.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FREE HIGHWAY BRIDGE ACROSS MONONGAHELA RIVER, ALLEGHENY COUNTY, PA.

The Clerk called the bill (H. R. 5357) granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Monongahela River, at a point between the boroughs of Elizabeth, in Elizabeth Township, and West Elizabeth, in Jefferson Township, in the county of Allegheny, and in the Commonwealth of Pennsylvania.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge, and approaches thereto, across the Monongahela River, at a point suitable to the interests of navigation, between the boroughs of Elizabeth, in Elizabeth Township, and West Elizabeth, in Jefferson Township, in the county of Allegheny, and in the Commonwealth of Pennsylvania, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

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

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FREE HIGHWAY BRIDGE ACROSS THE MONONGAHELA RIVER

The Clerk called the bill (H. R. 5387) to provide for the construction of a bridge across the Monongahela River.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of the Congress is hereby granted to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge, and approaches thereto, across the Monongahela River, at a point suitable to the interests of navigation, between the boroughs of Belle Vernon, in Washington Township, Fayette County, and Speers, in Fallowfield Township, Washington County, and in the Commonwealth of Pennsylvania, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

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

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

The title was amended so as to read: "An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Monongahela River between the Borough of Belle Vernon, Fayette County, Pa., and the Borough of Speers, Washington County, Pa."

A motion to reconsider was laid on the table.

SUSQUEHANNA RIVER BRIDGE BETWEEN PLYMOUTH AND HANOVER

The Clerk called the bill (H. R. 5403) to revive and reenact the act entitled "An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Susquehanna River at Bridge Street in Plymouth Borough, between Plymouth and Hanover Townships, in the county of Luzerne, and in the Commonwealth of Pennsylvania."

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

Mr. GILLETTE. Mr. Speaker, reserving the right to object, can the gentleman tell me why he makes that request?

Mr. MADDEN. I have not had time to investigate the bill.

Mr. GILLETTE. Mr. Speaker, I object.

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

Mr. MADDEN and Mr. MURPHY objected.

OHIO RIVER BRIDGE AT SHAWNEETOWN, ILL.

The Clerk called the bill (H. R. 5444) to revive and reenact and amend the act entitled "An act authorizing the county of Gallatin, State of Illinois, its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near the city of Shawneetown, Gallatin County, Ill., to a point opposite thereto in the county of Union, State of Kentucky," approved July 18, 1939.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act approved July 18, 1939 (heretofore extended by an act of Congress approved July 2, 1940), authorizing the county of Gallatin, in the State of Illinois, its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Ohio River, at or near Shawneetown, Gallatin County, Ill., is hereby revived and reenacted: *Provided*, That this act shall be null and void unless the actual construction of the bridge herein referred to be commenced within 1 year and completed within 3 years from the date of approval hereof.

SEC. 2. Section 2 of such act of July 18, 1939, as revived and reenacted, is amended to read as follows:

"SEC. 2. There is hereby conferred upon the county of Gallatin, in the State of Illinois, its successors and assigns, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, maintenance, and operation of such bridge and its approaches, as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State."

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

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

The Clerk read as follows:

Amendment offered by Mr. COLE of New York: Insert a new section after section 2:

"SEC. 3. Section 3 of such act as revived and reenacted is amended by inserting the following sentence at the end thereof: 'No toll or other charge shall be levied against any employee, civil or military, or any vehicle or conveyance of the United States Government for the use of such bridge in the performance of official duties.'"

Renumber "section 3" "section 4."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING ATTENDANCE OF MARINE BAND AT AMERICAN LEGION CONVENTION

The Clerk called the bill (H. R. 5929) to authorize the attendance of the Marine Band at the department convention of the American Legion to be held in Racine, Wis., August 3, 1946.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President is authorized to permit the band of the United States Marine Corps to attend and give concerts at the department convention of the American Legion to be held at Racine, Wis., on August 3, 1946, in conjunction with its trip to Milwaukee, Wis., where it is authorized to attend the national convention of the United Spanish War Veterans.

SEC. 2. For the purpose of defraying the expenses of such band in attending and giving concerts at such convention, there is hereby authorized to be appropriated the sum of $578, or so much thereof as may be necessary, to carry out the provisions of this act: *Provided*, That in addition to transportation and pullman accommodations the leaders and members of the Marine Band be allowed not to exceed $6 per day each for additional living expenses while on duty, and that the payment of such expenses shall be in addition to the pay and allowances to which they would be entitled while serving their permanent station.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING HOUSING ACT

The Clerk called the bill (H. R. 5796) to amend title II 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, to permit the making of contributions, during the fiscal year ending June 30, 1947, for the maintenance and operation of certain school facilities, and for other purposes.

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

Mr. KEAN. Mr. Speaker, reserving the right to object, will the gentleman from Texas [Mr. LANHAM] tell us how much this will cost?

Mr. LANHAM. Mr. Speaker, I shall be glad to make an explanation with reference to this bill, and also to explain the necessity for its prompt enactment. The so-called Lanham Act expires with this fiscal year. It was a war emergency act.

Throughout the country there are a number of schools where there are a great many in-migrant war workers, and where various governmental plants have been established and lands purchased have been taken off the tax rolls by reason of governmental activities. A very heavy burden has been imposed by the Federal Government upon a number of

these schools. The purpose of this measure is to permit those schools to have, not from the standpoint of construction but from the standpoint of maintenance and operation, some Federal aid during this coming fiscal year. The urgency for the enactment is that contracts with teachers are made well in advance of the succeeding school year, and for that reason this bill should be enacted as promptly as possible.

With reference to the amount of money that will be required, I am glad to state it is thought that the money on hand will be sufficient for the purpose. If any additional appropriation is required, it would be necessary for the administrative authorities to come to the Committee on Appropriations. I have an amendment which I shall offer which will require them to go before the Committee on Appropriations.

I may say in this connection that all the Federal Government does in this regard in these particular congested areas is to meet the deficit that the school may incur. Many of the States have increased the amount to be paid to these schools, so that it is impossible to determine the deficit in advance. A number of the legislatures will meet in the coming January, whose action will likely mean a minimizing of the amount of Federal participation, but it is thought by the authorities that the money on hand devoted to this purpose will likely be sufficient.

Mr. KEAN. The school year will start next September, which is more than a year after the end of the war. Does the gentleman feel this will be the last time we will be called upon to make this type of appropriation?

Mr. LANHAM. Absolutely. The committee took a very firm stand in that regard, because by that time there should be no further necessity. But there is very urgent necessity for it now in a great many places in this country. It affects a great many States. I know of no measure in which more Members of Congress are personally interested than this. It is fortunate that we have practically all of the necessary money already appropriated to carry out this purpose.

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

Mr. KEAN. I yield.

Mr. CURTIS. In support of what the gentleman from Texas [Mr. LANHAM] has said, I have in mind one city in my district that has practically doubled in population, and it has sent several hundred children to the public school. Those people live in a housing property that is owned by the Government. Consequently, they contribute no taxes. Yet they have sent hundreds of children to school. In fact, the superintendent of schools informed me that something over 40 States have sent transfers to their schools. It is a measure that I believe has much merit.

Mr. LANHAM. It is to meet situations of that character that this bill is designed.

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

Mr. KEAN. I yield.

Mr. DONDERO. I want to confirm everything the gentleman from Texas [Mr. LANHAM] has said, and to say that I do not know of an area in the United States where what he has said applies more firmly than in the city of Detroit and its environs, where that congestion still exists because of the war.

Mr. LANHAM. That is true, and in several other places in the State of Michigan. I have a list of those places in the various States which have been helped during this year. It is hoped that some of them will not require aid in the year to come, but there are many that will require it. It is a burden which the Federal Government has imposed upon these localities. Consequently, the Federal Government should meet that additional expense. There is no construction involved. It is simply to provide additional necessary teachers that these schools must have for the instruction of the children of these in-migrant workers and other war workers in established military camps where this work must be carried on.

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

Mr. KEAN. I yield.

Mr. CHELF. Will this bill apply to towns near large centers, such as Fort Knox?

Mr. LANHAM. It does.

Mr. CHELF. We have several towns where the school population has increased over over 120 percent.

Mr. LANHAM. It does apply to those which are now being helped under this act.

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

Mr. KEAN. I yield.

Mr. CARNAHAN. I notice a section of the bill has now been deleted.

Mr. LANHAM. Yes. I know the section to which the gentleman refers. The deletion of that section is not to prevent this aid where such aid has been given and where these camps were established, but to prevent this War Emergency Act taking over new camps that the Army may establish. Those new camps will be the responsibility of the Army and not the responsibility of the Congress under this particular emergency legislation.

Mr. CARNAHAN. Any school that has received aid will receive aid under this bill?

Mr. LANHAM. That is true if the circumstances warrant.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That title II 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, is amended by adding at the end thereof the following section:

"SEC. 205. In order to enable school authorities that are still overburdened with war-incurred school enrollments to meet their needs during the transition from war to peacetime conditions, the Federal Works Administrator is authorized to continue to make, during the fiscal year ending June 30, 1947, contributions for the operation and maintenance of school facilities to (a) local school agencies requiring assistance that have received during the fiscal year ending June 30, 1946, contributions under this act for the maintenance and operation of their school facilities: (b) local school agencies requiring assistance that may be subject to a loss of tax revenues because of the acquisition or ownership of land by the United States; and (c) local school agencies that provide school services for children residing in Federal reservations, forts, bases, camps, depots, and other Federal installations. Contributions under this section may be made without regard to sections 202 and 301 of this act and to the provisions in any appropriation act heretofore enacted appropriating funds to carry out the functions vested in the Federal Works Administrator by title II and title III of this act which may conflict with the purpose of this section, and such contributions may be made notwithstanding the declaration by the President that any existing emergency has ceased to exist."

With the following committee amendments:

Page 2, line 10, after the colon, insert the word "and."

Page 2, line 18, after the word "States", strike out the semicolon and the balance of line 13, all of lines 14 and 15, and the word "installations" in line 16.

The committee amendments were agreed to.

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

The Clerk read as follows:

Amendment offered by Mr. LANHAM: Page 2, line 24, after the quotation marks, add the following sentence: "Appropriations and existing appropriations heretofore authorized to carry out the purposes of titles II and III of this act are hereby authorized to carry out the purposes of this section."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. CASE of South Dakota. Mr. Speaker, H. R. 5796 recognizes the practical situation that exists on a few military installations and other points in the country where defense plants created a school population far in excess of the normal responsibility of a local community and where there are no local school revenues to provide needed school facilities for children of families brought to these places by the war.

I have observed the operation of the wartime facilities in some of these places and have been impressed by the interest of the people in the schools, the parents, the pupils and the teachers. It is definitely in the interest of good government and the responsibility of the Federal Government that this legislation should be approved. I commend the action of the chairman of the Committee on Public Buildings and Grounds for bringing the bill before us at this time.

BEACH EROSION

The Clerk called the bill (H. R. 2033) authorizing Federal participation in the cost of protecting the shores of publicly owned property.

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

Mr. COLE of New York. Mr. Speaker, I see no good reason why the Federal

Government should be called upon to contribute even in part to protective measures against the erosion of coastal shorelines of properties owned by States and municipalities. I therefore object.

The SPEAKER. Objection is heard. This is the last eligible bill on the calendar.

DISPOSAL OF SURPLUS GOVERNMENT PROPERTY

Mr. POAGE. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1414) to assist in soil-conservation and water-conservation work, forest fire prevention and suppression, and forest improvement by making certain surplus materials, equipment, and supplies available for such work, and for other purposes, as amended.

CALL OF THE HOUSE

Mr. JUDD. Mr. Speaker, this is a most important bill because it has to do with the whole surplus property set-up. I believe the membership ought to be here to consider it and therefore make the point of order that no quorum is present.

The SPEAKER. Evidently no quorum is present.

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

A call of the House was ordered.

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

[Roll No. 84]

Andresen, August H.	Fisher	O'Neal
Andrews, N. Y.	Fogarty	Outland
Arends	Fulton	Patrick
Bailey	Gathings	Peterson, Fla.
Baldwin, Md.	Gerlach	Peterson, Ga.
Baldwin, N. Y.	Gibson	Powell
Barry	Graham	Rains
Bishop	Hagen	Reece, Tenn.
Boykin	Hancock	Reed, N. Y.
Buckley	Hart	Roe, N. Y.
Bulwinkle	Hébert	Sadowski
Bunker	Heffernan	Shafer
Byrne, N. Y.	Henry	Sheppard
Carlson	Izac	Sikes
Celler	Keefe	Simpson, Pa.
Cochran	Kefauver	Slaughter
Cole, Kans.	LaFollette	Stigler
Colmer	Larcade	Sumner, Ill.
Cox	Lea	Sumners, Tex.
Curley	Lynch	Sundstrom
Dawson	McGlinchey	Weaver
Douglas, Ill.	McKenzie	Welch
Eaton	McMillen, Ill.	Wilson
Fellows	Mansfield, Tex.	Winter
Fernandez	Neely	
	Norton	

The SPEAKER. On this roll call, 357 Members have answered to their names, a quorum.

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

DISPOSAL OF SURPLUS GOVERNMENT PROPERTY

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, S. 1414, as follows:

Be it enacted, etc., That section 13 of the Surplus Property Act of 1944, as amended (U. S. C., 1940 ed., Sup. IV, title 50 App., sec. 1622), is amended by adding at the end thereof the following new subsection:

"(g) (1) The following materials, equipment (excluding any equipment which is suitable for use in the construction of homes by Federal agencies), and supplies shall be distributed as provided in paragraph (2) by grant or loan to States and their political subdivisions and public instrumentalities:

"(A) Materials, equipment, and supplies suitable for use in carrying out erosion and soil and water conservation works and operations in furtherance of the act approved April 27, 1935, entitled 'An act to provide for the protection of land resources against soil erosion, and for other purposes';

"(B) Equipment suitable for use by State highway departments; and

"(C) Equipment suitable for use by political subdivisions and instrumentalities of States for grading, drainage, reforestation, tunnel, airfield, highway, sewer, street and sidewalk pavement construction, or repair purposes.

"(2) The distribution of equipment, materials, or supplies under this subsection shall be made in accordance with such standards, conditions, rules, and regulations as to use and disposition as are established by the Secretary of Agriculture, with the approval of the chairman of the board of directors of the War Asssets Administration or its successors, or by the officer, employee, or agency of the United States exercising the functions in respect to surplus property transferred to the Chairman by Executive Order 9689 entitled 'Consolidation of Surplus Property Functions', dated January 31, 1946 (Federal Register, vol. 11, p. 1265). Such rules and regulations shall contain provisions requiring any applicant for any materials, equipment, or supplies to prove to the satisfaction of the Secretary of Agriculture (or the officer, employee, or agency exercising the functions in respect of such surplus property) that it has an actual and legitimate need for such materials, equipment, or supplies. *Provided*, That such surplus properties so disposed by loan or grant to States and their political subdivisions and instrumentalities shall not be loaned or sold for private use.

The SPEAKER. Is a second demanded?

Mr. HOPE. Mr. Speaker, I demand a second.

The SPEAKER. Is the gentleman from Kansas opposed to the bill?

Mr. HOPE. No; I am not, Mr. Speaker.

Mr. CHURCH. Mr. Speaker, I demand a second.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. CHURCH. I am, Mr. Speaker.

Mr. HOFFMAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN. I thought the gentleman on the majority side was entitled to demand a second.

The SPEAKER. If anyone on the minority claims the right, he is entitled to it.

Mr. POAGE. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

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

There was no objection.

The SPEAKER. The gentleman from Texas is recognized for 20 minutes and the gentleman from Illinois is recognized for 20 minutes.

Mr. POAGE. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, this bill is the outgrowth of the views of many groups on the important problem of use of surplus soil-conserving equipment. Almost 4 years ago I introduced the first bill to make surplus equipment of this kind available for soil-conservation work by public agencies. Several other Members introduced similar measures, but no direct test of sentiment on the legislation was ever had, except that this House did in September 1944 turn down an amendment to the Surplus Property Act which would have enabled soil-conservation districts to use some of this equipment. At that time the majority of the House evidently believed that it would be possible to sell this and other surplus property fairly, equitably, and to the mutual advantage of the Government and the public. I did not so believe. I predicted then that the surplus property bill under which we are now operating would lead to rank discriminations, loss to the Government, and a multitude of charges of, if not outright, dishonesty. I voted against that bill. I believe that the experience of the past 2 years shows conclusively that that bill was a mistake—at least that it needs a number of far-reaching amendments and certainly one of those amendments should be provision for the use of this property by public agencies which need it.

I had singled out the soil-conservation districts and had offered a bill, H. R. 538, on the first day of Congress, January 3, 1945. This bill involved only soil-conserving machinery and made it available for use through the Department of Agriculture to soil-conservation districts. I picked these districts because, as I see it, they stand in a unique position. They cannot levy taxes. They cannot buy this or any other equipment, but they are agencies of the Government. We appropriate millions of dollars to carry out this work. This machinery would multiply the efficiency of this many, many times over. I felt, and I still feel, that we would be thoroughly justified in restricting the use of this equipment to such districts.

The Senate agreed with this view, and in September 1945, some 3 months after our own Committee on Agriculture had favorably reported H. R. 538, and after it had been before the Rules Committee for months, S. 1414 was introduced in the Senate. This bill is substantially the same as H. R. 538. The Senate acted and passed the bill in November 1945. Still the Rules Committee refused a rule for H. R. 538.

I think it is fair to say that certain members of the Rules Committee felt that we should include many agencies of Government other than soil conservation districts. There are also certain influential groups outside of the Congress who do not want the Soil Conservation Service to expand its work. They opposed the plan to let the districts use this equipment. Then there always have been and still are those who believe that all surplus property should be sold to private dealers for private gains so that the Government would get some cash regardless of the use to which the property is to be put.

On the other hand, the governors of 47 of the 48 States are on record as approving the plan of disposition favored by the Senate and approved by the House Committee on Agriculture. This plan has, however, been held up in the Rules Committee of this House since last June. If we are to get any bill, if we are to put any of this equipment to use before

it rusts out or falls in the hands of speculators, we must act now. The amendment I have offered this afternoon is frankly not my handiwork. I would prefer to pass the bill as the Senate passed and as I originally introduced it, but this amendment was written by the Rules Committee. I understand members of that committee will support this proposal. It is far better than no action. It is all the action we can get. I hope that the friends of soil conservation will support the motion.

I have no quarrel with those who want to realize the greatest amount possible for the Government out of this property. I believe that the tremendous values which we may add to our soils far outweigh any benefit that we could get by continuing the sale of this equipment to speculators.

The equipment affected by this legislation is confined entirely to that type of equipment which is suitable for moving dirt. That is soil-conservation equipment or dirt-moving equipment, the kind that is used in heavy construction; the kind of equipment that the ordinary individual does not buy. This bill relates only to that type of heavy equipment, not to the general ordinary consumer goods but to that type of heavy equipment so desperately needed for soil-conservation work, for the building of highways, roads, and that sort of thing.

The original bill related to its use only by soil-conservation districts. The amendment, you will observe, extends that use not only to the soil-conservation districts but also to State highway departments, to cities, towns, to counties and other political subdivisions for public use; and the language of the bill clearly states that the equipment must be used for a public purpose and must not be resold.

The SPEAKER. The gentleman from Texas has consumed 3 minutes.

Mr. POAGE. Mr. Speaker, I yield myself two additional minutes.

It seems to me that we have here an opportunity to do a great job for generations yet to come with no expense to the Government. Bear in mind the Government owns this equipment today; bear in mind, also, that this equipment is not being used; bear in mind that this equipment is now rusting out; bear in mind that this equipment under the terms of this bill will be subject only to public use.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield.

Mr. EDWIN ARTHUR HALL. Does the bill give to the smallest subdivision of government such as a township, the right to obtain materials and equipment to improve roads?

Mr. POAGE. It does; it gives it to every subdivision of government.

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

Mr. POAGE. I yield.

Mr. CHURCH. If this equipment is so desperately needed by State and political subdivisions why do they not buy it? Especially if it is a drug on the market?

Mr. POAGE. Frankly, I believe the gentleman will find that a great many of these subdivisions feel that they cannot afford to do it. I call the gentleman's attention to the fact that the primary purpose of the bill which related to soil conservation work was for a group of public agencies that had no buying power, no taxing power, and no means of buying anything.

Mr. CHURCH. The States have.

Mr. LYNDON B. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield.

Mr. LYNDON B. JOHNSON. The fact is that a great deal of this equipment is not yet being manufactured for the market at the present time.

Mr. JOHNSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield.

Mr. JOHNSON of Oklahoma. Furthermore, the taxpayers of this country have already paid for this equipment once, have they not?

Mr. POAGE. That is right; and it seems to me it would be a gross injustice to require the taxpayers to pay for it a second time.

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

Mr. POAGE. I yield.

Mr. BROWN of Ohio. The facts of the matter are that the people of the United States and these various political subdivisions have already bought and paid for this material, and if it is sold at a loss they take the loss. If you give it to them they get the benefit of the equipment they have paid for.

Mr. POAGE. That is right exactly.

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

Mr. POAGE. Mr. Speaker, I reserve the balance of my time.

Mr. CHURCH. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, the printed bill is not the bill before us for consideration. The bill before us is one that is typewritten, one which few have seen or read. What it does is to take all of the surplus material that is suitable for the construction of highways, that is suitable for the prevention of soil erosion, material that we gave the veterans a preference to purchase, and gives it to the States, to the counties, and to the townships. It gives it to them after taking it away from the veterans. There is no sense in saying the veterans will still have a preference, for if this bill is adopted there will be no property for them to purchase.

Now, what is the use of the House pretending to give veterans preference in the purchase of surplus property and then adopting legislation like this? It does not make sense.

There is no reason why if these townships or cities, or the counties or the States want this property they cannot buy it and pay for it. That is what the veterans and others must do. Does any one know of any good reason why municipalities should not do the same?

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

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

Mr. KUNKEL. Every time a veteran goes to one of these sales he finds the surplus property has already been bought up by some governmental agency.

Mr. HOFFMAN. That is all too true, but once in a while a veteran can get something, but if we enact this legislation he will not have a chance to get anything. We should not pass this bill

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

Mr. HOFFMAN. I yield to the gentleman from Missouri.

Mr. SHORT. The purpose is very worthy, but the worst part of it, it seems to me, is that the supply will not meet the demand. Some States and counties or municipalities will get the benefit of the use of this machinery but others will be denied that use.

Mr. HOFFMAN. Yes; that is true, the bill opens the door to favoritism and political wire-pulling. The House for several months has been saying that it wanted the veterans to have a preference in the purchase of the surplus property that the United States Government owns and which they could use. Now, along comes this amendment which has not even been printed which few have seen—and it is proposed to give to the States, the counties, and municipalities the surplus which the veterans wish to buy. It just does not make sense.

The bill should be defeated.

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

Mr. CHURCH. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama [Mr. MANASCO].

Mr. MANASCO. Mr. Speaker, I am opposed to this bill on several grounds. One of the reasons is that it will permit different Government agencies to augment their appropriations without coming to the Appropriations Committee or to the House for an appropriation.

The Committee on Agricultural Appropriations appropriated a million dollars to the Secretary of Agriculture to purchase for soil conservation districts such equipment as is mentioned in this bill. Our committee meets tomorrow to report out a bill to give veterans a preference that means something.

The trouble in the past has been that these priority holders have been coming in after the property is advertised for sale to veterans and have exercised their priorities and have taken it away, just as occurred at your camera and photographic equipment sale over at Baltimore the other day. This will make it impossible for a veteran to get a truck, a bulldozer, road-building equipment or anything else that is necessary for the building of highways, streets, airports, and so forth. If you pass this bill we might just as well not report out the veterans preference bill tomorrow.

I think every Member seriously wants to do something for the veterans. We make the veterans pay for surplus property. We make them pay a fair value. Here you are giving it to the cities, States, counties, and municipalities and they will take everything. They will say that they need Kodaks to build streets with. They will say they need tents. It takes blankets, also, to keep the workers warm,

so they will come in and take all of that.

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

Mr. MANASCO. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Under this bill every truck would be taken by the State highway commissions and the Soil Conservation Service. The veterans would absolutely be denied the privilege of buying anything.

Mr. MANASCO. Yes. The same situation would exist also with reference to passenger cars. They would need passenger cars to haul the foremen around in. There would not be anything in the world left for a veteran. If you are willing to do something for the veterans who are having to pay for this material, you will vote against the pending bill.

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

Mr. POAGE. Mr. Speaker, I yield 2 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE. Mr. Speaker, if the Members of the House knew the real issue here they would vote for the pending bill. After the last war we had millions of pounds of dynamite which were given over to the Bureau of Public Roads and the Forest Service. This went into the construction of roads and the opening up of the national forests. Otherwise we would have had to appropriate millions of dollars to buy explosives to do the work that this surplus war explosive did.

This bill would make all this road-building machinery and explosives available to do the things that we will have to appropriate money for anyway if we do not pass this bill.

Mr. Speaker, I happen to know something about the veterans and the purchase of this equipment by the veterans. The Surplus Property Administration advertises a sale. The veteran has so many days to make his selection. Then spot bids are opened up to these dealers and the dealers come in and bid on it at about 10 cents on the dollar and get away with the stuff. If anybody actually wants to get this material they have to go to the dealer to get it. I say pass this bill, make this equipment available and save the taxpayers of this country millions and millions of dollars that we will have to appropriate to buy this machinery and to buy these explosives and to do the things which are necessary to open up the Government-owned timber in order to make homes for veterans and jobs for veterans. This bill will do just that. Dynamite is being dumped in the ocean by the shiploads today. Let us put it to work. Let us put the veterans to work and let us have a little sense here and pass this amendment.

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

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

Mr. RICH. Name one way in which this will save the Government money?

Mr. WHITE. I will tell you. You have passed a $10,000,000 appropriation to build forest roads and trails every year, and this equipment will be used to do that work without further cost to the Government for this machinery.

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

Mr. CHURCH. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. SHORT. Mr. Speaker, will the gentleman yield to answer a question?

Mr. DIRKSEN. I yield to the gentleman from Missouri.

Mr. SHORT. Suppose we enact this bill into law, who is going to determine whether a county in the north end of the gentleman's district or a county in the south end of his district is going to get this machinery and equipment?

Mr. DIRKSEN. Somebody down here.

Mr. Speaker, the original bill of which the pending bill is a lineal descendant, I suppose, was introduced in January 1945. It has had a good deal of attention. It started as a bill to authorize the Secretary of Agriculture and directed the Secretary to requisition all the equipment that could be used in soil conservation and water-improvement purposes. It concentrated it in the hands of a single agency, namely, the Soil Conservation Service. How much equipment? The report does not say. What kind of equipment? The report does not say. Certainly it would include tractors, drag lines, bulldozers, everything that can be used for work on land. That was the original bill.

Another bill was passed in the Senate. Now we get a typewritten bill that is wholly dissimilar from the original bill. It authorizes giving this property to cities, park districts, everybody, with the exception of the veteran. How much property? It could be $50,000,000; it could be $100,000,000; it might be $500,000,000. Nobody seems to know. I thought that there would be a chance, and maybe this is utter naïveté on my part, that perhaps we could get back a few dollars by selling this equipment and putting the money back into the Federal Treasury and help to balance the Federal Budget Now we propose, however, to give all of it away. And then what happens to our Budget and what happens to this rather distressed proposal that we call economy? I hope this bill will not pass. When it comes to agencies like the Soil Conservation Service we made provision in the agricultural appropriation bill for 1947 for that purpose. We gave them $1,000,000 with which to buy this equipment. That bill is pending in the Senate committee at the present time. If there is need, all right, let us rationalize the need, see what it is in terms of dollars and cents, and then make provision for it.

Now it is going to have a very unhappy implication. You could have $100,000,000 worth of equipment, and it shows up in the Budget. You could have all of the money that they can spend, all the equipment they can have for 1946, and perhaps for 1947, but when they come back with their estimates for the fiscal year 1948 they will say, "Now, gentlemen of the Committee on Appropriations, you see we got $50,000,000 worth of equipment here, and we got $10,000,000 there. Now then, unless you give us a comparable sum the following year, of course, our budgets will be short." So up it moves. Do not forget that when you do this, of course, there must be administering personnel, and you are going to increase the cost of government and for that reason I am definitely opposed to a bill that I have not seen until 15 minutes ago and whose implications I cannot spell out in that short space of time. It ought to go back to the Committee.

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

Mr. DIRKSEN. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. It certainly squeezes the veteran out. I see no chance whatsoever for a veteran to get one single thing under the provisions of this bill.

Mr. DIRKSEN. Very definitely not. If he were a farmer and he wanted a tractor, he could not get it under this bill.

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

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

Mr. CRAWFORD. Does the gentleman know of a single farm operator, owner of a farm, or a single farm organization that endorses this proposal?

Mr. DIRKSEN. I have not heard of it, except the modification of the original bill. I doubt if any interested organizations have even seen the bill in its present form. It should be defeated.

Mr. POAGE. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, this bill has been pending before the Committee on Rules for a long while. The original Poage bill, H. R. 538, proposed a loan or grant of heavy equipment to soil conservation districts in this language:

> That the Secretary of Agriculture is hereby authorized, empowered, and directed to requisition any materials, equipment, or supplies which constitute surplus property under the Surplus Property Act of 1944 and are suitable for use in carrying out erosion control and soil and water conservation works and operations in furtherance of the act approved April 27, 1935, entitled "An act to provide for the protection of land resources against soil erosion, and for other purposes." Upon receipt of such requisition from the Secretary of Agriculture with respect to any such property, the head of the Government agency having control of such property shall transfer such property to the Secretary of Agriculture without reimbursement or deposit.
>
> SEC. 2. Material, equipment, and supplies requisitioned by the Secretary of Agriculture under section 1 shall be distributed, through the Soil Conservation Service, by grant or loan, to soil conservation, drainage, irrigation, grazing, and other districts and public bodies organized under State laws with powers to promote and carry out soil and water conservation operations and related public purposes. Such distribution shall be made in accordance with such standards, conditions, rules, and regulations as to use and disposition as may be recommended by the Soil Conservation Service and may be established for such purpose by the Secretary of Agriculture.

This would have limited utilization of such surplus heavy equipment, in practical effect, to only a few States, and members of the Committee on Rules, including myself, felt that this amounted to discrimination against other States, counties, and municipalities. We felt the bill should be broadened to include in its benefits any State, county, munici-

pality, or political subdivision thereof, and it was suggested that I redraft the bill in accordance with these objectives, which I did, and it is that redraft which is being offered by the gentleman from Texas [Mr. POAGE], as an amendment to the Senate bill. My amendment not only provides specifically for benefits to water and soil conservation and erosion control work; it also provides for the allocation by loan or grant of surplus supplies, materials, and equipment to State and local governmental units for use for grading, drainage, reforestation, tunnel, airfield, highway, sewer, street and sidewalk pavement construction or repair. The amendment gives the Secretary of Agriculture power to make necessary regulations, to be approved by the chairman of the War Assets Administration; provides for proving an actual and legitimate need by an applicant for such surplus property; and prohibits sale or loan for private use by the States or subdivisions.

Further, there is a provision I put in that no property that can be used for the construction of homes shall be considered as surplus for this purpose.

We tried to protect it to the best of our ability. I realize that the States, counties, and municipalities are in good financial condition, but since the property cannot be sold to advantage and might be rusting away here and there, we thought the States, counties, and municipalities should have at least the benefit of it on an equitable basis as long as they can show that they need it for actual improvements for their respective jurisdictions.

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

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

Mr. SHERIDAN. Has the gentleman any evidence that any of this material is now rusting away and is not able to be disposed of by the Surplus Property Administration?

Mr. SABATH. I have heard so much about it on the floor that I am inclined to believe there must be something to it. I have not seen it.

Mr. SHERIDAN. Can the gentleman cite one instance?

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

Mr. SABATH. I yield to the gentleman from Texas.

Mr. POAGE. I personally saw one instance at Samar in the Philippine Islands, where there were hundreds of yards of this equipment rusting away. I call upon every man who has been out in that territory to tell you that he has seen it with his own eyes, hundreds of yards of it.

Mr. CHURCH. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. RICH].

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

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

Mr. WHITTINGTON. Is it not true that the committee for the last 2 months has been trying to get the Army and the Navy to bring this material back here from Samar and the other places and make it available to the civilian population?

Mr. RICH. That is correct. The committee is going to meet tomorrow to try to handle this situation in a sensible, sane business way. I hope the Congress will give consideration to that fact, because we are trying to find out just how much material there is and who is responsible for its disposition. This is nothing but a grab, it seems to me, for the people who want to take something from the Government without paying anything for it. It is nothing but a political plum, the way you are handling this bill; there is not the least bit of business procedure; it is not sensible or sound.

The gentleman from Texas said a while ago that these municipalities and other governmental subdivisions cannot afford to buy this property, but let me ask this question: Who is more able to buy it than the people of this country are today? Certainly the Federal Government is in the worst condition anyone can possibly be in, yet here it is asked to give all this equipment away. To whom? If we sell this surplus property and do it in a businesslike way we will get something back into the Treasury of the United States for it. Those who can afford to pay for it will pay for it. Then we will put into the Treasury the amount of money that we receive from the sale of this material. That is one way to get the money. We will get rid of this surplus property in a sound, sensible, businesslike way.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from New Jersey.

Mr. THOMAS of New Jersey. What I would like to know is, if all this equipment is rusting away, why are the veterans not getting some of it? The veterans cannot get anything.

Mr. RICH. We want the veterans to get this, but if you pass this legislation the veterans will get nothing. Our object is to give the veterans an opportunity to get this equipment and material. They will be able to use it, but they will not be able to get it if you pass this bill. It is only a grab for the favorites. Millions for the favorites, more jobs for the favorites. In the name of all that is sound, just, and sensible defeat this piece of legislation. It is a grab, and it is a steal for somebody. I want no part of it. Time to stop it; do it now.

Mr. CHURCH. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Speaker, Santa Claus will always be a popular fellow in America. Of course, I would like to be able to write letters to my constituents and say that we were giving them something so that they, too, would remember Santa Claus. We had this bill up some months ago. At that time, the schools wanted the equipment. Heaven knows there is no man in this House but would say that surplus property equipment would be well used if it were given to the schools. There were many other societies, such as the Red Cross and agricultural departments and home-economic agencies and home-demonstration agencies, and all of those folks who wanted the equipment. This Congress in its wisdom, and I think very wisely, decided to say "No; we better not start giving this property away. After all, it belongs to the people of America who paid for it with their money." These departments that want this equipment have a certain preference as the situation now stands. Let them with their appropriations go and buy the equipment. If the Department of Agriculture wants a truck or a trailer, then let them reach into their appropriations that the House of Representatives has given to them and let them take that money and turn it over to the surplus property agency. Then we will know something about what kind of bookkeeping is going on and what is happening to the money that we are appropriating. You would certainly have one scrambled situation when an administrator began trying to decide which township, precinct, county, district, and so forth, should get a particular piece of equipment.

Mr. POAGE. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma [Mr. WICKERSHAM].

Mr. WICKERSHAM. Mr. Speaker, one of the greatest assets that we have in America is our soil. To those who were so anxious for the veterans to get the property, I say I wonder why they did not give veterans the first preference when this bill was passed instead of giving them fifth preference. The Federal agencies come first, and then the States, and the cities and then the municipalities. Following that, the veterans are supposed to come next. But in no instance have I known of a veteran getting any of these bulldozers, caterpillars, or drag lines. Here is what happened. What the States, cities, and municipalities do not get is offered in big bulk lots worth thousands of dollars in places where, in many instances, the ordinary GI cannot go, and even if he goes there, they tell him the surplus goods are all gone. I think the Poage bill is a good bill. Even though the war has been over for a year, many billions of dollars' worth remain unsold. A while ago someone inquired if I had ever seen any of this surplus equipment. I have seen hundreds of thousands of dollars' worth in many countries. The gentleman from Oklahoma [Mr. BOREN], who is urging passage of this bill, was in McAlester, Okla., and viewed a tract of land covering many acres covered with all kinds of equipment which is rusting and rotting to pieces on the lots. If the machinery companies get this equipment, they turn around and sell it for much more than they paid for it, and the veteran does not benefit as he should. The soil of this country is washing away and the surplus machinery could be used to great advantage. Even though there is $1,000,000 appropriated to buy equipment for this purpose next year, it will not be a drop in the bucket.

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

Mr. WICKERSHAM. I yield.

Mr. BARDEN. How on earth would the gentleman ever determine who was to get a large tractor?

Mr. WICKERSHAM. Very well——

Mr. BARDEN. You have thousands and thousands and thousands of counties, cities, and townships. How in the world would you ever determine which county would get the tractor?

Mr. WICKERSHAM. It is based on the need for the soil-conservation work.

Mr. BARDEN. Who says who needs it?

Mr. WICKERSHAM. The Soil Conservation Service; the Secretary of Agriculture.

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

Mr. CHURCH. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. LATHAM].

Mr. LATHAM. Mr. Speaker, the statement was made by the proponent of this legislation that the type of equipment covered by this bill was not wanted or sought by veterans. Mr. Speaker, that is not so. I know of veterans who have filed applications for this very type of equipment, but they could not get any action from the War Assets Administration on their application. I could not understand why that was so until today. Now it is perfectly clear.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. CHURCH. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, I take second place to nobody in this House in my concern for conserving the soil of our country. Having as a boy plowed over Nebraska hills and watched the topsoil wash away in the first rain and later blow away in dust storms, and then having lived in China and observed soil which by terracing and soil-conservation practices for 40 centuries the Chinese have kept as good as it was in the beginning, I realize fully that our greatest single, natural resource is our topsoil, and we have no more important responsibility to the future than to conserve it. I will support every proper measure toward that end. But this bill is not a proper measure. It is not the right way to handle the problem. If more money is needed for machinery for soil conservation and related purposes, why does not the subcommittee on appropriations for the Department of Agriculture bring before us an additional appropriation to buy from War Assets Administration the surplus property that it needs, if the latter has it? To be sure, it is transferring Federal money from one of Uncle Sam's pockets to another, but it is a regular procedure, and only so can we keep track of both appropriations and surplus property. To pass this bill does three things: First, it knocks our surplus property disposal procedure into a cocked hat. If we have to give our surplus property completely free of charge to every agency which has a worthy program, then there are at least several hundred agencies in the Federal Government alone which have worthy programs, to say nothing of the States and cities and municipalities and counties and their subdivisions, there would be no place to stop. We would be writing off many, many billions of dollars' worth of property.

In the second place, it will shut out the veterans completely, after all the high hopes held out that they will be able to buy some of this property.

In the third place, it amounts to an appropriation of billions of dollars to all sorts of agencies and groups which have not had to make adequate justification before the proper committees of the Congress—billions of dollars entirely apart from their regular appropriation bills and without a single cent of return to the Treasury.

Mr. Speaker, surely administration of surplus-property disposal is in bad enough shape already, as we all know, without completely ruining it, which the passage of this bill would do. I hope it will be overwhelmingly defeated.

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

Mr. POAGE. Mr. Speaker, I yield such time as he may desire to the gentleman from Oklahoma [Mr. JOHNSON].

Mr. JOHNSON of Oklahoma. Mr. Speaker, the matter of surplus property is one that has given Members of the Congress, collectively and individually, more concern perhaps than most any other problem with which we have been faced during the past several months. It is conceded that under the present surplus property law the situation is far from satisfactory. Reports come to us that individuals with a pull and usually with a lot of cash are getting practically all of the surplus property. I am sure that every Member of this House feels that the present situation ought to be corrected and as soon as possible.

I have followed with much interest the original Poage bill since it was first introduced by the gentleman from Texas. The farmers of my district, especially those residing in organized soil conservation districts, are familiar with this legislation and are strongly in favor of the bill. I am reluctantly giving my support today to the revised bill with the objectionable amendment added by the Rules Committee. In fact, I would not support the bill if I thought it would become a law in its amended form, which goes far afield from the original purpose of the bill. I am violating no secret when I say that the sponsors of this legislation were compelled to accept this sort of monstrosity in the form of an amendment, or nothing at all. Personally, I am getting somewhat fed up with the Rules Committee, writing, or attempting to write legislation. In this case the Rules Committee heard none of the evidence in connection with the need for this legislation, yet it insisted upon rewriting the bill to its own liking or else refusing to give a rule, so that it might be even considered. In this instance, in my judgment, what it amounts to is sabotaging of one of the most important and most needed pieces of legislation that has come before this body during the present session.

We all know of the desperate need for soil conservation. Those of us from farming areas also know of the urgent need for bulldozers, plows, drag lines, caterpillars, graders, and other machinery essential for terracing, ditching, and grading, especially in soil-conservation districts. We are told by the Department of Agriculture that over 100,000,000 acres of land have suffered such serious erosion as to make the land useless for further agricultural use and that another 100,000,000 acres or more have been so seriously damaged as to require careful treatment over a period of several years, if such land is to be reclaimed for future use. This is an appalling situation, especially when we are reminded that more soil goes down the Mississippi River every year from the prairies, valleys, and hills of some 30 States of the Union than was excavated in the construction of the entire Panama Canal. The Soil Conservation Service of the Department of Agriculture, established back in the early thirties, has made considerable headway in the saving of hundreds of thousands of acres of land that otherwise would have been lost. But it has only touched the surface in comparison with the great and urgent need. This body has said officially by an act of Congress that a waste of soil erosion is "a menace to the national welfare; that it is hereby declared to be the policy of Congress to provide for the control and prevention of soil erosion and thereby to provide natural resources, control floods, prevent impairment of reservoirs, maintain the navigability of rivers and harbors," and so forth.

The Soil Conservation Service has given the technical supervision, which has been important. We have also appropriated vast sums of money for soil-conservation practices. Soil-conservation districts have been established in nearly every State in the Union. These districts deal directly with the farmers. They put the plans of the Soil Conservation Service into actual practice and aid farmers who cooperate. Now the districts are practically without machinery. Many do not have the funds to buy the machinery even if they were available. The taxpayer has paid for this machinery once, and it would seem far better to permit this needed machinery to go for public use than the present plan of selling them to big corporations or favorite individuals who under the present plan seem to have the inside track so far as surplus property is concerned. Mr. Speaker, I shall support the pending Poage bill in the hopes that something satisfactory might be worked out in conference.

Mr. POAGE. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Speaker, from the number of Members of the House who have spoken against this bill, one feels like a cat at a dog show in supporting it. Nevertheless, I am convinced there is a great deal of merit in the bill.

I notice someone saw fit to amend the bill, and I take it, from the gentleman of Illinois, that perhaps it was done in the Rules Committee. However, the bill has been amended. It would be better if limited to soil conservation. This House should remember that this bill

gives surplus property to all political subdivisions, of which the veteran is a part. This bill helps the veterans. There are very few veterans going out to buy bulldozers, draglines, and heavy machinery to move dirt with. There are irrigation districts in my State which would like to have this dirt-moving machinery to improve their districts. I hope that the proper committee brings out a surplus property bill that is favorable to the veterans and whereby they will be placed on the same priority as Federal agencies. I would support such a bill. But I would remind you that the veteran is also a part of the political subdivision, and this bill is designed to help him just as much as political subdivisions. The veteran should have number one priority just as Federal agencies and not a number four priority as under the present Surplus Property Act.

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

Mr. MILLER of Nebraska. I yield.

Mr. RICH. The chairman of the Committee on Expenditures in the Executive Departments says he is having an executive session tomorrow and he will bring out a bill of that kind. So why pass this bill?

Mr. MILLER of Nebraska. You can write into that bill irrespective of any bill we pass here today that the veterans shall have priority, even though we pass this bill here today, that they shall have priority along with the other agencies, priority No. 1 equal with the Federal agencies.

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

Mr. MILLER of Nebraska. I yield.

Mr. RICH. I am sure the chairman of the committee had that thought in mind. I do not know whether it is going to be incorporated in the bill or not. It surely should be.

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

Mr. CASE of South Dakota. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CASE of South Dakota. What is the parliamentary situation. Is there not an amendment pending? Will we have the vote first upon the amendment or will it be on the motion to suspend the rules and pass the bill?

The SPEAKER. The vote will be on the motion to suspend the rules and pass the bill as amended. There will be but one vote.

Mr. POAGE. Mr. Speaker, I yield 1 minute to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Speaker, I am sure everyone who knows about the important work of the Soil Conservation Service will agree with me that they are doing a splendid job, not only for the farmers but for America today and tomorrow. I am sure that almost everyone will agree that the conservation of our precious soil is most essential now when starvation is facing the people of many nations, because it makes for greater production of food and fiber for those who live in this world today and will insure food and fiber for the generations yet unborn.

When the surplus property disposal bill was under consideration on August 21, 1944, I introduced an amendment which provided that 25 percent of all surplus dirt-moving equipment be allocated to the Soil Conservation Service districts and other public agencies and for flood control. My amendment was defeated by the narrow margin of six votes. If my amendment had prevailed a lot of this equipment now rusting away would be in good use today. Our entire country, yes the whole world, would benefit from the use of this surplus equipment by the Soil Conservation Service. Few veterans want this kind of heavy equipment except the veterans who are farmers, and bear in mind about 50 percent of our veterans are directly interested in soil conservation, and the other 50 percent will derive indirect benefits from it.

I sincerely hope that if this bill is not adopted today that the Agriculture Committee can draw a bill that will be acceptable to the Congress so that this equipment can be put to use before planting time next year.

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

Mr. POAGE. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Speaker, I should like to ask the gentleman from Texas if veterans will still have a preference even if this bill is enacted into law.

Mr. POAGE. This bill will not affect veterans' preference one iota, one way or the other. There is not a word in this bill about veterans' preference. It does not change veterans' preference. He still will have the right to purchase as he always had after Federal Government and State agencies.

Mr. COOLEY. As I understand it, under existing law veterans, municipalities and governmental agencies are given preference in the matter of acquiring title to surplus property.

Mr. HOFFMAN. If they are given this preference to get what is left, then in effect they get a preference on nothing.

Mr. COOLEY. The gentleman from Texas has assured us that this bill does not disturb the veterans' preference provision now in the law.

Mr. JONES. If the gentleman will yield, it is the same as in the case of housing. There are plenty of veterans in my district who now have priorities for housing but there are no houses.

Mr. HOFFMAN. It is ridiculous.

Mr. COOLEY. A moment ago someone asked the question, whether or not this property or any part of it was deteriorating. On the islands of the Pacific there are hundreds of millions of dollars' worth of surplus property that is exposed to the weather and is rusting and deteriorating. It should be returned to this country immediately and made available to the soil-conservation districts of the country.

Mr. BRADLEY of Pennsylvania. Will the gentleman yield?

Mr. COOLEY. I yield.

Mr. BRADLEY of Pennsylvania. Does not this create a situation analogous to that complained about last week by the national commander of the American Legion who spoke in regard to the States and cities having priority which resulted in the veterans' getting nothing to purchase?

Mr. COOLEY. The gentleman from Texas has assured us that this bill will not affect veterans' preference.

Frankly, I am not impressed with the provision in the bill which applies to States, cities and other municipalities. Our Committee on Agriculture reported a bill which was applicable only to soil conservation districts. Most of the States and cities are financially able to pay for the property. While I, frankly, confess that this is a rather poor way to legislate, I am supporting the pending measure in the hope that the bill as may be finally agreed upon may apply only to soil conservation districts which are badly in need of equipment to carry on the splendid program of the Soil Conservation Service which has meant so much to the farmers of America. Unfortunately, the measure now before the House cannot be amended but we all know that most legislation is the result of a compromise between the two Houses of Congress and I have every reason to hope that if this bill is passed the Conference Committee will be able to agree upon a measure which will be in the public interest. Even if the pending measure is finally enacted into law the grants or loans of the property will be made under rules and regulations issued by, and under the immediate supervision of the Secretary of Agriculture and others in responsible positions in the Government. Certainly, none of us want to deprive veterans of a preference to which they are entitled and all of us, on the other hand, are anxious to facilitate the return of all surplus property both from Europe and from the islands of the Pacific and, further, to facilitate the acquisition of such property by veterans.

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. CHURCH. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. BENDER].

SURPLUS PROPERTY AND WAR VETERANS

Mr. BENDER. Weeks ago I warned of a potential major scandal in the disposition of our surplus war goods. That scandal has now developed into a front-page issue. Not only have we been permitting our war matériel overseas to be purchased for the well-known song by foreign governments; not only have servicemen complained bitterly about the actual dumping of supplies into the Pacific Ocean; we are now confronted with the evidence that war veterans at home are being given the most depressing run-around possible in their efforts to take advantage of the provisions of our laws designed to help them get started in business.

In the course of a brief investigation it has already been revealed that Ohio veterans have been sent to Point Pleasant, W. Va.; to Camp Atterbury, Ind.; to Sandusky, Ravenna, and Warren, Ohio; to Newcastle, Ind., to inspect and pick up property which they had purchased, only to find that the goods were

not there or that their condition had been grossly misrepresented.

Surely our Government can be held to the standards of ordinary business veracity at the very least. No one seeking to engage in private industry would be permitted to misrepresent the quality of his merchandise indiscriminately without being called sharply to account by public authorities. Our Government should be subjected to a full-scale investigation on this whole completely unjustifiable, incredibly callous treatment of returning servicemen.

Mr. Speaker, it is said that the road to hell is paved with good intentions. Last year Congress enacted a surplus-property bill which we thought gave veterans preference. Now, if we pass the Poage bill, as amended, the veterans will not have preference and will have nothing to buy. The War Assets Corporation has been sitting on its war assets and all the veterans have gotten is the business. Now you are going to give these same veterans the works still further if you pass this bill. Please vote against the measure, as it is a legislative monstrosity.

Mr. CHURCH. Mr. Speaker, I yield the balance of my time on this side, 4 minutes, to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. WHITTINGTON. Mr. Speaker, the Congress considered the matter of the disposal of surplus property in 1944 for 3 months. The proposed amendment for soil conservation and other similar amendments were offered on the floor of this House, not once, not twice, but many times, by the very gentlemen who are advocating the pending measure, and every time the amendments were proposed they were rejected.

May I say in reply to the inquiry of the gentleman from North Carolina [Mr. COOLEY] that if we give all of this type of property away, as here proposed, what does the matter of preference or priority to veterans or anybody else amount to? Under the terms of the Surplus Property Act, there are no donations or gifts to any person or agency. The Congress retains the purse strings. Schools asked for donations, hospitals asked for donations, and others asked for gifts. We denied all donations, but we did provide preferences and priorities. Now, under the terms of this bill, the paternity of which is at least doubtful, for it is certainly not the Poage bill, probably framed, in part, in the Committee on Rules, as the distinguished gentleman from Illinois [Mr. SABATH] indicates, having been reported by the Committee on Agriculture, and whether intended or not having been so worded when introduced as to make no reference to the Surplus Property Act, thereby making it possible for the Committee on Agriculture to consider and to report the bill, although the Committee on Expenditures in the Executive Departments has jurisdiction of surplus war property, there would be a gift, a donation, in the language of the amendment, to the soil-conservation districts, not only of equipment but of materials and supplies and donations to highway commissions of equipment and donations to political subdivisions or instrumentalities of the States for many purposes. All of the other agencies of the Federal Government and all agencies of the State governments, except highway commissions and the subdivisions having control over soil and forests, would have to pay the fair value of the property allocated to them.

The pending bill is not the soil-conservation bill introduced by the distinguished gentleman from Texas [Mr. POAGE]. It is not the bill reported by the Committee on Agriculture, but it is an entirely new bill providing for donations not only to soil-conservation districts, but to State highway commissions, and the political subdivisions and instrumentalities of the State engaged in grading, park work, forestation, and similar activities.

The language for soil conservation is broad. It includes materials. It includes supplies. It could include much besides dirt-moving equipment.

The bill was introduced in January 1945. It was reported in June 1945. It was introduced before the German war closed. It was reported before the Jap war closed.

It is urged that the equipment for soil conservation could be disposed of without expense. The argument will not bear analysis. Practically all of the dirt-moving equipment has been used. It must be repaired. The donation would be the beginning of real expense. The districts would be returning to Congress for funds to repair. The House will recall that following the First World War, there were donations of trucks to highway commissions, to legal subdivisions. There was need of repairs. No repairs were made. The trucks decayed and rusted. Under the surplus-property bill, provision could be made for either making repairs before sale or there would be the opportunity to sell to dealers who will make the repairs before they will offer them to the Government agencies or the public.

I have not been satisfied with the administration of the Surplus Property Act. I opposed the board. I advocated a single administrator. There was substantially no disposal of surplus property for a year. The bill was finally amended in September 1945, to provide for a single administrator. There has been delay. Veterans have complained. Their complaints have been largely about automobiles. Frankly, but few automobiles were declared surplus. Again complaints have been about trucks. The Federal Government and State agencies have priority. For a long time the veteran was unable to obtain trucks. But the regulations have been improved. Veterans now are being permitted, directly, to buy trucks. There were not enough trucks to supply the demand declared surplus in the United States. We insisted that the trucks overseas be returned for the veterans. Veterans were given preferences in other cases. These preferences were not effective. About 3 months ago, General Gregory was placed in charge of the Administration. He is improving the Administration. Where State and Federal agencies have priorities, he is advising veterans when the property will be available to them. The Committee on Expenditures has been conducting hearings for weeks. We have insisted that any surplus automobiles and trucks overseas be returned to this country. There is no surplus of earth-moving equipment in this country. We have insisted that earth-moving equipment overseas be returned. The committee plans to report a bill to give veterans a priority to make effective the preference intended for veterans under the Surplus Property Act. Many veterans are seeking earth-moving equipment. I repeat the regulations under General Gregory are being improved. The veteran who files as a little businessman is entitled to a priority now. The committee plans to report a bill to make good the preferences and priorities intended for veterans. If the pending bill passes, there will be no equipment or earth-moving equipment available to veterans. It will all be given to soil conservation, highway commissions, and other agencies.

The veterans are not asking for donations. They are asking for consideration. Why discriminate? Why discriminate in favor of soil-conservation districts against schools and against hospitals, against doctors and against dentists?

As I have indicated, the bill was introduced 2 months after the Surplus Property Act was passed. It was introduced 9 months before the Jap surrender. Substantially, no personal property was being sold until after the Jap surrender.

If there was dirt-moving equipment in Army depots in this country it was being retained until the Jap war was over. At the time the pending bill was reported there was not enough equipment available for the civilians who wanted to buy it and to pay for it.

Again, many contractors engaged in moving earth sold their bulldozers, sold their tractors, and other dirt-moving equipment to the Government. There has been a delay in production. They are unable to buy new equipment. Those contractors are anxious to purchase available equipment. Many of these contractors were veterans. Veterans would like to go into the earth-moving business. I know of many, many applications. The pending bill not only discriminates. It is not only unfair to other agencies, but it is utterly unfair to the veterans who are not asking for a donation, but are asking for the privilege of buying surplus property, so that they can engage in business.

Many Members have been vigilant in behalf of soil conservation. The gentleman from Oklahoma [Mr. BOREN] has promoted legislation, but the pending bill is not the soil-conservation measure originally introduced by the gentleman from Texas [Mr. POAGE] or proposed by the gentleman from Oklahoma [Mr. BOREN]. It is an entirely new measure that has never been considered by any committee. Many Members of Congress have been most helpful and vigilant in behalf of veterans. The gentleman from Florida [Mr. HENDRICKS] testified at length before the Committee on Expenditures. I know of no Member who has made a greater effort to promote the priority and preference of veterans than he.

Mr. Speaker, in my judgment, the passage of this bill would sabotage the splendid effort that General Gregory, who has been on the job for only 3 months, is now making for the veterans to give them a chance to acquire this and other types of property. It would sabotage the administration of the Surplus Property Act for the benefit of State highway commissions and local subdivisions with money in their treasury by the millions of dollars, and call upon the United States, with $280,000,000,000 of public debt, to give away the property that the widows, and that the taxpayers of the United States bought bonds to enable the Government to acquire for the prosecution of the war.

In my judgment, the fundamental theory of the Surplus Property Administration is sound. This property belongs to all the people of the United States, and, like all other surplus property, it should be disposed of for the benefit of all the people and the proceeds paid into the Federal Treasury.

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

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

Mr. RABAUT. What they should do with this machinery is plow back some of the funds into the Treasury of the United States?

Mr. WHITTINGTON. Absolutely; and give these boys, who before they went into the service turned over their bulldozers and other equipment to the Government in many cases, an opportunity to repurchase it. I trust this bill will be defeated.

Mr. POAGE. Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, the opposition must base their contention on one horn or the other. In one breath they say that this bill takes away some of the veterans' rights, on the other hand they say, "We want this property sold for every dollar it will bring in the market." Which do they want? They have to make their choice. Do they mean it when they say they want veterans to have it regardless of what the Government gets? If so, all right, but let them stop talking about how much money they will get. If they want every dollar they can get regardless of who gets the property, let them quit shedding tears about the veteran. An individual can support either position, but he simply cannot occupy both positions at once. We want this property to be used by the people of America. We neither add to nor detract from the rights of veterans by this motion but we believe the use of this machinery in saving our soil will help many a veteran to make a better living for years to come.

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

Mr. POAGE. No; I will not yield. Mr. Speaker, with only 2 minutes remaining, I feel that I am entitled to express to this House the view of those of us who believe that when the United States Government has paid for material with tax money that it should be used by the taxpayers of America for public, not private purposes; that it should be used by the governmental agencies and not by the speculators of America; that it should be used to perpetuate the fertility of the soil of America for generations to come and not to line the pockets of a group of people who are growing wealthy trading on the physical equipment for war. We believe that this property having been paid for by American taxpayers is the property of the people of the United States. We believe that it should be used for public purposes.

Now we have a clear choice here. This bill will make this surplus property available for use by public agencies, not private. There is not a dollar of private profit in it. We have seen the operation of the present bill, and there is no man or woman in America who does not know that the present bill has been favoring a group of speculators. The present law which the opponents of this measure seek to perpetuate is no help to veterans. It protects no ex-serviceman. You know who has profited under the present bill. You know who is getting the money out of these sales. You know what the present bill has been doing. Are you by your vote this afternoon to put your stamp of approval on such a monstrosity? The proposed measure will at least assure the public of some small part of the profits now going to the speculators.

Be not deceived, my friends. This is no fight between the veteran and the farmer. On the contrary, it is a contest between the private speculators who are making great profits under the present law on the one hand, and the people of America who have once paid for this equipment on the other.

The SPEAKER. The time of the gentleman from Texas has expired. All time has expired.

The question is on suspending the rules and passing the bill.

The question was taken; and on a division (demanded by Mr. POAGE) there were—ayes 53, noes 171.

So two-thirds not having voted in favor thereof, the motion was rejected.

On motion of Mr. WHITTINGTON, a motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

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

H. R. 4761. An act to amend the National Housing Act by adding thereto a new title relating to the prevention of speculation and excessive profits in the sale of housing, and to insure the availability of real estate for housing purposes at fair and reasonable prices, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BARKLEY, Mr. MURDOCK, Mr. TAYLOR, Mr. MITCHELL, Mr. TAFT, Mr. BUCK, and Mr. CAPEHART to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1610) entitled "An act to provide for the rehabilitation of the Philippine Islands, and for other purposes;" requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. TYDINGS, Mr. HAYDEN, Mr. WHEELER, Mr. VANDENBERG, and Mr. AUSTIN to be the conferees on the part of the Senate.

INCREASE IN PAY FOR PERSONNEL OF THE ARMY, NAVY, MARINE CORPS, COAST GUARD, COAST AND GEODETIC SURVEY, AND PUBLIC HEALTH SERVICE

Mr. SPARKMAN. Mr. Speaker, I move to suspend the rules and pass the bill, H. R. 6084, to amend the Pay Readjustment Act of 1942, as amended, so as to provide an increase in pay for personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service, as amended.

The Clerk read as follows:

Be it enacted, etc., That (a) the first paragraph of section 9 of the Pay Readjustment Act of 1942, as amended, is hereby amended to read as follows:

"The monthly base pay of enlisted men of the Army, Navy, Marine Corps, and Coast Guard shall be as follows: Enlisted men of the first grade, $165; enlisted men of the second grade, $135; enlisted men of the third grade, $115; enlisted men of the fourth grade, $100; enlisted men of the fifth grade, $90; enlisted men of the sixth grade, $80; and enlisted men of the seventh grade, $75. Chief petty officers under acting appointment shall be included in the first grade at a monthly base pay of $150."

(b) The third paragraph of section 9 of the Pay Readjustment Act of 1942, as amended, is hereby amended to read as follows:

"Every enlisted man paid under the provisions of this section shall receive an increase of 5 percent of the base pay of his grade for each 3 years of service up to 30 years. Such service shall be active Federal service in any of the services mentioned in the title of this act or reserve components thereof; service in the active National Guard of the several States, Territories, and the District of Columbia; and service in the Enlisted Reserve Corps of the Army, the Officers' Reserve Corps of the Army, the Naval Reserve, the Marine Corps Reserve, and the Coast Guard Reserve: *Provided*, That retired enlisted men heretofore or hereafter retired with credit for 30 years' service in the Army, Navy, or Marine Corps and who served beyond the continental limits of the United States between 1898 and 1912, such service having been computed under previous laws as double time toward retirement, shall be entitled to receive the maximum retired pay now provided for the grade in which retired."

SEC. 2. (a) The second and third paragraphs of section 8 of the Pay Readjustment Act of 1942, as amended, are hereby amended to read as follows:

"First mates and assistant engineers of the Army Mine Planter Service shall receive base pay at the rate of $2,340 per annum and shall be entitled to the money allowances for subsistence and for rental of quarters as established by sections 5 and 6 of this act for officers receiving the pay of the first period.

"Chief warrant officers of the Army except masters and chief engineers in the Army Mine Planter Service, and commissioned warrant officers with less than 10 years of commissioned service, of the Navy, Marine Corps, and Coast Guard, shall receive base pay at the rate of $2,520 per annum and shall be entitled to the money allowances for subsistence and for rental of quarters as established by sections 5 and 6 of this act for officers receiving the pay for the second period: *Provided*, That a commissioned warrant officer or chief warrant officer promoted from the grade of warrant officer or warrant officer

(junior grade) shall suffer no reduction of pay by reason of such promotion: *Provided further*, That nothing herein contained shall be held to affect the authority of the Secretary of War to designate permanent or temporary chief warrant officers of the Army to receive the base pay and allowances of the third and fourth pay periods as provided in section 3 of the act approved August 21, 1941 (Public Law 230, 79th Cong.)."

(b) The seventh paragraph of section 8 of the Pay Readjustment Act of 1942, as amended, is hereby amended to read as follows:

"When the total pay and allowances authorized by this section for any person shall exceed the rate of $550 per month, the amount of the allowances to which such person is entitled shall be reduced by the amount above $550."

SEC. 3. The first paragraph of section 7 of the Pay Readjustment Act of 1942, as amended, is hereby amended to read as follows:

"The annual base pay of a brigadier general of the Army or the Marine Corps, rear admiral (lower half) of the Navy, the Coast Guard, or the Coast and Geodetic Survey, the Assistant Commandant of the Coast Guard, the Engineer in Chief of the Coast Guard, commodore of the Navy, an Assistant Director of the Coast and Geodetic Survey, and an assistant to the Surgeon General of the Public Health Service, shall be $6,600; and the annual base pay of a major general of the Army or the Marine Corps and of a rear admiral (upper half) of the Navy, the Coast Guard, or the Coast and Geodetic Survey, or the Surgeon General of the Public Health Service shall be $8,800. Every such officer shall be entitled to the money allowances for subsistence and for rental of quarters authorized in sections 5 and 6 of this act for officers receiving the pay of the sixth period."

SEC. 4. The second paragraph of section 1 of the Pay Readjustment Act of 1942, as amended, is hereby amended to read as follows:

"The first period, $2,160; the second period, $2,400; the third period, $2,640; the fourth period, $3,300; the fifth period, $3,850; and the sixth period, $4,400."

SEC. 5. The increases in pay specified in this act shall be applicable to the active duty, retired, retirement, or retainer pay of all persons whose pay is governed by, or by reference to, those sections of the Pay Readjustment Act of 1942, as amended, which are amended by this act.

SEC. 6. The increases in pay provided by this act shall become effective on the first day of the second calendar month following its enactment, and no increase in pay for any period prior thereto shall acrue by reason of the enactment of this act.

The SPEAKER. Is a second demanded?

Mr. ANDREWS of New York. I demand a second, Mr. Speaker.

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

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

There was no objection.

Mr. SPARKMAN. Mr. Speaker, there has been pending before the Committee on Military Affairs for some time now a proposal to increase the pay of the armed services. The subcommittee had rather extensive hearings and reported out the bill that is before us today. It is hoped to pass it now in order that we may stimulate enlistments as much as possible. I want to take just a few minutes to explain to you just what the bill seeks to do.

The Army and Navy had a joint pay committee which made a recommendation that there be a 20-percent over-all pay increase for all of the services. The subcommittee did not agree to that proposal but worked out a formula of its own whereby the pay of the lowest grade, the buck private, is increased exactly 50 percent, that is, from $50 to $75 a month. The pay of the private first class is increased approximately 50 percent, from $54 to $80. The pay of the fifth grade, that is, the corporal, is increased from $66 to $90, or approximately 40 percent. The fourth grade, that is, the line sergeant or buck sergeant, is increased from $78 to $100, an increase of approximately 30 percent.

The third grade, staff sergeant, from $96 to $115, or an increase of approximately 20 percent; technical sergeant, second pay grade, from $114 to $135, or approximately 20 percent; first grade; that is, the first sergeant and master sergeant, from $138 to $165, or approximately 20 percent.

The same percentage was applied to warrant officers and commissioned warrant officers, and in this connection, let me say that the same percentages are applied throughout to comparable grades in the Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service, all of which services are under the same pay bill.

When it comes to the commissioned grades, we propose a 20-percent increase for second lieutenants and first lieutenants. That would mean the second lieutenants' pay would be increased from $1,800 to $2,160; a first lieutenant from $2,000 to $2,400. All officers above that we propose to increase by 10 percent. We think we have worked out a good formula. May I say for the commissioned personnel, with the exception of the second lieutenants, this is the first pay increase they have had since 1908. During that same time, living costs have gone up 109 percent, and yet they have had no pay increase.

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

Mr. SPARKMAN. I yield.

Mr. DONDERO. Do grades 6 and 7 apply to the soldier who is a private?

Mr. SPARKMAN. Grade 7 is a private, and grade 6 is a private, first class. Under the law as it stands now, a buck private after 3 months in the service automatically becomes a private, first class, if he meets the other qualifications. There has been some suggestion from time to time against increasing the pay of officers. That is the reason I mentioned this 109-percent increase in the cost of living. And, too, here is something that so many overlook—you hear talk about the brass hats. I do not know whether you ever realized it or not, but 75 percent of our officers are in the low-pay grades of second lieutenant, first lieutenant, and captain. About 13 percent are second lieutenants; 36 percent, first lieutenants; and 26 percent, captains. About 15½ percent of our officers are majors, about 6 percent lieutenant colonels, and about 3 percent are colonels. All grades of general officers constitute less than one-half of 1 percent. I believe that the pay scale we have recommended for officers as well as for enlisted men is fair and just.

Mr. Speaker, I am including two tables. Table 1 shows the distribution of Army personnel in the various grades and ranks based on the average size of the Army during the fiscal year 1947. Table 2 shows a comparison of pay increases voted to civilian personnel in government service, with those proposed for officers in this bill.

TABLE 1.—*Budget estimates on average number who will have to be paid during the year in each grade as Army goes down from 1,550,000 on July 1, 1946, to 1,070,000 on July 1, 1947*

Generals of the Army	4
Generals	7
Lieutenant generals	30
Major generals	274
Brigadier generals	314
Colonels	4,274
Lieutenant colonels	8,548
Majors	22,788
Captains	37,652
First lieutenants	50,207
Second lieutenants	18,602
Total commissioned	[1] 142,700
Warrant officers	5,300
First grade	53,750
Second grade	64,500
Third grade	86,000
Fourth grade	107,500
Fifth grade	182,750
Sixth grade	430,000
Seventh grade	150,500
Total	[2] 1,075,000

[1] These figures include officers on terminal leave.

[2] Plus 6,000 aviation cadets and 50,000 Philippine Scouts.

TABLE 2

Rank		Base pay	Recent civilian pay increases (including the increase voted by House), same base	Proposed military increase, H. R. 6084	New civilian pay	New military pay, H. R. 6084
Army	Navy					
Second lieutenant	Ensign	$1,800	$700	$360	$2,500	$2,160
First Lieutenant	Lieutenant (junior grade)	2,000	720	400	2,720	2,400
Captain	Lieutenant	2,400	760	240	3,160	2,640
Major	Lieutenant commander	3,000	820	300	3,820	3,300
Lieutenant colonel	Commander	3,500	870	350	4,370	3,850
Colonel	Captain	4,000	920	400	4,920	4,400
Brigadier general	Commodore / Rear admiral (lower half)	6,000	1,030	600	7,030	6,600
Major general [1]	Rear admiral (upper half)	8,000	1,130	800	9,130	8,800

[1] Army ranks of lieutenant general, general, and General of the Army, and Navy ranks of vice admiral, admiral and Fleet Admiral, all same base pay as major general.

(Mr. SPARKMAN asked and was given permission to revise and extend his remarks and include some tables.)

Mr. ANDREWS of New York. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. HARNESS].

Mr. HARNESS of Indiana. Mr. Speaker, this bill is the result of careful study by a subcommittee that has been studying service pay for a number of years. I offered a bill which the subcommittee originally reported favorably to pay a flat $400 increase per year to every individual in the service. The full committee, after giving that consideration, finally ordered the subcommittee to make further study of the matter. The bill before us is the result of that study. It is the bill which I offered Saturday as an amendment to the bill extending the Selective Service Act. While there are some things in this bill that I would like to change, I believe it the best judgment of the full committee. I shall vote for it. I think we need this pay increase for the lower grades of the service, to stimulate enlistments and provide greater inducement to those men who want to make the Army, Navy, or Marine Corps a career.

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

Mr. HARNESS of Indiana. I yield.

Mr. JUDD. Does this do anything about the 20-percent increase for overseas duty?

Mr. HARNESS of Indiana. No. That is still the law. They would get a 20-percent increase on their base pay for overseas service. The Navy would get the same increase for sea duty.

Mr. JUDD. And how about flight pay?

Mr. HARNESS of Indiana. It does not change the 50-percent increase for Air Corps personnel. This is an increase in base pay all the way along the line. There is one feature of the bill which I should mention. It is the part that applies to all retired officers. You give them the same increase you are giving those in the active service. I question the advisability of that increase, but it appears that they cannot be left out without doing an injustice to men disabled in combat that we all want to reward.

Mr. ANDREWS of New York. Mr. Speaker, will the gentleman yield?

Mr. HARNESS of Indiana. I yield.

Mr. ANDREWS of New York. The testimony will show that the number of retired officers today is comparatively small. If you withhold this provision from the retired officers, you fail to reward many retired officers who have been wounded and disabled in this war.

Mr. HARNESS of Indiana. Yes. If we leave out retired personnel, many retired combat officers—men who have lost their legs or their sight—would be affected. The only alternative would be to limit increases to enlisted personnel. The matter of revising service-pay schedules is highly complicated, so I suppose this is the best we can do now. The main objective is to get volunteers so that the draft can be stopped.

Mr. ANDREWS of New York. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. MARTIN].

Mr. MARTIN of Iowa. Mr. Speaker, I have served on the pay subcommittee of the Military Affairs Committee for about 8 years. We have had before us all of that time the need for revision of the pay schedule for the Army. We made a moderate revision in 1942. Our recent interest and study of pay revision came to a head very abruptly with the consideration of the building of a postwar Army. Consequently, the subcommittee has speeded up its work in the matter of readjusting the pay schedule for the entire Army at this time. That accounts for this bill coming out just now. It has been long and carefully and rather tediously studied by the subcommittee having this responsibility. The last big revision in the base pay was in 1908. The last big revision in the matter of allowances was in 1922. A moderate adjustment of pay was made in 1942. This now comes as an effort on the part of the committee having the study of the pay schedule for the armed forces under consideration to build up successfully an appeal to both enlisted men and officers for the making of our postwar Army, Navy, and Marine Corps.

I did not draft this bill, although I have studied it and compared it carefully with many other proposed bills. Therefore I can say that those on the committee who actually drafted this bill have done what I consider the best job which has yet been done in the field of pay legislation during my time in Congress. I can endorse this bill very enthusiastically, and I predict it will have a far-reaching effect in inducing men to join the Army voluntarily as privates, and look forward to promotion with some comparable rate of return to that which they could get in industry, agriculture, or business.

In the ranks of officers, the bill offers some inducement to keep the highly qualified officer material in the Army just now when we are trying to rebuild our officer personnel.

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

Mr. MARTIN of Iowa. I yield.

Mr. WHITTINGTON. The gentleman spoke of increases in pay. What was the pay of a private before the war?

Mr. MARTIN of Iowa. At the opening of the war, for the first 4 months' service, they were paid $21. A private was given $30 for the next 8 months' service, and $40 after 1 year of service. In 1942 Public Law 607 of the Seventy-seventh Congress raised the pay of private to $50.

Mr. WHITTINGTON. There evidently has been an increase since 1908 and 1922 in the compensation of buck privates.

Mr. MARTIN of Iowa. That is true.

Mr. WHITTINGTON. This is permanent law, is it not?

Mr. MARTIN of Iowa. Yes.

Mr. WHITTINGTON. You raise that pay from $21 to $75?

Mr. MARTIN of Iowa. No; from $50 to $75 by this proposed legislation. The increase to $50 was made in June 1942.

Mr. Speaker, I have always opposed conscription for military service in peacetime and I voted against the extension of the draft today after having opposed it in the Committee on Military Affairs and on the House floor during the debate thereon. It is my sincere belief that a fair and equitable adjustment of the pay of our soldiers and sailors and marines, such as provided in this bill, will go far in building up our armed forces by voluntary enlistment. This method of building our Army, Navy, and Marine Corps in peacetime is infinitely better than the continuation of compulsory military service, and I sincerely hope that this pay adjustment will be speedily enacted into law and that the results will be reflected by such an increase in our voluntary enlistments that we can discard the draft and compulsory military service forever except in time of actual war.

In event of further hostilities or our involvement in another war, Congress can very speedily enact legislation to reestablish the draft. As I stated in the debate on the draft-extension bill April 12, Parliament enacted legislation establishing compulsory military service the same day that Britain declared war on Germany, September 3, 1939. Congress can do the same whenever the need arises. Our obligation to the American people in peacetime is to keep our Nation adequately prepared and at the same time protect our citizens against the encroachment of militarism. In my opinion, the pay adjustment provided by this bill is a very important and sound step toward building our armed forces to adequate strength by volunteer enlistments.

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

Mr. SPARKMAN. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. KLEIN].

Mr. KLEIN. Mr. Speaker, I am in favor of this bill and shall so vote. I take this time, however, to explain why I voted "no" on the so-called extension of the Selective Service Act. In my opinion, it is nothing more than legislative mumbo jumbo. It does not mean a thing. It is not a draft bill. It does not draft anybody. If we had to depend on the wording of the bill, we would have no Army and no one would come into the Army. Those who have served overseas in hazardous duties would not be given the justly earned discharges. Therefore, I voted against that bill. I favor this bill. I hope this bill will have the desired effect, but I also hope we get a better bill out of the conference between the Senate and the House. I hope the Senate passes a bill that will really be a draft bill that we can support.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. ANDREWS of New York. Mr. Speaker, I yield 2 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix in two instances and include certain articles.

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

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to revise and extends the remarks I am about to make.

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

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, today I am introducing a bill to create a United States Foreign Legion. Admittedly the idea springs from that of the famous French Foreign Legion and is prompted by a desire to make sure that the United States will have an adequate military force to do the large overseas police job to which our country has been committed.

Under the terms of the bill as I have written it the United States Foreign Legion could enlist 500,000 men not nationals of the United States, who would have a special status in the military forces of the United States. I believe that large a force or as many thereof as were wanted by the Secretary of War could be recruited quickly.

The bill proposes that these men be enlisted for not less than 5 years to serve anywhere in the world at the pay rate of a United States citizen soldier serving in continental United States. In other words, there would be no additional amount paid for overseas service, since many of these men would be serving in a climate and under conditions natural to them.

The members of the Foreign Legion would serve under the normal peacetime service benefits of the American soldier. In other words, they would not become entitled to the benefits of the so-called GI bill, nor would they receive any entitlement for disability benefits except when service-connected.

A desire to share in the establishment of peace and the normal rate of pay, I am convinced, Mr. Speaker, would attract a full recruitment of that portion of the authorized strength which the Secretary of War at any time desired.

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

Mr. CASE of South Dakota. I yield.

Mr. MURDOCK. Would the gentleman's bill provide American citizenship for those serving in the Foreign Legion?

Mr. CASE of South Dakota. The bill provides that after enlistment and 5 years of honorable service the soldier shall be entitled to apply for citizenship under section 724 of the Nationality Act of 1940 which establishes procedure for persons who have served 3 years in the regular forces.

Properly presented, to homeless and hungry people around the world, a Foreign Legion of the United States would probably attract a larger number than the authorized strength and they would do a good job.

The French Foreign Legion has written remarkable history, and I expect with the permission of the House to place in the RECORD two articles on the achievements of that famous organization which were published a few years ago on the occasion of its hundredth anniversary.

There are some special features in the bill which I will briefly mention, but I suggest that the text of the bill itself will answer many questions that may be raised.

I propose that the United States Foreign Legion be officered, above the rank of major at least, by officers of the Regular Army especially detailed to that service. Officers below the rank of major would temporarily, at least, also come from the Regular Army but the incentive of promotion in the noncommissioned grades and of warrant officers in a limited number, would be authorized as an incentive for enlistment and achievement.

I specifically propose that during their 5 years of enlistment, the members of the Foreign Legion shall receive indoctrination in the ideals of the United States, and that after 5 years of honorable service a member might apply for naturalization in accordance with section 724 of the Nationality Act of 1940 which establishes procedure for persons who have served 3 years in the regular services.

Of the 500,000 men in the authorized strength, I propose that not more than one-fifth at any one time can be of the same nationality. This, of course, could be modified if thought desirable.

Mr. Speaker, in the critical situation now confronting our armed services, I urge early consideration of this bill:

A bill to create a United States Foreign Legion

CREATION OF UNITED STATES FOREIGN LEGION

SECTION 1. That there is hereby created under the jurisdiction of the Secretary of War, subject to the orders of President of the United States as Commander in Chief, a special military force consisting of officers and men of any nationality, other than nationals of the United States except as provided in section 2, not more than one-fifth of whom at any one time shall be of a single nationality, to be known and designated as the United States Foreign Legion (hereinafter referred to as the Legion).

OFFICERS

SEC. 2. (a) The Secretary of War is authorized to make such rules and regulations as may be required for commissioning officers for the Legion. The number of such officers shall not exceed 40,000 and no officer commissioned in the Legion shall hold any rank above that of major.

(b) The Secretary of War is authorized to detail as many officers above the rank of major from the Regular Army for service with the Legion as may be required.

WARRANT OFFICERS

SEC. 3. The total number of warrant officers in the Legion shall not exceed 1,000.

ENLISTED FORCE

SEC. 4. The total number of enlisted men in the Legion shall not exceed 459,000 to be recruited under regulations prescribed by the Secretary of War.

ORGANIZATION

SEC. 5. (a) The Secretary of War shall cause the Legion to be organized, composed, and governed along lines as nearly identical as practical to those now or hereafter employed with respect to the Regular Army except that the uniform of the Legion shall have some distinctive patch, marking, or insignia prescribed by the Secretary of War to distinguish it from those of the Regular Army.

(b) The officers and enlisted men of the Legion shall be subject to the Articles of War and Army Regulations and shall have all the rights, benefits, and duties granted or imposed by law upon officers and enlisted men of the Regular Army, except the following:

(1) Officers and enlisted men of the Legion may be required to serve anywhere in the world at any time with no additional pay for overseas service;

(2) Officers and enlisted men of the Legion shall not be entitled to any benefits under the Servicemen's Readjustment Act of 1944, as amended, by virtue of service in the Legion.

(3) Officers of the Legion shall have command functions with respect to subordinates within the Legion only and shall not have any command functions with respect to personnel in other armed forces of the United States unless specifically authorized by competent authority in special cases so to do;

(4) Enlisted men shall be enlisted for a term of 5 years, but shall be eligible for discharge after 3 years upon application with such physical and other qualifications for either enlistment or discharge at any time as the Secretary of War may prescribe; and

(5) The Secretary of War may exempt the Legion from such Army regulations and make such other regulations applicable to the Legion as may be necessary.

NATURALIZATION

SEC. 6. (a) A person who has served honorably at any time in the Legion for 5 years or more, and who, if separated from such service, was separated under honorable conditions may be naturalized in accordance with the procedure provided in section 724 of the Nationality Act of 1940 (U. S. C., 1940 ed., title 8, sec. 724).

(b) Such person may be required to comply with such tests with regard to speaking and writing in the English language as the judge having jurisdiction of the naturalization proceeding may require.

INDOCTRINATION IN AMERICAN IDEALS

SEC. 7. Members of the Legion shall be indoctrinated in the ideals of the United States in courses prescribed by the Secretary of War.

UNITED STATES ARMY TO ASSIST IN ORGANIZATION OF LEGION

SEC. 8. The Secretary of War is authorized to employ such officers and enlisted men from the Regular Army as may be required for the organization, training, and indoctrination of the Legion.

SHORT TITLE

SEC. 9. This act may be cited as the United States Foreign Legion Act.

Mr. ANDREWS of New York. Mr. Speaker, I yield 3 minutes to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Speaker, I am somewhat puzzled by the situation facing us today, as we are called upon to consider this hastily advanced measure, to which no amendments can be offered, and upon which debate is so limited. In the first place, I wonder what the fighting soldiers will think about raising the pay of men doing occupational duty? I recall full well 27 years ago when I, an enlisted man, returned from the muck, mire, and hospitals of France. I know what I would have thought if I had been told that the occupation troops were going to be paid at 50 percent more than we who did the fighting had been getting. I would have thought I had been unfairly treated. I think you are extending an open invitation to make this retroactive—retroactive possibly to September 16, 1940, when our men began training.

Just a week or so ago we refused salary percentage increases for civilian employees of the Government in the upper brackets. I notice in this bill, however,

that the brigadier general gets an increase of $600 a year and a major general gets $800. I do not think that is necessary to encourage enlistments or Army service, the purported purpose of this measure. If men stay in the Army long enough to reach those grades they are in until retirement age. This increase applies to the retirement pay, too.

Mr. ANDREWS of New York. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. Not at present.

Not only that; I was recently interested in reading a booklet, NRB–50148, put out by the United States Navy in which they set out the advantages in naval service over civilian life. On page 11 they point out that a lieutenant, junior grade, will actually be getting the equivalent of $6,314 total income as compared with a $4,111 income for civilians.

They go on to show all of the benefits, such as medical care and travel pay for dependents, ship store facilities, leave with pay, travel opportunities, club privileges, partial exemption from income tax, and retirement that would cost a civilian $1,500 a year. The pamphlet concludes by saying in substance, that this service is so much better than anything you can get in civilian life that there should be no question about what a man should do. I have also seen some of the material sent out by the War Department in reference to enlisted men and if what the Army says in the prospectus is true, this bill is not entirely necessary. The picture they paint is so bright, filled as it is with potential opportunities, that increased pay such as provided in this measure may be much greater than necessary to get the desired results.

I will state frankly that men during wartime do not receive any more than they are entitled to. You cannot pay fighting men the full worth of their services. I just wonder if possibly this could have been given a little bit different view, a little different presentation if less haste had been shown.

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

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

Mr. BUCK. I have been listening very attentively for an estimate of the total cost of this measure. Has the gentleman any idea what that is going to be?

Mr. SCRIVNER. I have no idea and I see no figures in the report that would indicate what the total cost may be for the present, but I am again suggesting that you have opened up wide an invitation for a bill to be made retroactive probably back to 1940 when these other men went into the service.

Mr. BUCK. We are in effect writing a blank check?

Mr. SCRIVNER. We might conclude that is true.

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

Mr. ANDREWS of New York. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. KEARNEY].

Mr. KEARNEY. Mr. Speaker, in supporting H. R. 6084, a bill to amend the Pay Readjustment Act of 1942, as amended, I am motivated by several reasons. In my support of this bill I do so even though opposed to the inclusion of the 50 percent additional flying pay for officers of general officer grade. This I believe to be all out of proportion to the increases of the several grades, both enlisted and commissioned.

We are facing a crucial period in our national defense. Rapid demobilization of our armed forces has made all branches practically a shell of the great efficiency and powerful hitting force we had during the war lately concluded.

We are now endeavoring to recruit by voluntary methods the forces necessary to our national defense. We have seen, since this recruiting campaign was commenced, an alarming drop in monthly enlistments.

This pay bill represents a step in the right direction and will encourage young men, ambitious and of good character, who are anxious to make the armed services their life's career.

Mr. ANDREWS of New York. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Speaker, I shall not repeat upon this occasion the observation which I made 2 days ago while the extension of the draft bill was under consideration with respect to the lack of certainty that a raise in pay will produce very much of an increase in the number of volunteers.

There is one element in the Army and Navy pay schedules with which I have been concerned for some time, and which, I am sorry to say, is not touched upon in this bill. I refer to flight pay. As most of you know, the law reads today that every officer in the Army, the Navy, and the Marine Corps who qualifies as a flying officer, no matter what his rank, receives a 50-percent increase over his base pay. Now, I do not deny for one moment that officers in the lower grades in the Army Air Corps and naval aviation who take great risks might well be generously treated with respect to flying pay. Occasionally officers over the field grade take similar risks and occasionally even general officers and rear admirals, perhaps, take such risks, but very, very seldom.

I had hoped that the Committee on Military Affairs would give some consideration to revising the flight-pay increase and had it been in order on this occasion I would have offered an amendment to this bill to the effect that the general officers of the Army and the corresponding ranks in the Navy and Marine Corps, brigadier generals and major generals, should not receive flight pay higher than 20 percent of their base pay instead of the 50 percent that they are receiving now. Under the law as it is today a brigadier general of the Air Corps or a rear admiral of naval aviation gets a base pay of $6,000 and an additional $3,000 for being a flight officer, raising the total to $9,000, making his pay higher than that of a major general.

Mr. Speaker, I hope that the Committee on Military Affairs will give serious consideration to this matter because I do not think we are justified in continuing this extraordinarily high flight pay for officers of the highest ranks.

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

Mr. WADSWORTH. I yield to the gentleman from Oregon.

Mr. NORBLAD. As the gentleman knows, I have just concluded serving 3 years in the Army Air Corps. I agree with the gentleman's remarks, although personally I feel that flight pay should be removed and eliminated altogether.

Mr. WADSWORTH. The gentleman would go farther than I would at this time, but sooner or later, may I say, and it may take some years, there will have to be a leveling off of the pay schedules of the several branches of the two services.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. SPARKMAN. Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. BIEMILLER] such time as he may desire.

Mr. BIEMILLER. Mr. Speaker, I am interested above all things in seeing that this Nation has an Army adequate in numbers and in training to defend our national interests abroad. Such an Army should in my opinion be made up of enthusiastic volunteers, men who like Army life and are suited to it, men with the moral stamina to withstand the dull routine of occupation duties and yet ready for military activities if necessary.

Service in such an Army is an honorable career and should be given an honorable reward. Many men who made fine soldiers and want to stay in the Army do not feel it fair to their families or themselves to do so under present conditions of pay and retirement. They would be eager to enlist if they were sure of adequate pay.

I think our country will be best represented abroad by a force of mature disciplined men who are satisfied with Army life rather than by a group of unwilling conscript youngsters. While young boys make excellent combat troops, they are totally unsuited to garrison duty in a hostile country. Temptations surround them on all sides. We are unfair to our young people and to our country in asking them to take over duties for which they are not equipped. General Eisenhower himself has said that young lads make poor occupation troops.

It is my belief that adoption of this pay increase will draw enough volunteers to the Army that we can safely do away with the peacetime conscription of young boys, who can serve their country better by continuing their education or learning a trade. Educators and industrial leaders assure us that this country will soon suffer severely from the shortage of trained men caused by our drafting almost all boys of college age for the past few years.

If we continue our present policy, we run a chance of making poor soldiers out of potentially good chemists, doctors, tool makers, and at the same time depriving ourselves of good soldiers who cannot return to their chosen career because the pay is too low. Pass this bill and the individuals and the country both benefit.

Mr. SPARKMAN. Mr. Speaker, I yield such time as he may desire to the gentleman from Massachusetts [Mr. PHILBIN].

Mr. PHILBIN. Mr. Speaker, the chief trouble with this bill is that it was not adopted prior to the enactment of the draft-extension law.

This is an extremely complicated and technical matter. We must congratulate and thank the distinguished gentleman from Louisiana [Mr. BROOKS] and his subcommittee for their painstaking and arduous work in studying and formulating this measure. I do not believe for one moment that this is a perfect bill. In some respects it may have to be revised and perfected and enlarged at a later date.

But its provision for paying attractive compensations to our armed services and thus stimulating recruitment and voluntary enlistments in peacetime will almost certainly result in raising an adequate army in the relatively near future and thus obviate the necessity—if such ever existed in the light of the 800,000 voluntary enlistments in the Army alone since October 1945—of continuing the peacetime draft; that restraint upon the liberties and welfare of our young men; that montrously undemocratic challenge to our free way of life.

I will support this measure believing that pay rates and related matters may be more equitably adjusted as we go along and also believing that it will afford satisfactory opportunities and inducements for many of our young men to join our regular volunteer professional Army.

Mr. SPARKMAN. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. DOYLE].

A VOLUNTEER AND RESPECTABLY PAID ARMY IS BASICALLY SOUND—NOT A CONSCRIPTED ARMY IN PEACE

Mr. DOYLE. Mr. Speaker, the well-known fact on this floor, that within a few minutes there would be brought to the floor the pay-increase bill for the Army, is the chief contributing factor which reasoned with me that my vote should be "aye" on the draft bill a few minutes ago.

But, as the evidence clearly showed that with this pay bill, there should be no need of any drafted army, the draft bill itself should become an antique so far as need is concerned.

Yet, I felt that if there was an urgent need suddenly existent and that, for any reason, the volunteer method did not measure up, then not only our national security but the peace of the world might be endangered or even lost.

No man feels more opposed than do I to any peacetime draft of men of any age. But the objectives for which my own son gave his life in this war and for which millions of other loved sons died, are not yet achieved. Full peace is not yet here. It must yet be fully won. The world is not yet settled down to settle up. We must work for peace as we worked every hour to win the war.

The UN needs time to function. Man's heart and reason is not yet established for enduring peace in all nations sufficiently to warrant immediate abandonment of necessary police and occupancy army forces.

I hate war and everything in connection with it. The need of military is repugnant to my whole being. But I must be realistic as I believe the facts to be at this time.

No bill would have had my support if it had included youth under 21. Nor would an immediate draft provision. But with 6 months' delay and with this sensible pay increase, authorities say no draft will be used.

And this pay bill should mean less need of any sort of military training which would border on too much stress thereupon. For with the pay decently attractive, it should attract men who want to make the Army a career. This being so, there should be less need of the sort of military training that thinks in terms of taking our youth out of the normal home and school relationships for a year. More than ever, with this pay bill passed and enacted into law, youth desirous of so doing will find attractive pay for their Army incentive. Our youth can get enough military training in connection with and as part of their everyday school, ROTC, National Guard, summer and special camps, and other similar experience. Federal and State and local units must all cooperate and coordinate so that no break in normal educational ambitions and advantages are experienced.

General Eisenhower said he would rather have a volunteer army than a drafted one. Well, that is what he will now have. For, the decent pay bill just passed will give him the volunteer army, with the draft only in the rarest of extremities. He said we must not gamble with the peace of the world and I agree with him. America must work and pray for peace in the world. She must remain strong enough now to assume and promptly discharge her part of the UN obligations throughout the world—with force if needs be—until this world neighborhood learns to live by the rules of conduct set by the Prince of Peace.

With this pay bill and by eliminating the 18-year-old lads, adults who choose the Army with decent pay, will soon be replacing the boys and fathers now in occupational zones in foreign lands. I want those lads and those fathers home at the earliest possible moment and urge the earliest possible moving along to the Senate of this bill.

Let us get these boys home for college, in September term if not before, and let us get these fathers overseas home, too. Send the volunteers as replacements at the earliest possible date.

The pay increases are, what the committee said, large enough to obtain all necessary volunteer soldiers. Good. Get it to functioning at the earliest possible date. Get every boy and man home who does not voluntarily want to stay, at the earliest date possible. Fill his shoes and place with a well paid dignified American volunteer who is in the armed forces in peacetime from his own choice, freely and voluntarily made.

Meantime, let us pull and pray and work some more for an enduring world peace.

Let us give UN our every prayer and good will.

Mr. SPARKMAN. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. DURHAM].

Mr. DURHAM. Mr. Speaker, I agree with the gentleman from New York on this so-called hazardous pay. I think we should correct it as soon as possible. Certainly I, as a member of the committee, will do anything I can to help correct it. I think it should be adjusted on what we feel is a fair and equitable basis. We all know, of course, the primary purpose for bringing this bill out at this time. Some of the members, as well as officials of the War Department, were worried on account of the fact that the soldiers at the present time can get so much more pay on the outside than they can in their regular line of duty in the Army that we had to do something in the way of incentive to get them to volunteer. I hope that it will have its desired results. I think, perhaps, that the pay of a private could have been raised a little higher than the bill indicates at the present time. But you all realize that a pay bill is a very difficult thing to work out on an equitable basis. The committee has done what I think is a good job, and I am supporting this measure with the hope that we can secure sufficient volunteers so as to meet our commitments and get the Army on a volunteer basis as soon as possible.

Mr. SPARKMAN. Mr. Speaker, I yield 8 minutes to the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, it so happens that I was chairman of the subcommittee that wrote the presently considered pay bill and I want to assure the gentleman from New York who has just spoken that the committee has given thought to the matter of flying pay. It expects to give much more thought to that matter in the future. It so happens that now we are confronted with the proposition of obtaining enough enlisted men for the Army, the Navy, and the Marine Corps during this critical reconversion period. The committee in its deliberations felt that it should not take any action which might hurt the recruitment program which is now under way but that our actions should be devoted, so far as possible, to aiding in the work of increasing enlistments of men in the Army and the Navy so that we can soon approach the time when we will have a completely volunteer Army and Navy and will not have to use the terms of a draft act or any other forcible means to get the men we need in the Army and the Navy of the United States.

Mr. Speaker, briefly speaking, the bill under consideration does one thing. It raises the pay of the enlisted grades, beginning at the private soldier, which is raised 50 percent, and tapering off down through the enlistment grades up into the commissioned grades to a low of 10 percent increase.

Someone will ask, Why this action when one of the prime purposes of the committee was to increase enlistment in the Army so as to obviate the necessity of taking men into the service through selective service? The reason is apparent when you study the pay act of the Army, the Navy, and the Marine Corps. Through a period of years this pay act has been built up. It is intensely technical. I was chairman of the subcommittee which, in 1942, wrote the amend-

ment of that year to the pay act, and I am happy to say that most of the same men were on the subcommittee at that time who officiated in that subcommittee action at the present time.

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

Mr. BROOKS. I yield to the gentleman from Missouri.

Mr. SHORT. May I congratulate the gentleman from Louisiana and the other members of the subcommittee? I think not only all the members of the Committee on Military Affairs but the entire membership of the House owe a great debt of gratitude to the gentlemen who worked so long, faithfully, and hard to bring out this splendid bill, which I am sure will pass overwhelmingly.

Mr. BROOKS. On behalf of the whole subcommittee, I thank the gentleman very much.

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

Mr. BROOKS. I yield to the gentleman from Massachusetts.

Mr. PHILBIN. I second the sentiments so ably expressed by my distinguished colleague from Missouri.

Mr. BROOKS. I thank the gentleman very much.

Pursuing the thought on which I had begun, the act is intensely technical. When you change one feature of it you may throw out of joint another feature which you did not intend to disturb. For instance, when we raised the pay of a private second class in the Army from $50 to $75 a month, immediately the pay of the private first class was affected because by raising the pay of the private second class, or the buck private, 50 percent we were paying him more than the private first class. When we raised the pay of the private first class from $54 to $80 a month, we found we were interfering with the pay of the corporal. Therefore, we had to start at the very bottom and adjust the pay on a sliding scale upward. In doing so I think I can state the view of the committee that our idea was to begin with a 50-percent increase for the buck private and to taper off to a 10-percent increase for the higher commissioned officers.

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

Mr. BROOKS. I yield to my distinguished colleague from Mississippi for a question.

Mr. WHITTINGTON. May I ask the gentleman if his committee heard any testimony from so-called buck privates and people in the class of buck privates that in their opinion the increase in salary would stimulate enlistments?

Mr. BROOKS. We did not hear from them. May I say modestly to the gentleman from Mississippi that I, myself, was a buck private in the First World War and I know something about the life of an enlisted man.

Mr. WHITTINGTON. I know, but when we pass on legislation such as this we want to know what testimony there was from buck privates that an increase in their compensation from $50 to $75 would stimulate enlistments, in their opinion, and they are the ones who do the enlisting.

Mr. BROOKS. We have this evidence, that when we originally increased the pay from $30, which was the pay in the First World War for a private, second class, to $50 in this World War, it stimulated enlistments. Every time we have raised the pay a stimulus has been given to the enlistment of enlisted men. We also had the testimony of representatives of the Army, the Navy, and the Marine Corps to the same effect, that by raising this pay substantially for the enlisted men we would get more volunteers and it will help to solve our troubles.

Mr. WHITTINGTON. I appreciate the gentleman's answer, but, with all due deference, I think the selective service, the drafting of these men, had a lot more to do with the matter than increasing the pay.

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

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to place in the RECORD at this point two tables showing the increase all along the line of the pay schedule for the enlisted men and the commissioned officers.

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

There was no objection.

The tables are as follows:

Pay of enlisted personnel under pay readjustment act and H. R. 6084

Grade	Present monthly base pay	Proposed monthly base pay	Approximate percentage of increase
1. Master sergeant, first sergeant; chief petty officer (Navy) [1]	$138	$165	20
2. Technical sergeant; petty officer first class (Navy) [1]	114	135	20
3. Staff sergeant, technician third grade; petty officer second class (Navy)	96	115	20
4. Sergeant, technician fourth grade; petty officer third class (Navy)	$78	$100	30
5. Corporal, technician fifth grade; seaman first class (Navy)	66	90	40
6. Private first class; seaman second class (Navy)	54	80	50
7. Private; apprentice seaman (Navy)	50	75	50

[1] Chief petty officer acting appointment (Navy); present monthly base pay, $126; proposed monthly base pay, $150; approximate percent of increase, 20.

Pay of commissioned officers under pay readjustment act and as proposed by H. R. 6084

Grade	Present annual base pay	Proposed annual base pay	Approximate percentage of increase
General of the Army; fleet admiral (Navy)	$8,000	$8,800	10
General; admiral (Navy)	8,000	8,800	10
Lieutenant general: vice admiral (Navy)	8,000	8,800	10
Major general; rear admiral (upper half) (Navy)	8,000	8,800	10
Brigadier general; rear admiral (lower half) (Navy)	6,000	6,600	10
Colonel; captain (Navy)	4,000	4,400	10
Lieutenant colonel; commander (Navy)	3,500	3,850	10
Major; lieutenant commander (Navy)	3,000	3,300	10

Pay of commissioned officers under pay readjustment act and as proposed by H. R. 6084—Continued

Grade	Present annual base pay	Proposed annual base pay	Approximate percentage of increase
Captain; lieutenant (Navy)	$2,400	$2,640	10
First lieutenant; lieutenant (junior grade) (Navy)	2,000	2,400	20
Second lieutenant; ensign (Navy)	1,800	2,160	20

Pay of warrant officers under pay readjustment act and as proposed by H. R. 6084

Masters and chief engineers, Army Mine Planter Service	$2,400	$2,640	10
Chief warrant officers; commissioned warrant officers with less than 10 years service (Navy)	2,100	2,520	20
Commissioned warrant officers of Navy, Marine Corps and Coast Guard after 10 years' service with a creditable record	2,400	2,640	10
Commissioned warrant officers of the Navy, Marine Corps, and Coast Guard after 20 years' service with a creditable record	3,000	3,300	10
First mates and first assistant engineers, Army Mine Planter Service	1,950	2,340	20
Warrant officers (junior grade) and flight officers of the Army; warrant officers of the Navy; and second mates and second assistant engineers, Army Mine Planter Service	1,800	2,160	20

(Under present law, pay and allowances of warrant officers are limited to $458.33 per month. Under H. R. 6084 pay and allowances of warrant officers would be limited to $550 per month.)

Mr. SPARKMAN. Mr. Speaker, I yield such time as he may desire to the gentleman from Texas [Mr. LYNDON B. JOHNSON].

Mr. LYNDON B. JOHNSON. Mr. Speaker, this Congress has the finest record of any legislative body in its attitude toward creating and maintaining a civilian army.

Ours was the best fed army in the world.

Our men had the finest possible medical care.

They were given the best educational facilities.

You could multiply these examples of our "bests," and when you put them all together they spell out the finest aggregation of fighting men the world has ever known.

But we, the Congress, cannot rest on those laurels. We must move forward. We have done many things; many things remain to be done.

Mr. Speaker, the civilian soldier anticipating his discharge is the world's happiest man. He has been told of his Government's plans: Of the GI bill of rights; of the provisions for borrowing money for a business; of his priorities in constructing a home; of his opportunities to get surplus properties for his farm or business. He anticipates that the home folks will look upon him—well, if not as a hero, at least with words of appreciation.

The soldier turned civilian finds the streets are not paved with gold. His path, in fact, is strewn with stones. The stalwart aid promised him by the Government to help him catch up in the

business of living turns into the flimsiest of crutches.

Mr. Speaker, for fear my words may be misunderstood, let me say that this Congress and the United States Government, and that, sir, means the people of the United States, have done a wonderful job. We created from scratch the finest force of fighting men this world has ever known. Its merit was proved on the blood-red field of battle. Our soldiers were the best-fed, the best-cared-for troops on the face of this war-ravaged old earth.

But in creating that fighting force, we dislocated the lives and futures of some 15,000,000 men. Now we come face to face with our promises to those men. We promised that the Government would do everything within its power to see that those men whose lives were dislocated would be given the chance to catch up with their luckier fellow citizens.

Mr. Speaker, you once told me words that I have never forgotten and never shall forget so long as I have a voice on this floor. You told me the Congressman has an easy job during time of war because the function of the Congress is to delegate the necessary power and provide the necessary money for the prosecution of the war. But during the times of peace the Congressman must himself decide what is best for his country. That is what I have been trying to do with respect to those 15,000,000 men whose lives were dislocated through no fault of their own. These men are not asking for special privileges. They ask only that they be put on an even footing with the rest of the people of the Nation who, during the war, got a long head start on them. And my only purpose is to remind you that no matter how hard the decisions may be to make, we, the Congress, should now set ourselves to solve those problems of the veteran with the same speed with which we solved the problems of war. Some of our solutions may be wrong, as they were in the war; but at least we will have had the satisfaction of having done our best.

Nearly 6 months ago I visited in my central Texas district when the first wave of returnees were attempting to find their places in civilian life. I talked to these men. Since that time their story, with minor variations, has been told countless times. One is of the veteran who planned to return to the farm. He spotted equipment he needed at a nearby Army camp. The camp was slated for deactivation, the material was surplus. He filed on that machinery. He inspected it every day, anticipating it would be his before time for fall plowing. Then that machinery suddenly disappeared, and he was advised it would be for sale at a camp hundreds of miles away. Another is of vets who went to Army vehicle sales and found the best buys already grabbed up by dealers. All of these things happened 6 months ago. Six months. Six months is a century to a man who already counts four lost years. I heard these tales when their telling was novel. I came back to Washington and introduced a bill to state clearly the veteran's priority. It was the first of such bills. Six long months have passed. Today our CONGRESSIONAL RECORD is filled daily with stories of the disappointment, the disillusion, of veterans trying to buy surplus materials. Six months are lost; surplus property is melting away; thousands upon thousands of veterans have become resentful and suspicious of their Government.

Let us consider the case of the young soldiers who hoped to complete an interrupted education. The GI bill stated their rights, how much the Government would contribute to their support. We, the people, had a double stake in GI education. Unless these boys return to school and complete their courses, this Nation may be, in another 10 or 20 years, faced with a serious shortage of trained personnel. The GI confidently boarded a train and rode down to Austin, where the University of Texas is located. Across the Nation GI's were riding trains to university cities. What did they find? They found college communities caught flat-footed. Strained by 4 years of no construction, these cities were and are bulging at the seams. Community efforts were not enough; homes could not be conjured out of hats like a magician's rabbit. And in a misguided moment the executive department had permitted building materials to flow into night clubs instead of homes. They planned too little and too late.

How many veterans were turned away from the doorways of colleges none can tell you. Too often the GI met frustration, indifference, or downright rebuff where academics were cloistered in ivied towers. Even those who found a roof for their heads had trouble at first in getting food for their bodies. Because our Government likewise was unprepared, and educational allotments were delayed in coming. Belatedly, the country awoke to the housing crisis. Too late for many disillusioned young men who went back to their homes, too little housing to go around was provided. Recently our National Housing Administrator courageously moved to channel construction materials to the veterans. I read in the confidential news letters, written in Washington by those wise enough to read our minds and rash enough to predict our actions, that the Congress will enact the administration's housing program. I pray that the completed program does not come too late, nor prove too little.

There would be little point in a recital of the past except to explain the present and explore the future. Meeting disillusion on every side, the soldier turned civilian is now making his voice heard in the land. You need no more than a speaking acquaintance with human nature to understand, for instance, why the ex-enlisted man now decides that, as compared with the officer, the enlisted man got the short end of the stick. The officer represented authority. He was the symbol of that Government we were defending. The GI finds he was looking at civilian life through rose-colored glasses; his disillusion turns to resentment, and that resentment is vented upon the symbol of authority—the officer. The enlisted man is saying that he is fed up.

Down in my district there is published a lively country weekly called the Luling Newsboy. They are just small-town folks down there—the foot soldier armies of this and every other war. R. E. Bailey is the editor. His son, Ray Bailey, was a corporal in the Army. A few days ago this former corporal boiled over, and his daddy printed what Ray wrote. Let me read you some excerpts from it. He starts out:

> Our brass hats wonder why their recruiting programs are seriously lagging. The average GI can give them an answer. They're fed up!
>
> They are fed up with being stepped on and being discriminated against—with having to bow and scrape to a privileged few.

Then this ex-GI from Luling continues:

> Both the Army and the Navy are administered on the theory that enlisted men are not fit to use the same sanitary facilities as officers. The lowly enlisted man is not even entitled to the same justice as officers. The enlisted man is confined on bread and water for a minor offense. The officer is confined to his sumptuous quarters. I know of one incident where an officer was sentenced to the terrible punishment of not rating a salute from enlisted men for 60 days.

I am told that cruel and unusual punishment, such as any interference with rations, is barred by Army regulations. After reading that sorry story of Lichfield, I am more inclined to accept the word of this Texas corporal on bread and water punishment. Then this Luling, Tex., boy goes on:

> I saw two enlisted men thrown off a stateside plane from the Aleutian Islands to make room for a colonel's luggage. When I was in Alaska, cargo space was too critical to ship in recreational material for the enlisted men, but there was no objection to the admiral in command shipping a plane load of fertilizer in for his private garden.

Well, that is all I am going to read from Ray Bailey's article. You all know that such exhibits could be extended indefinitely. Recently the respected Washington Post commented editorially on enlisted men's justice. What the enlisted man thinks of the court-martial system would fill several issues of the CONGRESSIONAL RECORD. He learned the hard way how a ponderous court of officers sat in judgment on him for puny infractions. He learned how much hope he had for appeal. The appeal had to be lodged with a reviewing brigadier who stayed miles from the battlefront in a luxurious hotel; whose working day, from 10 a. m. to cocktail time, was spent turning over pieces of paper.

In his depth of disillusion the GI has turned upon his former officer. More than that, he has presented convincing evidence that he was getting the short end of the stick. But above all, this so-called GI griping is symptomatic of an unrest. The end result might easily be a permanent warping of the morale of our civilian Army unless we take the proper steps—and not too little and too late.

This unrest of the civilian who once was a soldier is having another effect. It is, I feel confident, retarding the rate of enlistments. If we can say to the ex-GI, we have done that which we

promised to do and will continue to meet our promises, it will go far toward solving the Army recruiting program. I suggest that we make soldiering a dignified and honorable pursuit for the enlisted man as well as the officer; that we pay him a wage, as we propose to do by the bill before us, which will induce him to volunteer. The armed forces are set up to guard the properties of all of us. Perhaps some will complain from time to time that they are paying a stiff price for this protection. But not nearly so much as if the property were lost. And if it can be done in that manner, I believe it much wiser. I am convinced that it should be tried.

Let us work together and outline a "must" program to help the man who fought in World War II catch up with his fellows who benefited from that veteran's fighting.

I suggest these things we can do:

The first need is familiar to us all. The administration housing program represents the best thought that has been presented on that subject. It is fundamental that above all else a man must have a home.

We need to straighten out the tangle into which surplus property has fallen. That is an urgent and vital need, too long delayed.

We must determine whether the disabled veteran is getting the very best that can be done for him. I think we should assure him of three things: Proper surgical and medical treatment and hospitalization; a disability allowance which is not static but which is geared to increases in the cost of living; and an opportunity for educational rehabilitation where needed in order that, despite his disabilities, the veteran may return to his community as a free, upstanding and self-reliant citizen.

We need to amend our social-security laws so that the man who had accrued benefits prior to the war, through his own pay-roll deductions, will not suffer because of his service to his country. For thousands of wage earners across the country, their pay-roll deduction payments represented their only savings account for retirement and insurance. One of the so-called confidential Washington dope letters a few days ago said that no important amendments would be made to social-security laws at this session. I do not know whether that letter writer considered this an important amendment. But I consider it highly important. So does the man who has gone back to his old job and finds the pay-roll deductions starting again. He wonders if the end result will be the same for him.

I am convinced that one item on such a program should be to place the enlisted man on an equal footing with the officer in the matter of terminal leave.

Terminal leave is just a way of saying that when a man is separated from the Army he is entitled to pay for all the vacation he did not get when he was in service; that is, he was entitled to it if he wore brass. Enlisted men must use all of their leave in the year it accrues. Officers may save it all until final separation. The leave period is the same for officers and men—30 days a year.

Now, remember that the man on overseas duty had very little opportunity for leave. You do not stop an invasion because the time for vacation has arrived.

When a foot soldier slugged it out for 12 solid months, he forfeited the 30 days' leave which accrued during those months. The officer in command, though he fought just as long and just as hard, nevertheless, he could save up that 30 days and use it later.

How did that work out?

I need go no farther than my office, room 504 in the Old House Office Building, to show you.

Four men work in that office. One of them at discharge was a major. He saw exactly 4 years to the day in service, more than 2½ years overseas. He accumulated 97 days of unused leave. On separation he was paid for those 97 days, a total of $1,148.55.

The other three men in my office were enlisted men. Their overseas service was comparable to that of the major. Let's see what they would have received:

One was a master sergeant. His terminal pay would have been $480.03.

Another was a sergeant. His terminal leave pay would have amounted to $327.60.

The third, a corporal, would have been entitled to a final pay check of $266.18.

In the aggregate, these three enlisted men would have received less than the major. They got less, all right. They got exactly nothing.

It seems beyond argument to me that one of two courses should have been followed: Either both officers and enlisted men should have received the same terminal leave pay; or it should have been denied to both officers and men.

Terminal leave already has been paid to officers. If that is a wrong, we can right it in only one way: By determining the amount each enlisted man should have received and allowing him that amount.

So far as I can learn, the only objection of any substance raised against this procedure has been that it will involve enormous administrative problems. It is claimed that the War Department could never trace the records of the millions of men who wore the uniform. The contention that not enough records are available is going to be a shock and a surprise to every man who served in the Armed Forces. He was examined and reexamined; he was quizzed on what he did from the day he was born to the day he was separated.

Every man's service record is on file in the office of the Adjutant General. Every man's service record shows the date he was inducted and the date he was discharged; to this record is attached a sheet showing each and every furlough the man received.

But at least, no matter how big the administrative job which the Budget Bureau raises, nobody will lose any blood. In the administrative job there will be nothing at stake except sweat. Not even tears.

The top-flight officers of this war did a grand and glorious job. There are no words strong enough to add luster to the name of General Eisenhower; none could criticize the plans of a man who won a continental war and then played the role of world statesman by bringing about unity between the Russians and the British. No one has questioned the operations and plans of that great Texan, Admiral Chester Nimitz.

But below these men, and above the enlisted man, is a great layer. Among these are men some of whom have been charged in too many hundreds of complaints that they mistake authority for license; that they think arrogance a synonym for dignity; that they translate discipline to mean servility.

One bad apple can spoil a barrel. A few bad men in officers' uniforms have brought censure to the thousands of good men who faithfully served their country and often died for their country. Nevertheless, the censure of the few cannot be overlooked, even though it may not apply to the vast majority. Soldiers in uniform have bowed their heads and clicked their heels before reviewing-board colonels spreading their eagles and arrogant brigadiers with polished stars to the point of humiliation and deep resentment.

I am not wedded to the idea advanced by some critics of the caste system that a man who graduated from West Point or Annapolis necessarily is a so-and-so. However, I personally have observed that some of them develop an attitude foreign to the American way and the democratic way of getting the job done. Civilian soldiers—men and officers—fought this war and their unparalleled job must make all of us ponder whether it would not be wise to train all of our officers in democratic, civilian universities, with perhaps a more topping-off period at West Point and Annapolis.

The bigger any man, the more readily he rejects the concept of pomp and ceremony. That concept is alien to our way of thinking and living. How it has survived in the armies of the United States is a paradox of democracy.

Above and beyond all of those questions, I want to leave with you this thought. No one Member of Congress is big enough to see all the ramifications in the job of reabsorbing our millions of civilian soldiers back into a normal civilian life. But collectively we are big enough to do it. This Congress displayed its capacities during the war. We can be as big now as we were then; as forward-looking; as courageous; as determined to keep this the land of the free and the home of the brave. This Congress has more problems, more pressures, more confusions, than the elder statesmen among us can ever remember facing. But the Congress of the United States whipped a depression; it proved itself during a war in which our armies whipped the concept of dictatorships; we can and we will whip this and other postwar problems by progressive, forward-looking courageous action.

Mr. SPARKMAN. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. SHERIDAN].

Mr. SHERIDAN. Mr. Speaker, I indicated when we were considering the Selective Service Act that I voted against this bill in committee, not that I felt $75 was excessive pay for a buck private, but after considering a bill, as the chairman of the subcommittee has indicated, for 8 years, I did not see why we had to rush through when we were trying to put over a pay bill for enlisted men and then have a pay bill which would cover officer personnel at the same time. That, to me, was confusing the issue. I might say when you consider a major general at $8,000 a year and give him $800 and the subcommittee would not give the buck private a $400 increase, but restricted it to $300, I could not see the equity of it. We can see them hobbling over to Walter Reed Hospital and getting disability or retirement and then running back to collect retirement pay. Further, they do not pay any income tax on it. I thought our purpose was to bring out a pay bill for enlisted personnel only. In that way we could consider adequately what pay the enlisted personnel should get so that men would go into the Army voluntarily. At the present time, as you know, we have passed legislation permitting the increase of 8,000 in officer personnel, and over 61,000 applicants have filed for these permanent commissions. Under this condition, it would not appear that any pay increase is necessary to induce men to accept commissions; in fact, the reverse is true. There is not one Member who has not received letters from former officers asking assistance to get them back in. Yet the junior officers need a substantial increase, but let us do it in a systematic manner.

Mr. SPARKMAN. Mr. Speaker, I yield the balance of the time to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Speaker, I appreciate bringing in this bill. It represents a step in the direction in which I am convinced we must move. Unquestionably there are inequities in the pay schedule of the armed forces that need still to be ironed out and with which this bill does not deal. But certainly this bill represents progress toward enabling us to have the kind of an army America is going to have to have in this day and age, namely, one which will offer to its personnel an occupation comparing in dignity and opportunity with any other career that this country offers.

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks on this bill at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BUCK. Mr. Speaker, we are witnessing here a shocking situation. A bill is before us which obviously involves hundreds of millions of dollars of public money. Yet so careless and indifferent has this House become as to such huge expenditures that neither in the committee report nor in the debate has there even been a mention of an estimated total cost. My question as to this cost remains unanswered.

Mr. Speaker, a balanced Federal budget can never be achieved as long as blank checks are written in this manner. Lacking such balance, and at an early date, bankruptcy can be the only result.

Mr. ROONEY. Mr. Speaker, I am going to vote for this increase in pay for personnel of the armed forces. However, I regret that this bill, H. R. 6084, was not brought to the floor long before now as timely passage of it might have obviated the necessity of extension of the Selective Service Act. I sincerely hope that the pay increases provided by this bill will result in an overflow of enlistments in our armed forces so that actual operation of the draft may not be required for the future welfare of our Nation.

WILL SPUR VOLUNTARY ENLISTMENTS

Mr. JOHNSON of Oklahoma. Mr. Speaker, I shall vote for the pay raise bill although I do not like one or two provisions in it. I shall support the pending bill primarily because it proposes to give the enlisted man a substantial pay increase. It is an increase that I feel very deeply should have been given to the men who participated in World War II. I am voting for it with my eyes open, knowing that the passage of this act will make certain that Congress will give those men who did participate in the war a substantial bonus to which they are justly entitled. In fact, this bill will hasten the passage of the soldiers' bonus bill.

Another reason, Mr. Speaker, for my supporting this bill is that I have a very definite feeling that a pay raise measure will be a mighty factor in helping the Army and Navy secure all the volunteer enlistments that are needed without the actual drafting of anyone in order to supply the future needs of the armed forces. Now if the Secretary of War, as a result of the Doolittle investigation, will announce that enlisted men are to receive the same consideration in the matter of food as that given officers of any class and do away with or drastically modify its antiquated caste system; if the gold braid and brass hats will give the enlisted men a square deal, I am fully convinced we will have no serious difficulty in securing all the men that are needed to fulfill our commitments, protect the American interests, and preserve the future liberty of the country.

Mr. MURDOCK. Mr. Speaker, there is a close connection between this bill to increase the pay of the personnel in the armed forces, which is now before us, and the bill to extend the selective service provisions of law which we voted on earlier today. I like to think of these two together, and I should have preferred to have acted on this present bill first, had there been a chance to do so. I shall vote "yes" on this bill, but had I known for a certainty that this bill would pass the House and become law, I might have voted differently on the other bill earlier today.

On roll call vote early in today's session I voted "yes" on final passage of the bill to extend the Selective Service law for a period of 9 months. I did not relish voting "yes" on this bill to extend the draft today, and did so only out of a deep sense of duty in this period of technical war—although firing has ceased—as a matter of national defense. I did not like the Vinson amendment to the bill extending the draft postponing the operation of the measure until October 15, as that looked somewhat political, and this is no time to play politics. I do not believe its author is playing politics. If the real intent of postponing any selective service for a period of a few months is to give voluntary enlistment a chance to furnish enough men, then I should favor it, for I believe we can, and I believe we ought to, get enough men in the service to serve our defense needs and supply our occupational armies and bring those yet abroad home. If we could have known for sure that we were going to increase the pay, we could have had more certainty about getting enough voluntary enlistments, so that we would not have felt required to furnish draft legislation in this period of technical war but apparent peace to maintain an adequate force.

Many have said to me, "Do not think of drafting men into the Army in peacetime." And many others have said, "Do not think for a moment of drafting teen-age boys to serve abroad in armies of occupation." On this latter point I was in agreement with those who cried out against the use of teen-age boys for such military service. Accordingly I voted for the May amendment to the bill which we finally passed earlier today. I believe we can certainly get enough men for occupational duty so that we will not have to use 18- and 19-year-old boys for any such purpose. I know several ways that the country can profit by having 18- and 19-year-old boys spending those significant years in another manner. And I do not believe it is necessary to depend upon such youth, even if we do not have sufficient enlistment, for it is my judgment that by drafting older men we can get an adequate force.

Now, with the passage of this bill increasing the pay I do not believe there will be a question of our having to draft any men after the measure now before us becomes law. We are getting almost enough men now by voluntary enlistment. After we have made a few changes and increased the pay we shall certainly get as many men as are required, and for that reason I shall vote "yes" on this bill and hope that it makes the passage of the bill we have already voted on unnecessary from the standpoint of national defense and our international commitments.

INCREASE IN PAY OF ENLISTED MEN

Mr. REES of Kansas. Mr. Speaker, several months ago I proposed to the membership of this House that the pay of enlisted men should be materially increased. It ought to have been done long ago. It should have passed Congress before consideration was given to the extension of the draft. The bill under consideration today follows pretty much a bill I introduced in the House for enlisted men.

Mr. Speaker, if we expect men to join the Regular Army and to become a part of the occupation forces, then we ought to fix the pay in a sufficient amount to

make the service attractive and really worth while. We ought not to expect these men to serve for a definite period and really do a good job unless the pay is made attractive.

Along with that, the question of food and shelter and other accommodations, as compared with commissioned officers, ought to be reexamined. There is too much difference in the treatment in this respect between the officers and enlisted men. There is no excuse for so much difference in food, housing, and recreation.

Mr. Speaker, by making the pay reasonably attractive and providing the enlistment period cover a period of 18 months, men of experience will be attracted and will serve with more satisfaction to themselves and to their country than those who are taken under the draft for an indefinite period.

Mr. VURSELL. Mr. Speaker, I am supporting this bill to raise the base pay of those serving in the military service. Our Government has been behind in its advancement of these rates too long now.

It is unfortunate that a bill of this kind was not passed so that those who have rendered such a great service to our country during the past war could have had such benefit in additional pay. Our Government has made commitments which will require a rather large military force to keep those commitments and to make secure the defense of the country in the future.

It is against the traditions and the policies of our Government to draft men for the military service in peacetime.

Saturday, we passed a bill to suspend the draft for 5 months in an effort to ascertain whether sufficient men could be obtained through the volunteer process to secure the number of men necessary as established by our military leaders. The passage of this bill today to increase the pay by 50 percent for the privates with a lesser percentage for those in higher grades, in my judgment, will make certain that during peacetime we will be able to obtain sufficient men in the military service to make it unnecessary to again resort to the draft.

Can it be said that the Government cannot afford to pay $80 a month for a buck private when the average civilian who is out of a job can be paid $80 a month by the Government for doing nothing while he is looking for a job or waiting for one to develop? The defense of this country is one of the most important responsibilities resting upon the Congress. I, for one, am voting for this bill in an attempt to offer an inducement for young men who so desire to make a career in the military service. This will give them that opportunity and I am sure that a sufficient number will embrace it to give us the finest volunteer army in the world, which will make conscription in peacetime unnecessary.

Mr. ALLEN of Louisiana. Mr. Speaker, I rise in support of the bill (H. R. 6084) to increase the pay of men in the military services. I think this should be done. This step should have been taken before this time. But it seems to me that it is imperative now that the pay of men in the armed services of our Nation be increased for several reasons. In the first place, everyone knows that the cost of living has gone up. This has affected those in the military services also. In the next place, we are trying very hard to get enough voluntary enlistments so that we can meet the obligations of this Nation and also make it possible for men brought into the services through the Selective Service System to return to their homes as soon as possible. The measure now before us, we are told, will go a long way to accomplish the desired results. How effective it will be, only time can tell, but at least this bill should be passed and everything possible ought to be done to get volunteers.

This bill may not be a perfect bill. There may be objectionable features to it, but members of the Military Affairs Committee of the House tell us that it is the best bill on this subject which they are able to work out and bring to us at this time. Therefore, Mr. Speaker, I am supporting the bill and I earnestly hope that it passes and I trust that our military authorities will put on an enlistment campaign which will result in getting the number of volunteers which we will need. I am constrained to believe that when our military authorities bring to the attention of the public the increased pay embodied in this bill and the various benefits and privileges embodied in the enlistment bill which Congress passed last year, voluntary enlistment will be greatly stimulated. I urge the passage of this bill.

Mr. HOLIFIELD. Mr. Speaker, I rise in support of the armed forces pay-raise bill, H. R. 6084. This is the first general pay-raise bill passed since 1908. I am a member of the subcommittee of the House Military Affairs Committee, which has considered long and carefully this bill.

In my opinion, this is a firm, forward-looking step toward obtaining the type of men necessary for future security. The increased pay offered will attract a higher type of personnel, men who are better educated and with capabilities for training in the technological skills which will be necessary for offense and defense in any possible future war.

A higher pay inducement will not only attract a better type of personnel, but a much greater number of volunteer enlistments.

General Eisenhower and other great military leaders have testified time and again before our committee on the desirability of volunteers instead of conscriptees. The volunteer makes the best soldier because he chooses his own vocation; he brings to the job an enthusiasm and ingenuity which the unwilling conscriptee can never duplicate.

A volunteer peacetime army is the American way. It follows the American tradition of 165 years. A conscripted peacetime army is the alien way. Every nation that has resorted to peacetime conscription has deteriorated into tyranny or incompetence. Their armies have been defeated by nations who held to the volunteer method in peacetime and only turned to conscription in wartime as a last resort. I voted against the extension of the Selective Service Act previously today for this reason as well as others. In my opinion, based on current figures of voluntary enlistment which will be greatly accelerated by this pay-raise bill, extension of the draft will no longer be necessary.

This pay-raise bill will also give a much-needed raise to men on retirement, many of whom are disabled as a result of injuries or illnesses suffered during the war. The cost-of-living rise will be alleviated to an appreciable degree by this increase.

This Nation is rich enough to protect American ideals without resorting to tyrannical methods, the methods of peacetime conscription are one of the alien practices we have been fighting. If we pay our armed forces personnel sufficient to make them proud of being a soldier, aviator, or sailor, we will have a real defense. If we then proceed to eliminate the social caste system, the enforcement of servility rather than deserved respect toward superior rank, we will see a great change in the attitude of American citizens toward the military.

The standards and practices of the past are obsolete. The atomic age has already begun. Let us readjust our thinking. The framework of old ideas will not provide an answer to the problems of the new atomic age.

Mr. NORBLAD. Mr. Speaker, the provisions for the increase in pay of the lower ranks are necessary if we are to obtain a sufficiently large military and naval force to justify our commitments and discontinue the draft act. However, the pay increases proposed for the higher ranks are unjustified, in my opinion.

The great bulk of officers in our services at the present time are those of the Regular Army and Navy and they now have pay increases way out of proportion with those of the civilian population. Men who were, a few years ago and still would be under normal circumstances, first lieutenants are now lieutenant colonels and colonels. Men bearing the rank of captain in the Army are often colonels or generals and have accordingly received a pay increase of two to three times their former base pay. The services speak fluently of reducing the ranks of officers to make it commensurate with the size of the present enlisted personnel but they seem to accomplish little besides promising to take this action. With a peacetime army which will be about nine times the size of the former peacetime army, many of these men will necessarily never revert to their former status. As a result they will have a very substantial pay increase as well as increases in subsistence and quarters and certainly this pay increase is only adding an unnecessary burden onto our taxpayer. In view of the increasing costs of living, I should not complain if these increases in pay were justified but that is not the case.

I wish to also call your attention to the continuance of the unwarranted payments of so-called flight pay. The gentleman from New York [Mr. WADSWORTH] has already spoken on this subject. This added pay, which is 50 percent of the base pay, was granted years

ago when flying an airplane was a very hazardous occupation. That condition does not obtain today and this extra payment should be discontinued. All that a flying officer need do is to fly an airplane or ride with someone else for a period of four hours each month and he collects this extra 50 percent. Spending a pleasant afternoon at the airport flying these few hours and obtaining an extra allowance ranging from slightly less than $100 to about $250 for the same thing that civilians are paying a high hourly rate hardly seems logical. It is not fair to those paying the tax bill nor to those in the other services. Discontinuance of flight pay will not in any way cripple the air services. There are thousands of young men only too willing and eager to obtain the opportunity to fly and I know of many friends of mine who were pilots in this war who are extremely anxious to stay in the air corps.

Mrs. DOUGLAS of California. Mr. Speaker, I am voting for an increase in pay in our armed services. I believe that this increase will provide all the volunteers we need to make good our commitments abroad.

I voted for the extension of selective service today, feeling that as an extra precaution we should retain selective-service machinery until we have proved that we can recruit our occupation forces and fulfill our commitments under the United Nations through volunteer methods.

I voted for the amendment to exempt boys from 18 to 20 years old from the draft, because I do not believe boys of that age should be sent into Germany, and in their loneliness and with their lack of judgment exposed to slick German propaganda which is functioning today with deadly effectiveness.

The SPEAKER. The question is on suspending the rules and passing the bill, as amended.

The question was taken; and on a division (demanded by Mr. WHITTINGTON) there were—ayes 16, noes 13.

Mr. BRADLEY of Michigan. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

WAR DEPARTMENT CIVIL FUNCTIONS APPROPRIATION BILL

Mr. KERR submitted a conference report and statement on the bill (H. R. 5400) making appropriations for the fiscal year ending June 30, 1947, for civil functions administered by the War Department, and for other purposes.

NATIONAL HOUSING ACT

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4761) to amend the National Housing Act by adding thereto a new title relating to the prevention of speculation and excessive profits in the sale of housing, and to insure the availability of real estate for housing purposes at fair and reasonable prices, and for other purposes, with a Senate amendment, disagree to the Senate amendment, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none and appoints the following conferees: Mr. SPENCE, Mr. BROWN of Georgia, Mr. PATMAN, Mr. BARRY, Mr. WOLCOTT, Mr. CRAWFORD, and Mr. GAMBLE.

EMERGENCY PRICE CONTROL ACT

Mr. SABATH. Mr. Speaker, I call up House Resolution 591 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6042) to amend the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 days to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF PRICE CONTROL ACT

Mr. SABATH. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include certain letters.

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

There was no objection.

Mr. SABATH. Mr. Speaker, I yield myself 8 minutes.

Mr. Speaker, I take it everyone is familiar with the rule, and especially with the bill which this rules makes in order.

The rule provides for 2 days' general debate, giving nearly every Member an opportunity to be heard. After general debate the bill will be taken up under the 5-minute rule, it being an open rule.

I do not think it is necessary for me to say anything as to the rule. I know nearly all of you realize the importance of this legislation. I presume you are familiar with the fact that at least 90 to 95 percent of the American people urge, plead, and demand extension of the act. I fully appreciate that there is a certain small but very loud and persistent minority, who have been opposed, who have been trying to delay and defeat the extension of this act which, if not extended, would mean wreck and ruin to our country and would bring about inflation which might destroy our economy. Consequently, I urge and plead that favorable action be taken on the bill.

PETITION WITH 500,000 NAMES

Just before coming down I was presented with a petition signed by at least 500,000 men and women of Illinois urging that favorable action be taken on the bill.

I have in my hand, Mr. Speaker, a list of civic and commercial organizations from all over the United States placing themselves on record in favor of this legislation. The only organizations I know of who are opposed to it are the National Association of Manufacturers and a few other associations and institutes with selfish, greedy interests who, unfortunately, although they have made more money than ever before in history, resent being restricted from holding up the American people further.

PRICES WOULD GO SKY HIGH WITHOUT CONTROLS

We know that if this legislation should not be enacted what will happen to this country, for within the past few months we have had several experiences pointing in that direction. When OPA eliminated the ceiling on oranges and grapefruit upon the representation that the price would go down we witnessed a 300-percent price increase. The price went up from $2 to $5 a box on citrus fruit. Another experience was with rye. Rye, as you know, for years has sold at from 25 to 40 percent below wheat, and perhaps 15 percent below corn, but because there is no restriction on the price of rye the gamblers and manipulators have taken advantage of that fact, and rye is selling today at about $2.40 a bushel when wheat is selling for only $1.80 and corn for about $1.40. This merely shows what these speculators will do when the restrictions are removed. If these restrictions are removed we shall witness a duplication of the infamous price increases that occurred after the last war. We must do all in our power to prevent inflation, which, as I said, might ruin or destroy our economy.

PRODUCTION MAY REACH 160 BILLIONS THIS YEAR

The National Association of Manufacturers and other similar and powerful groups who have at heart only their own interest and profit have charged that the OPA has retarded reconversion. The actual, true figures show that those charges are without foundation in fact. We are now producing goods and services at the rate of $145,000,000,000 worth a year, as against $129,000,000,000 worth in the banner year of 1929, and we are constantly increasing our production. I venture to prophesy that in the year 1946 we will reach the production figure of $160,000,000,000, as compared with $45,000,000,000 worth in 1932.

In fact, notwithstanding some strikes and lock-outs, we are going ahead, and we should give thanks to God that we have the OPA, as otherwise prices would go sky high. That is proved by experience with all articles in demand on which there are no ceilings.

COMMERCIAL RENTS DREADFUL EXAMPLE

May I not call your attention, Mr. Speaker, to the dreadful example of commercial rents, and the terrible increases in them? Exempted from the rent-control provisions of the price administration act, office and business rents have shot up, all over the country, from 50 to 300 percent. That would happen to home rentals if we removed the controls as some real-estate operators and owners have been urging.

FARMERS ARE CONSUMERS TOO

I regret that some farmers are being misled and made to believe that if ceil-

ing prices are removed commodities would go up, at the farm, 50 percent or even 100 percent. There would be a rise, all right; but farmers would get little of it, and the things they have to buy also would rise in the same proportion. The ultimate end would be disaster. Cotton, for instance, is selling for 28 cents a pound. If the ceiling were removed, for a few weeks the men who hold it—the speculators, not the growers—might get more. Then there is bound to be a crash. Many countries are growing cotton now, and selling it for 15 cents as against 28 cents here. We cannot unload our cotton at double the prices other countries will sell their cotton.

Let me say that I hope this tremendous lobby that has been swamping us with hundreds of telegrams, air-mail special-delivery letters, expensive booklets, pamphlets, releases, on which they must have spent hundreds of thousands of dollars will not sway anyone. I hope you will stand by the people, with the best interests of the country at heart, and not the interest of only a few. There are some few contractors, speculators, and "institutes" representing industries, who have made and are making more money than ever before in their existence, who have no limit to their avarice, who would be willing to risk national interest and their own ruin for quick profits who are opposing extension of the Price Control Act.

THERE IS NOTHING PERFECT UNDER THE SUN

Of course mistakes have been made in the Office of Price Administration. That is inevitable. There is nothing perfect under the sun, and when you take into consideration the thousands and thousands of articles on which price ceilings were set, Mr. Speaker, we will all agree that no one here in this House could have done better than those men and women, who, for the benefit of the public, have worked late and at night and on their holidays without additional compensation. They were just average citizens, American citizens, chosen from trades and professions, and they have worked heroically to hold the line against inflation.

LETTER TO PAUL PORTER ALL SHOULD READ

I have asked unanimous consent to extend and revise my remarks and include some letters. To conserve space, I will select only a few, and of some of those, only portions.

But there is one letter, Mr. Speaker, which I wrote to Mr. Paul Porter, Administrator of the Office of Price Administration which I hope every Member, for his own good, will read. I do not believe any open-minded Member can read this warning and not agree that extension of the Price Control Act is absolutely necessary, and that it should be extended at once, without delay, and without any weakening amendments. I will not pretend to sole authorship of this letter I praise so highly; it was drafted by an outstanding citizen for whose judgment and skill I have great respect.

SO LET'S ABOLISH OPA AND BANKRUPT AMERICA

Following is the text of that letter:

HOUSE OF REPRESENTATIVES, U. S.,
COMMITTEE ON RULES,
Washington, D. C., April 15, 1946.

Hon. PAUL A. PORTER,
Administrator, Office of Price Administration, Washington, D. C.

DEAR MR. PORTER: Some people don't like OPA. So let's abolish OPA. What would happen?

Nothing much—

Except prices would shoot up. Every week living costs would be higher. A few people with the most money and a few dealers with highly paid customers would get most of the homes and meat and clothes that are still scarce. Millions of veterans and war workers would hunger.

Except doubled or trebled prices would soon cut the value of our earnings, savings, and insurance to a half or a third of their value.

Except the speculators and profiteers would have a field day. They would stuff warehouses and vacant lots with raw materials and parts. This would hold critical supplies from assembly lines. Artificial shortages would grow. Costs and prices would be forced higher.

Except workers would shift from job to job searching for pay checks big enough to pay rent and grocery bills. They would move to cheaper houses. Wives and kids would eat less and there would be silent supper tables and then talk of "making ends meet." These costs would not appear on books or budgets.

Except factories would have to bid frantically against each other for workers and scarce materials. Costs would be bid up again and again. No one could guess what next month's costs would be. No one could guess how many customers could afford to buy. Fear would riddle our expanded production plans.

Except business reserves would lose their value. Veterans and small businesses would be hurt most. They would be unable to compete for scarce supplies or good locations. Thousands would take dead places in rows of inanimate statistics called business failures.

Except all businesses would be forced to replenish exhausted stocks with triple-priced goods, if they could get them, and face losses when the boom was over and the bottom fell out of gravy-train prices.

Except costs and prices would chase each other so high that fewer and fewer people could buy. Americans would buy less. Stores would cut their orders. Factories would slow down and close. Jobs and pay checks would vanish.

Except farmers would lose their markets. Thousands of farm mortgages would again be foreclosed.

Except that we could hardly count the bewildered unemployed who would stare at their bankrupt employers.

Nothing much would happen.

So let's abolish OPA.

Cordially yours,

A. J. SABATH,
Member of Congress.

THE PEOPLE SPEAK

I should like, Mr. Speaker, to mention by name the scores of national and local organizations that have written to me. I should like to include the cogent editorials from many newspapers, and not by any means from the handful of pro-administration papers. I should like to include the searching editorial columns such as those by Samuel Grafton of the New York Post, and of Sylvia Porter of the same paper, and by Drew Pearson and Carleton Kent and many others. I shall refrain, however, because most of you read them yourselves, or you read similar expressions.

These are the authentic voices of the people. Stick by the people and they will stick by you. As I said, to economize on space I shall include only a few letters. The first is from a man many of you know, John T. Bernard, now PAC director for a large union in Chicago.

DEAR CONGRESSMAN SABATH: As you can readily understand, our membership is very much interested in the renewal of Price Control and Stabilization Act.

We are well aware that one of the most vicious lobbies ever to strike our National Capitol, is working day and night to have the bill defeated, or amended to death.

Yours is the responsibility to be in there pitching for the little folks, to fight, speak, organize, and vote for renewal of the bill. This we are convinced you will be doing, for it is of tremendous importance to the welfare of the American people.

Cordially yours,

JOHN T. BERNARD,
Chicago UE-PAC Director.

I include only a portion of a "call to action" against inflation signed by representatives of 31 national organizations:

FIGHT INFLATION NOW—A CALL TO ACTION

We, the undersigned, call upon members of our organizations, other organizations and all other citizens to unite now for the immediate extension of the Price Control Act.

The present Price Control Act expires June 30.

If the act is not extended, prices will soar, rents will skyrocket, the value of the dollar will tumble—inflation will have us in its grip.

Business should know now whether or not there will be ceiling prices after June 30.

If Congress should amend the act to require OPA to grant a price increase whenever there is an increase in cost, or place any similar limitation on OPA's established policy, it would invite the spiral of inflation and destroy the act.

Congress must provide OPA with a large enough appropriation to maintain its present organization in full force.

We, the people, all of us, want price and rent control for another year; immediate extension of the Price Control Act; no weakening amendments; adequate appropriations for the big job of holding the line against inflation.

Helen C. White, President, American Association of University Women; Ralph E. Hemstead, General Secretary, American Association of University Professors; Lelia Massey, Executive Secretary, American Home Economics Association; Jack W. Hardy, National Commander, American Veterans of World War II (Amvets); Faye Stephenson, President, Congress of Women's Auxiliaries, CIO; Ray Gibbons, Executive Secretary, Council for Social Action of Congregational Churches; Colston E. Warne, President, Consumers Union of United States; Mae Wright Downs, President, Delta Sigma Theta Sorority; Mrs. LaFell Dickinson, President, General Federation of Women's Clubs; Jo Davidson, Chairman, Indiana Citizens Committee for Arts, Sciences, Professions; Katharine Armatage, President, League of Women Shoppers; Bishop Lewis O. Hartman, President, Methodist Federation for Social Service; Mrs.

Henry A. Ingraham, President, National Board, Young Women's Christian Association; Mrs. William A. Hastings, President, National Congress of Parents and Teachers; Cecie P. Henry, President, National Congress of Colored Parents and Teachers; Alice Hamilton, President, National Consumers League; Ruth Craven, Executive Secretary, National Council of Catholic Women; Mrs. Joseph M. Welt, President, National Council of Jewish Women; Mary McLeon Bethune, President, National Council of Negro Women; Willard E. Givens, Executive Secretary, National Education Association; James G. Patton, President, National Farmers' Union; Clyde B. Murray, President, National Federation of Settlements; Anna Lord Strauss, President, National League of Women Voters; Lester B. Granger, Executive Secretary, National Urban League; Rose Schneiderman, President, National Women's Trade Union League; George C. Hatch, President, New Council of American Business; Thomasina Johnson, Legislative Representative, Non-Partisan Council, A. K. A. Sorority; Clark Foreman, President, Southern Conference for Human Welfare; Reinhold Niebuhr, Chairman, Union for Democratic Action; Mrs. Herman Lowe, President, Women's Auxiliaries of Labor, A. F. of L.; Thelma Stevens, Executive Secretary, Woman's Division of Methodist Church.

MANY ASK FOR EXTENSION OF OPA

Some Members seem to think that only organized labor asks for continuation of price control. Yet the dominantly conservative Illinois League of Women Voters sends me a resolution on price control as strong as that of the almost equally conservative AFL Local 637 of the Brotherhood of Painters, Decorators, and Paperhangers. I wish I could reproduce both; but they are as long as they are excellent, and I refrain. Here is a latter signed jointly by Dennis McCarthy for the Labor Advisory Committee and Roy Burrus for the Agricultural Advisory Committee telling of a cost-of-living conference at West Frankfort, Ill., to fight inflation and urge continuation of price control, and attended by 283 registered representatives of farm, labor, and other public-welfare organizations in southern Illinois. It is not just the people of the cities, either, who want price control extended.

The National Farmers Union gave to Chester Bowles its first award for the most outstanding service to agriculture in 1945.

The Chicago Federation of Consumers asks for 18 months' extension with no weakening amendments. Arthur W. Walz, president of the Chicago teachers—and Chicago teachers know something about this subject, you may recall—warns of the dangers of inflation followed inevitably by deflation and consequent mass unemployment, wage cuts, and tax crises.

No one will successfully accuse the General Federation of Women's Clubs of undue liberalism; one of their resolutions declares that in no war in the history of the United States has the general public been so successfully guarded against runaway prices and serious inflation, and supports "continued Federal legislation for equitable wage ceilings and price control on basic commodities." The Church Federation of Greater Chicago writes similar sentiments.

I could continue, Mr. Speaker, indefinitely; but I conclude with the plea that we act quickly to pass this bill without weakening amendments to fulfill our mandate from the people and for the future.

I now yield 30 minutes to my colleague from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require and ask unanimous consent to revise and extend my remarks.

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

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, this rule makes in order consideration of H. R. 6042, an act designed to extend the OPA until June 30, 1947. It is an open rule providing for 2 days of general debate after which it is open to amendments under the 5-minute rule.

All of us are aware of the improper workings of the OPA. For many months, I, in common with many of my colleagues, have endeavored to bring about certain legislative limitations as shall compel remedy for the many injustices and inequalities practiced by the OPA, and with regard to which our people voice a just complaint. I am hopeful that this body will adopt certain amendments that will be offered that will bring about the proper administration of this act. These amendments must be adopted not only to increase production but also to protect innocent merchants from OPA oppressions.

I would suggest the following amendments to the members of the Banking and Currency Committee:

TO STIMULATE PRODUCTION

(a) To encourage maximum production and distribution of commodities, goods, and services, the Administrator shall establish no price or price ceiling with respect to the production, processing, or distribution of any such commodities, goods, or services to which this act or the Stabilization Act of 1942 is applicable which does not reflect all current costs that may be applied to each such item or service as determined by standard commercial accounting practices, together with a margin of profit which reflects not less than the generally prevailing margin of profit for each such item during the calendar year 1940.

TO STOP ABSORPTION

(b) Upon the effective date of this act, the Administrator is specifically directed to rescind forthwith all prices and price veilings and all rules, regulations, and directives relating thereto which effectuate cost-absorption and maximum average price policies nor shall the Administrator hereafter establish or require or compel the establishment of any pattern of production and sales of any commodity or commodities by price range or price unit which is at variance with formula set forth in paragraph (a) of this section.

TO GET THE RIGHT TO GO TO DISTRICT COURT

Any person who is aggrieved by any action taken pursuant to any regulation or order issued under the authority of this act or the Stabilization Act of 1942 may petition the district court for the district in which he resides or has his place of business for a review of such action, and such district court shall have juridiction to enjoin or set aside in whole or in part such action or may dismiss such petition.

I also trust that paragraph Q, section 2, known as the Crawford amendment as now in the bill will be retained. This amendment is designed to give the dealers a chance to get back on their feet before permitting OPA to tamper with their traditional discount.

The question is on the resolution.

The resolution was agreed to.

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6042) to amend the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 6042, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SPENCE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I know that no words I may utter will change the opinion of my colleagues. This is the fifth time that the Price Control and Stabilization Act has been considered by the House. The Price Control and Stabilization Act was considered twice in 1942, again in 1944, again in 1945, and now we come to consider it once more.

We will hear as the debate progresses much abuse of the administration of price control. We will hear of the inequities and injustices, and about the hardship cases. We heard them in the hearings before the committee. By reason of the universal operation of the price-control law, by reason of the universality of the regulations, there will necessarily be some inequalities and injustices. There always have been and there will be. I am afraid those gentlemen who stress the inequalities will lose sight of the main objective of price control.

It was born of the war. It was an emergency measure. We went through the greatest stress in the history of our Nation and we came through without the curse of inflation following it. The war is not over. We are fighting today as insidious and as dangerous an enemy as we fought during the war, and if we do not conquer that enemy we will have won the war but lost the peace.

Maybe you consider that what the people think should not control your actions, but the voice of the people is the voice of God. You are the representatives of the people. I think I have received not less than 30,000 letters in regard to price control, and I tell you the simple truth when I say that not less than 95 percent of those letters were in favor of the continuation of price control. They did not come from the organized interests that

had some personal interest in it. They came from the great body of consumers of America. Your wives know what price control has done. Your family knows what price control has done, and I hope, because you can point out individual inequities and injustices involving hardship cases, that you will not let it obscure your judgment as to the ultimate purpose for which price control was enacted. For 7 weeks we heard these complaints before the Committee on Banking and Currency. Many of them were appealing and many of them, I think, were just. Many of them ought to be remedied. In the report I said that we hoped that the Administrator would rectify these mistakes; that many of these mistakes involved cases where the Administration had caused hardship and injustice. But it is absolutely impossible to correct mistakes of administration by law. The law, by reason of its universality, will often result in hardship cases. The great framers of the common law understood that, and they established a system of equity to remedy the defects whereby the law by reason of its universality was deficient. This law cannot be made to operate uniformly with justice in every case throughout the whole Nation, but you cannot correct these mistakes by law. They have got to be corrected by administration. Ninety-nine percent of the complaints that were made before the committee could be corrected by the administration.

When you entrust power to men, you are going to find some men that will misuse it. You are going to find arrogance and insolence. I think we have found some here. I think that many of these complaints were complaints that might arouse the American people who are used to freedom, who are used to operate their businesses without the consultation or the judgment of other people. I knew when the bill was passed that it was going to be an unpopular bill. I knew that the men and women of America would be reluctant to submit to control even though it was for their own good. But we must continue this act, because if we weaken it to the extent that we lose control over prices then, in my opinion, a disaster that is indescribable will come upon the American people. There can be no greater disaster come to the people than that which would come from inflation. It would not only destroy the property they own but it would make useless the earnings of their labor. We have done a pretty job up to this point, whatever you may say. We have held down the prices so that he who works for wages or salary, when he gets his compensation, knows that he has a purchasing power that will keep him and his family. Let us not do anything by amendment to weaken or destroy this bill. It can be done. There have been amendments in the committee that may weaken it, and other amendments will be offered on the floor.

One of the amendments that is always offered is the amendment that will give the individual the right to go to his nearest court for his remedy. That is a plain principle of American jurisprudence, and in normal times it is a sound principle, but there is another principle that is just as important as that, and that is, equal justice under law. If we allow every individual to go to his district court and file his complaint and ask a judgment on the legality of these orders, which are national in scope and affect thousands of people, we will have confusion worse confounded.

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

Mr. SPENCE. Mr. Chairman, I yield myself five additional minutes.

There are 96 district courts in the United States. There are 11 circuit courts of appeal. None of the district courts is bound by the decisions of any other district court, and none of the circuit courts of appeal is bound by the decisions of other circuit courts of appeals, nor are the judgments precedents that have to be followed in the other circuit courts of appeal. So you can see the confusion that would result if every litigant could bring a suit in the court that had jurisdiction of him ordinarily, the court nearest to his home and his business.

It was said in the last consideration of the bill in the House that the judges of the Emergency Court of Appeals which has been created because it is necessary to have uniform construction and decision of these questions were here lobbying to obtain those positions. The Emergency Court of Appeals is as legal a court as the circuit courts or the district courts. The Constitution provides there shall be one Supreme Court and such inferior courts as the Congress may from time to time ordain and establish.

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

Mr. SPENCE. I yield to the gentleman from Texas.

Mr. PATMAN. Is it not a fact that the Emergency Court of Appeals is composed of judges appointed by the President and confirmed by the Senate?

Mr. SPENCE. No; they are not. They are judges who are appointed by the Chief Justice of the United States.

Mr. PATMAN. After they are appointed as United States judges, either of the district courts or circuit courts, then from that list of judges the Chief Justice of the United States appoints the Emergency Court of Appeals. They are all United States judges.

Mr. SPENCE. It is as legal as any other court in America. They were first appointed by the President of the United States. They were confirmed by the Senate. They were then appointed by the Chief Justice of the Supreme Court as judges of the Emergency Court of Appeals Out of all those in the United States, the man who best knows their qualifications, their fidelity to duty, and their industry, is the Chief Justice of the United States. He reviews their decisions. He appointed them to the Emergency Court of Appeals. There are two circuit judges and two district judges on that bench, and they serve without additional compensation. It seems to me these men have sought to render a fine service to their Government without compensation, which is an index of their character and public service.

I have heard at every hearing abuse of the emergency court of appeals and the argument that it is not a constitutional court. It is the court that has made the decisions on these questions uniform throughout the United States, so that every man similarly situated may be treated in substantially the same manner. I know that that amendment will be offered again. I know many amendments will be offered, many of which would cripple this act so it would not serve the purpose for which it is being enacted. But I doubt seriously if any Member of the Congress had upon his shoulders the full responsibility of continuing or destroying price control, he would destroy it. I am not going into the details of the bill tonight. I am going to put the report of the committee in the RECORD. I did not agree with some of the amendments. I feel that any amendment which cripples the administration of the act renders no service to the people of America.

The report of the committee is as follows:

EXTENDING THE PRICE CONTROL AND STABILIZATION ACTS

Mr. SPENCE, from the Committee on Banking and Currency, submitted the following report:

The Committee on Banking and Currency, to whom was referred the bill (H. R. 6042) to amend the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

GENERAL STATEMENT

The Emergency Price Act of 1942 and the Stabilization Act of 1942 will expire on June 30, 1946, unless their operation is extended.

The bill here being reported proposes, in sections 1 and 2, the continuance of these acts, with certain amendments, for a further period of 12 months. This extension is subject to the provisions in the existing law which authorize the termination of both acts at any time by proclamation of the President or by concurrent resolution of the Congress. It is the judgment of the committee that the hazard of severe inflation of prices and rents is far too great at this time to risk the immediate termination of the stabilization laws despite the striking progress which the Nation has already made on the way to a balanced, prosperous economy. On the contrary, the premature lifting of price, wage, and rent controls would release a far more precipitous spiral of prices and wages than that which brought about the illusory postwar boom of 1919 and wound up in the costly postwar collapse of 1921.

The dropping of controls at the end of 1918 did not lead to a healthy operation of the laws of supply and demand. Instead, its effect was to bring about hoarding and inventory speculation, and skyrocketing prices which rose faster than the rapidly rising wage rates. Under such circumstances, gains in production were soon choked off. Soaring costs made advance business planning too risky and sustained consumer buying impossible. When the inevitable collapse came, production dropped along with business profits, farm income, and industrial wages. Only business failures and farm and home foreclosures rose. Surely this country does not wish to risk a repetition of that experience—and on a far larger scale.

We see no basis for the fear occasionally voiced in our hearings that our free-enterprise economy is now so fettered by the emergency controls that it will never be able to produce goods in sufficient volume to permit the safe ending of these regulations. That is not to say that there have been no dislocations of supply or interruptions to production as the Nation has liquidated the greatest war effort in history. But, despite war-born shortages of manpower, materials, and facilities and despite some serious labor-management difficulties, our production has already forged ahead until the Federal Reserve Board's index of production, covering manufacturing and mining industries, stands at 154 for February, as against 100 in the base period 1935–39, with an increase to about 169 indicated for March. Even if production for the armed forces, estimated at from 10 to 15 points of the index, is subtracted, the resulting figure for February, around 140, represents the highest level ever attained in the absence of war demand.

The 52,000,000 persons now employed constitute the largest peacetime working force ever assembled. With the number of unemployed at a low level, it is evident that, far from being paralyzed, our economy will rapidly go forward to still higher production peaks with the return of veterans to civilian employment, the elimination of materials shortages, and the general increase in efficiency which comes with settlement of industrial disputes and disappearance of abnormal operating conditions.

The effect of such progress is not immediate but it is sure. As production increases and as shortages of industrial materials and consumer goods ease, the peril of inflationary pressures will diminish. Confidence in the stability of the dollar will be restored, and the vast liquid savings of American families and businesses will no longer be an inflationary menace but will become a safe reservoir of wealth to be drawn on for the orderly development of the national economy.

In view of these circumstances, the committee has concerned itself primarily with providing for the orderly withdrawal of price controls and subsidies as the need for them departs rather than with specifying new standards and restrictive amendments to meet the various objections to the legislation which have been expressed by witnesses appearing before it.

The committee has been more impressed by the complaints of individual inequities and hardships than by the criticisms of the general pricing standards developed by the Office of Price Administration within the framework of the price-control legislation. In not accepting amendments which would compel extensive changes in pricing standards, the committee in addition to other considerations has been mindful of the pricing uncertainties and delays which would be the inevitable consequence of requiring the Office of Price Administration to embark upon a sweeping program of review and revision of its regulations, which would have the effect of increasing rather than diminishing individual inequities.

It must be borne in mind, moreover, in appraising these pricing standards that the easing of shortages in materials, the influx of manpower from the armed forces, and the settlement of labor-management disputes will automatically cure many of the difficulties now attributed to price ceilings. Accordingly, the committee has restricted its proposals for amendments directed to specific problems to a relatively few situations where the action required by the amendments would, in the judgment of the committee, either further the basic objectives of the acts or correct particular inequities without putting those objectives in jeopardy.

The Price Control and Stabilization Acts, by reason of their universal application and the wide variety of subjects affected under general regulations, have resulted in injustices and inequalities affecting individuals. These injustices and inequalities have been brought out in the hearings, and the Office of Price Administration, by reason of that fact, has knowledge of their existence. These individual hardship cases have had far more to do with any sentiment that exists against the Office of Price Administration than all other reasons combined. The committee demands that measures be taken at the earliest possible time by the authorities to remedy all just complaints and that the Office of Price Administration be diligent in the future in preventing the recurrence of conditions that may bring about similar complaints.

REMOVAL OF PRICE AND WAGE CONTROLS

Section 3 of the bill adds a new section to title I of the Emergency Price Control Act for the purpose of providing an orderly termination of the general control of prices and wages and of the use of the subsidy powers conferred by section 2 (e) of the act.

Subsection (a) of the new section sets forth the congressional policy that these controls shall be terminated without further extension not later than June 30, 1947, and that the Office of Price Administration shall be abolished on that date. Although the officials in charge of the stabilization program have consistently, and, the committee believes, sincerely disclaimed any intention to perpetuate these controls, there have been persistent expressions of the fear that price and wage control might become permanent. It is the purpose of this section to put those fears to rest and to charge the Administrator with the duty of formulating a comprehensive plan for the progressive removal of controls so as to effect the return to a free market and free collective bargaining without disturbance of the national economy.

At the same time recognition is given to the fact that critical shortages in some commodities and in housing accommodations are likely to continue beyond June 30, 1947, and the President is directed to report to Congress not later than April 1, 1947, what, if any, of the powers granted by the Emergency Price Control Act will require further temporary continuance. In line with the declaration of policy that the Office of Price Administration shall be abolished, the President is further directed to make his recommendations as to the established departments or agencies which should be charged with the administration of such powers.

Subsection (b) sets up a procedure for the removal of price controls over particular commodities upon satisfaction of domestic demand therefor. It should be noted that section 2 (c) of the Emergency Price Control Act, as amended in 1944, provides for the removal of rent controls in areas where they are no longer needed.

The President, in whom responsibility was vested by the Stabilization Act of October 2, 1942, for the stabilization of prices, wages, and salaries affecting the cost of living and for the making thereafter of necessary adjustments, is further, charged by this subsection with responsibility for the removal of maximum price controls. He is directed to make periodic determinations whether domestic demand for any commodity or class of commodities has been satisfied and whether, having consideration for the purposes of this act and looking toward full production, price controls over such commodities should be removed. The Administrator is directed to remove controls not later than 10 days after certification to that effect by the President.

Subsection (c) makes it clear that the Administrator retains authority to remove specific controls at an earlier time than would be required under the preceding subsection in any case where in his judgment earlier removal is consistent with the purposes of the act.

Subsection (d) furnishes the safeguard of authorizing the restoration of maximum price controls in the case of any particular commodity or class of commodities when, by reason of changed conditions, the President has found that an unsatisfied domestic demand therefor has arisen and remained unsatisfied for more than 60 days without immediate prospect of change.

Stabilization officials described to the committee the present decontrol policy and recommended that the matter be left to administrative discretion. The committee is, however, of the opinion that the inclusion in the statute of standards for decontrol and the placing of responsibility therefor in the hands of the President will serve to stimulate the full production which all agree is the one final answer to inflation.

RESIDENTIAL OR APARTMENT HOTELS

It has come to the attention of the committee that transient hotels as a class may be differently situated from residential or apartment hotels for the purposes of rent regulations with respect to such general factors as investment, operating expenses, and mechanics of operation. To make clear that in establishing rent ceilings for, or in passing upon applications for adjustment by, transient hotels, the Administrator may appropriately take such distinctions into consideration, the committee proposes by section 4 of the bill the addition at the end of subsection (b) of section 2 of the Emergency Price Control Act of a new paragraph authorizing the Administrator so to act.

PROGRESSIVE REDUCTION OF SUBSIDIES

Section 5 of the bill provides for the progressive reduction of subsidies. It was not believed practicable to provide a rigid or detailed timetable for the reduction or elimination of each subsidy. There are a number of reasons which led to this conclusion.

In the first place, a removal schedule could not well be tied to the amounts spent for each subsidy program in the corresponding periods of the past year. The periods are not comparable. There were changes during the past year in the amounts of payment of some subsidies, such as flour, while other programs, such as peanuts, were eliminated, and still others, such as flaxseed, were instituted for the first time.

Secondly, to tie the removal requirement instead to a schedule of periodic reductions of each subsidy by fixed percentages would be to disregard the fact that the amounts of payment for a number of programs vary markedly on a seasonal basis. Moreover, such periodic reductions would generally have the unstabilizing effect of requiring a succession of price increases for the commodity involved. This would impose a time-consum administrative work load (for example, several weeks were needed recently to compute the thousands of individual increases in wholesale and retail meat ceilings). This requirement would also make far more difficult the already difficult task of framing effective regulations to guard against speculative windfall profits and to discourage the withholding from the market of goods on which a subsidy has already been paid until the price increase is effective.

In the third place, a detailed removal schedule would conflict with the need to avoid breaking off crop programs during the crop year. Finally, producers and processsors can be better protected against injury to their markets if the timing of subsidy removals is left to administrative judgment.

The method resorted to in this section of the bill affords the essential degree of flexibility. Each category of subsidies is limited to the amount estimated to be needed if the program were carried through the coming fiscal year on its present basis, and an overriding limitation provides that reductions should be so made that no more than three-quarters of the aggregate of the

amounts thus authorized shall be used. It is further provided that reductions shall be commenced at the earliest practicable date, but in no event later than October 1, 1946. In directing corresponding price increases when a subsidy is reduced or eliminated, to the extent that such increases are necessary to satisfy the requirements of law or to obtain maximum necessary production, the committee recognized that ordinarily the reduction or elimination of a subsidy will call for a corresponding increase in maximum prices. The exception to this rule would be a situation where the subsidy had been instituted to bring out added production of a commodity, which added production is no longer needed, and where the return without the subsidy would satisfy the requirements of law. Just as a price increase above the legal minimum which was given as an incentive to production may properly be taken away if the reason for the incentive disappears, so the removal of a subsidy instituted in lieu of such a price increase should not require a mandatory price increase to the full amount of the subsidy. Otherwise the producers of subsidized commodities would be given a price advantage over other producers. It is manifest, however, that in the great majority of cases, as for example the dairy-production-payment program, the need for maximum production still exists and price increases will be required when the subsidy is reduced.

The term "subsidy operations" is defined for the purposes of the foregoing limitations to mean subsidizing directly or indirectly the sale of commodities by the making of subsidy payments or the purchase of any commodities for resale at a loss for the purposes stated in section 2 (e) (1) of the Emergency Price Control Act, as amended. Those purposes are to obtain maximum necessary production or otherwise to supply the demand for any commodity by making subsidy payents or purchases for resale at a loss in lieu of ceiling price adjustments. The definition of a subsidy operation is not intended to include payments or losses incident to such of the operations of the Commodity Credit Corporation as sales of commodities for export at competitive world prices pursuant to section 21 (c) of the Surplus Property Act of 1944, sales of farm commodities for new or byproduct uses pursuant to section 2 of the act of April 12, 1945 (59 Stat. 50), sales of commodities pursuant to section 2 of the act of April 12, 1945 (59 Stat. 50), which have substantially deteriorated in quality, or of nonbasic perishable commodities where there is danger of loss through waste or spoilage, and loans, purchases, or other price-support operations which do not involve supporting prices to producers of agricultural commodities at levels above those reflected by price ceilings.

The limitations apply to subsidy operations for the fiscal year 1947. Subsidy operations for the fiscal year 1947 which relate to 1946 crop programs may not, of course, be completed during the fiscal year 1947, and the bill does not contemplate that the completion of such operations would have to be during the fiscal year 1947. Likewise, in the case of subsidy operations for the fiscal year 1947 which do not relate to crop programs, the bill contemplates that payments of obligations incurred during the fiscal year could be made after the end of the fiscal year. Thus, in the case of payments under the dairy-production program, payments could be made after the end of the fiscal year 1947 with respect to dairy products produced and sold during that fiscal year.

SUBSIDIES ALREADY AUTHORIZED

The purpose of section 6 of the bill is to make it clear that certain subsidy payments may be made during the fiscal year ending June 30, 1946, as authorized by existing law. Authorizations for the present fiscal year are contained in Public Law 30 relating to operations of Commodity Credit Corporation, Public Law 88 relating to operations by the Reconstruction Finance Corporation, and Public Law 164 relating to operations of Commodity Credit Corporation with respect to certain increases in subsidy payments over the amounts provided for in Public Law 30. It was felt that there might be a technical question whether, in the absence of section 6, the language of section 5 of this bill might not be construed to prevent those subsidy payments now authorized to the end of this fiscal year. Likewise a savings clause was added to preclude any possibility that this bill could be construed to include purchases of tin ore and tin concentrates for the continued operation of the Texas City tin smelter. These purchases were specifically excluded by Public Law 328.

DECONTROL OF CERTAIN "NEW COMMODITIES"

Under the stimulus of war, American inventive genius has made great strides forward. When the utilization by private enterprise of the resulting scientific and technological gains may be possible without unstabilizing effect, price controls should not be allowed to stand in the way. With this in view, the committee proposes by section 7 of the bill the addition of a new subsection (o) to section 2 of the Emergency Price Control Act which would require the exemption from existing or future controls of any commodity which, when used in the production, manufacture, or processing of any other commodity, would either increase the life of the latter commodity or reduce the cost of producing, manufacturing, or processing it. To assure the consistency of action under this provision with the purposes of the act, the condition is prescribed that the use of the commodity in production, manufacturing, or processing shall not increase the cost to the ultimate user.

The operation of this requirement is not limited to new commodities which are hereafter developed. From the standpoint of time, the test prescribed is whether or not the commodity was available for commercial sale or industrial use prior to January 30, 1942, the date of the Emergency Price Control Act. Of course, the fact that, after that date, a previously available commodity was changed in various respects would not necessarily render the changed commodity "new" within the meaning of this provision. The question of when a commodity is essentially a new commodity is one which of necessity must be left to the application of administrative standards.

THE MAXIMUM AVERAGE PRICE PLAN

Early in 1945 the Office of Price Administration instituted a plan for preventing the shift from the lower-priced to the higher-priced lines of wool and rayon fabrics and of most articles of apparel. The method developed to encourage the production of the lower-priced lines, which became known as the maximum average price plan, operated to restrain a manufacturer subject to it from delivering for sale in any quarter goods averaging in price more than the weighted average price of the goods which he had delivered for sale in a corresponding previous quarter, either in 1943 or in 1944, depending on the commodity.

Witnesses before this committee from the wool fabric, the apparel, and the retail-dry-goods industries were vigorous in their condemnation of the operation of this plan. They asserted that it not only caused hardship to manufacturers, but also was responsible for encouraging the production of shoddy merchandise. Officials of the Office of Price Administration admitted that, as a consequence of shortages in materials and manpower, the plan had not operated in accordance with their initial expectations but claimed that a series of modifications made in the plan when difficulties were encountered in its administration were removing the grounds for objection to it.

The committee is not satisfied that the maximum average price plan is workable or necessary and hence proposes to eliminate it by adding a new subsection (p) to section 2 of the Emergency Price Control Act contained in section 7 of the bill.

PROTECTION OF TRADE DISCOUNTS AND CHARGES FOR CERTAIN RETAIL INDUSTRIES

The committee has not concurred in the contention advanced before it that all increases required in the ceilings of manufacturers should be passed through to consumers, regardless of retailers' ability to absorb some of the increased cost. While it believes that such action would increase the cost of living without warrant and would discriminate unfairly against manufacturers who are required to absorb cost increases within the limits of Office of Price Administration's pricing standards, the committee has, nevertheless, been impressed by the case of the retail industry which specializes in the sale of a commodity or commodities that had been largely forced out of production or retail distribution by wartime governmental restrictions. Accordingly, until such a retail industry has been restored to its peacetime volume of sales for a reasonable period of time, the proposed new subsection (q) of section 2 of the Emergency Price Control Act added by section 7 of the bill would prohibit the Administrator, in establishing maximum prices under section 2, from reducing the retail trade discounts or dealer handling charges established in the industry under normal peacetime conditions for the sale of the commodity.

The test prescribed in the proposed amendment to determine whether a retail industry is entitled to the benefit of this rule is that its principal sales during the years 1939–41 were of a commodity or commodities the production or retail distribution of which had been reduced, as a result of governmental restriction or regulation, for 3 years beginning March 2, 1942, by at least 75 percent below its level for the years 1939–41.

The test to determine whether the industry's sales of a commodity have been restored to the point that it no longer would require the protection of this amendment is that retail unit sales for a period of 6 months have reached the industry's average annual retail sales of the commodity for the years 1939–41.

PRODUCTS MADE FROM COTTON AND WOOL

The 1944 amendment to section 3 of the Stabilization Act of 1942 which specified the standard to be applied in establishing maximum prices for major items of products made in whole or major part from cotton or cotton yarn has given rise to the question whether the cost basis which must be used in determining the ceiling of a major item pursuant to that standard is the current cost of cotton of the grade and staple used in the item where that cost is higher than the parity price. It is the committee's opinion that that question should be resolved in the affirmative, and provision for this is made in the amendment which the committee by section 8 of the bill proposes for inclusion at the end of section 3 of the Stabilization Act. The proposed amendment, in further specifying that to such cost there be added the weighted average of mill conversion costs and a reasonable profit is merely declaratory of the existing administrative practice.

The committee has also proposed the application of the same formula in the pricing of major items of products made in whole or major part from wool or wool yarn.

CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in

italics, existing law in which no change is proposed is shown in roman):

"EMERGENCY PRICE CONTROL ACT OF 1942, AS AMENDED

"TITLE I—GENERAL PROVISIONS AND AUTHORITY

"Purposes; time limit; applicability

"SECTION 1. (a) It is hereby declared to be in the interest of the national defense and security and necessary to the effective prosecution of the present war, and the purposes of this Act are, to stabilize prices and to prevent speculative, unwarranted, and abnormal increases in prices and rents; to eliminate and prevent profiteering, hoarding, manipulation, speculation, and other disruptive practices resulting from abnormal market conditions or scarcities caused by or contributing to the national emergency; to assure that defense appropriations are not dissipated by excessive prices; to protect persons with relatively fixed and limited incomes, consumers, wage earners, investors, and persons dependent on life insurance, annuities, and pensions, from undue impairment of their standard of living; to prevent hardships to persons engaged in business, to schools, universities, and other institutions, and to the Federal, State, and local governments, which would result from abnormal increases in prices; to assist in securing adequate production of commodities and facilities; to prevent a post emergency collapse of values; to stabilize agricultural prices in the manner provided in section 3; and to permit voluntary cooperation between the Government and producers, processors, and others to accomplish the aforesaid purposes. It shall be the policy of those departments and agencies of the Government dealing with wages (including the Department of Labor and its various bureaus, the War Department, the Navy Department, the War Production Board, the National Labor Relations Board, the National Mediation Board, the National War Labor Board, and others heretofore or hereafter created), within the limits of their authority and jurisdiction, to work toward a stabilization of prices, fair and equitable wages, and cost of production.

"(b) The provisions of this Act, and all regulations, orders, price schedules, and requirements thereunder, shall terminate on [June 30, 1946] *June 30, 1947,* or upon the date of a proclamation by the President, or upon the date specified in a concurrent resolution by the two Houses of the Congress, declaring that the further continuance of the authority granted by this Act is not necessary in the interest of the national defense and security, whichever date is the earlier; except that as to offenses committed, or rights or liabilities incurred, prior to such termination date, the provisions of this Act and such regulations, orders, price schedules, and requirements shall be treated as still remaining in force for the purpose of sustaining any proper suit, action, or prosecution with respect to any such right, liability, or offense.

"(c) The provisions of this Act shall be applicable to the United States, its Territories and possessions, and the District of Columbia.

"Removal of price and wage controls

"Sec. 1A. (a) It is hereby declared to be the policy of the Congress that the general control of prices and wages, and the use of the subsidy powers conferred by section 2 (e) of this Act, shall be terminated, without further extension, not later than June 30, 1947, and that on that date the Office of Price Administration shall be abolished. The Price Administrator (and the Secretary of Agriculture to the extent of his responsibility under section 3 (e) of this Act) shall proceed immediately to formulate a comprehensive plan for the progressive removal of price controls and subsidies in order that the return to a free market and to free collective bargaining may be accomplished on or before June 30, 1947, without disturbance of the national economy. The President shall, not later than April 1, 1947, report to the Congress what, if any, commodities or classes of commodities, including housing accommodations, are in such critically short supply as to necessitate, in his judgment, the continuance of the powers granted by this Act as to them after June 30, 1947, together with his recommendations as to the established departments or agencies of the Government which should be charged with the administration of such powers.

"(b) (1) Maximum price controls shall be removed, as provided in this subsection in the case of particular commodities or classes of commodities, upon satisfaction of domestic demand therefor.

"(2) The President shall make from time to time, but not less frequently than once each month, as to each commodity or class of commodities in the case of which maximum price controls are in effect, a determination as to whether domestic demand for such commodity or class of commodities has been satisfied. Whenever the President shall determine that domestic demand for any such commodity or class of commodities has been satisfied, and that, having consideration for the purposes of this Act and looking toward full production, price controls should accordingly be removed in the case of such commodity or class of commodities, he shall forthwith certify such determination in writing to the Price Administrator.

"(3) When the Price Administrator has received from the President a certification in writing, under this subsection, with respect to any commodity or class of commodities, the Price Administrator shall not later than ten days after the receipt of such certification, take such action as may be necessary to remove all price controls with respect to such commodity or class of commodities.

"(c) Nothing in subsection (b) shall limit the authority of the Price Administrator to remove price controls with respect to any commodity or class of commodities at an earlier time than would be the case under the provisions of such subsection in any case which, in his judgment, removal of such controls at an earlier time is consistent with the purposes of this Act.

(d) (1) After maximum price controls have been removed in accordance with subsection (b), in the case of any commodity or class of commodities, the President shall from time to time determine whether, by reason of changed conditions, there has arisen an unsatisfied domestic demand for such commodity or class of commodities. Whenever the President determines that such demand has arisen and has remained unsatisfied for a period of more than 60 days, and, in his judgment, there is no immediate prospect of such demand being satisfied, he shall forthwith certify that fact in writing to the Price Administrator.

"(2) When the Price Administrator has received from the President a certification in writing under this subsection with respect to a particular commodity or class of commodities, the Price Administrator may reestablish, with respect to such commodity or class of commodities, such maximum price or maximum prices, consistent with applicable provisions of law, as in his judgment may be necessary to effectuate the purposes of this Act.

"Prices, rents, and market and renting practices

"SEC. 2. (a) Whenever in the judgment of the Price Administrator (provided for in section 201) the price or prices of a commodity or commodities have risen or threaten to rise to an extent or in a manner inconsistent with the purposes of this Act, he may by regulation or order establish such maximum price or maximum prices as in his judgment will be generally fair and equitable and will effectuate the purposes of this Act. So far as practicable, in establishing any maximum price, the Administrator shall ascertain and give due consideration to the prices prevailing between October 1 and October 15, 1941 (or if, in the case of any commodity, there are no prevailing prices between such dates, or the prevailing prices between such dates are not generally representative because of abnormal or seasonal market conditions or other cause, then to the prices prevailing during the nearest two-week period in which, in the judgment of the Administrator, the prices for such commodity are generally representative), for the commodity or commodities included under such regulation or order, and shall make adjustments for such relevant factors as he may determine and deem to be of general applicability, including the following: Speculative fluctuations, general increases or decreases in costs of production, distribution, and transportation, and general increases or decreases in profits earned by sellers of the commodity or commodities, during and subsequent to the year ended October 1, 1941: *Provided,* That no such regulation or order shall contain any provision requiring the determination of costs otherwise than in accordance with established accounting methods. Every regulation or order issued under the foregoing provisions of this subsection shall be accompanied by a statement of the considerations involved in the issuance of such regulation or order. As used in the foregoing provisions of this subsection, the term "regulation or order" means a regulation or order of general applicability and effect. Before issuing any regulation or order under the foregoing provisions of this subsection, the Administrator shall, so far as practicable, advise and consult with representative members of the industry which will be affected by such regulation or order, and shall give consideration to their recommendations. In the case of any commodity for which a maximum price has been established, the Administrator shall, at the request of any substantial portion of the industry subject to such maximum price, regulation, or order of the Administrator, appoint an industry advisory committee, or committees, either national or regional or both, consisting of such number of representatives of the industry as may be necessary in order to constitute a committee truly representative of the industry, or of the industry in such region, as the case may be. The committee shall select a chairman from among its members, and shall meet at the call of the chairman. The Administrator shall from time to time, at the request of the committee, advise and consult with the committee with respect to the regulation or order, and with respect to the form thereof, and classifications, differentiations, and adjustments therein. The committee may make such recommendations to the Administrator as it deems advisable, and such recommendations shall be considered by the Administrator. Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this Act, he may, without regard to the foregoing provisions of this subsection, issue temporary regulations or orders establishing as a maximum price or maximum prices the price or prices prevailing with respect to any commodity or commodities within five days prior to the date of issuance of such temporary regulations or orders; but any such temporary regulation or order shall be effective for not more than sixty days, and may be replaced by a regulation or order issued under the foregoing provisions of this subsection.

"(b) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this Act, he shall issue a declaration setting forth the necessity for, and recommendations with reference to, the stabilization or reduction of rents for any defense-area housing accommodations within a particular defense-

rental area. If within sixty days after the issuance of any such recommendations rents for any such accommodations within such defense-rental area have not in the judgment of the Administrator been stabilized or reduced by State or local regulation, or otherwise, in accordance with the recommendations, the Administrator may by regulation or order establish such maximum rent or maximum rents for such accommodations as in his judgment will be generally fair and equitable and will effectuate the purposes of this Act. So far as practicable, in establishing any maximum rent for any defense-area housing accommodations, the Administrator shall ascertain and give due consideration to the rents prevailing for such accommodations, or comparable accommodations, on or about April 1, 1941 (or if, prior or subsequent to April 1, 1941, defense activities shall have resulted or threatened to result in increases in rents for housing accommodations in such area inconsistent with the purposes of this Act, then on or about a date (not earlier than April 1, 1940), which in the judgment of the Administrator, does not reflect such increases), and he shall make adjustments for such relevant factors as he may determine and deem to be of general applicability in respect of such accommodations, including increases or decreases in property taxes and other costs within such defense-rental area. In designating defense-rental areas, in prescribing regulations and orders establishing maximum rents for such accommodations, and in selecting persons to administer such regulations and orders, the Administrator shall, to such extent as he determines to be practicable, consider any recommendations which may be made by State and local officials concerned with housing or rental conditions in any defense-rental area. Whenever the Administrator shall find that, in any defense-rental area or any portion thereof specified by him, the availability of adequate rental housing accommodations and other relevant factors are such as to make rent control unnecessary for the purpose of eliminating speculative, unwarranted, and abnormal increases in rents and of preventing profiteering, and speculative and other disruptive practices resulting from abnormal market conditions caused by congestion, the controls imposed upon rents by authority of this Act in such defense-rental area or portion thereof shall be forthwith abolished; but whenever in the judgment of the Administrator it is necessary or proper, in order to effectuate the purposes of this Act, to reestablish the regulation of rents in any such defense-rental area or portion thereof, he may forthwith by regulation or order reestablish maximum rents for housing accommodations therein in accordance with the standards set forth in this Act. Before issuing any regulation or order under the foregoing provisions of this subsection, the Administrator shall, so far as practicable, advise and consult with representative members of the industry which will be affected by such regulation or order, and shall give consideration to their recommendations. The Administrator shall, at the request of any substantial portion of the industry subject to such regulation or order of the Administrator, appoint a national industry advisory committee, or committees, in the same manner and form and with the same powers and duties as provided in subsection (a) for industry advisory committees relating to price.

"After the date upon which this paragraph takes effect, the Administrator, when establishing rent ceilings on hotels or when passing upon applications for adjustments of rent ceilings on hotels, is authorized to take into consideration the distinction between transient hotels and residential or apartment hotels; including the difference in the investment, operation, expenses and mechanical details of operation between the transient hotels and the residential and apartment hotels.

"(c) Any regulation or order under this section may be established in such form and manner, may contain such classifications and differentiations, and may provide for such adjustments and reasonable exceptions, as in the judgment of the Administrator are necessary or proper in order to effectuate the purposes of this Act. Under regulations to be prescribed by the Administrator, he shall provide for the making of individual adjustments in those classes of cases where the rent on the maximum rent date for any housing accommodations is, due to peculiar circumstances, substantially higher or lower than the rents generally prevailing in the defense-rental area for comparable housing accommodations, and in those classes of cases where substantial hardship has resulted since the maximum rent date from a substantial and unavoidable increase in property taxes or operating costs. Any regulation or order under this section which establishes a maximum price or maximum rent may provide for a maximum price or maximum rent below the price or prices prevailing for the commodity or commodities, or below the rent or rents prevailing for the defense-area housing accommodations, at the time of the issuance of such regulation or order.

"(d) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this Act, he may, by regulation or order, regulate or prohibit speculative or manipulative practices (including practices relating to changes in form or quality) or hoarding, in connection with any commodity, and speculative or manipulative practices or renting or leasing practices (including practices relating to recovery of the possession) in connection with any defense-area housing accommodations, which in his judgment are equivalent to or are likely to result in price or rent increases, as the case may be, inconsistent with the purposes of this Act.

"(e) *(1)* Whenever the Administrator determines that the maximum necessary production of any commodity is not being obtained or may not be obtained during the ensuing year, he may, on behalf of the United States, without regard to the provisions of law requiring competitive bidding, buy or sell at public or private sale, or store for use, such commodity in such quantities and in such manner and upon such terms and conditions as he determines to be necessary to obtain the maximum necessary production thereof or otherwise to supply the demand therefor, or make subsidy payments to domestic producers of such commodity in such amounts and in such manner and upon such terms and conditions as he determines to be necessary to obtain the maximum necessary production thereof: *Provided,* That in the case of any commodity which has heretofore or may hereafter be defined as a strategic or critical material by the President pursuant to section 5d of the Reconstruction Finance Corporation Act, as amended, such determinations shall be made by the Federal Loan Administrator, with the approval of the President, and, notwithstanding any other provision of this Act or of any existing law, such commodity may be bought or sold, or stored or used, and such subsidy payments to domestic producers thereof may be paid, only by corporations created or organized pursuant to such section 5d; except that in the case of the sale of any commodity by any such corporation, the sale price therefor shall not exceed any maximum price established pursuant to subsection (a) of this section which is applicable to such commodity at the time of sale or delivery, but such sale price may be below such maximum price or below the purchase price of such commodity, and the Administrator may make recommendations with respect to the buying or selling, or storage or use, of any such commodity: *Provided, however,* That, with the exception of any commodity which prior to the effective date of this amendatory proviso has been defined as a strategic or critical material pursuant to section 5d of the Reconstruction Finance Corporation Act, as amended, no agricultural commodity or commodity manufactured or processed in whole or substantial part from any agricultural commodity intended to be used as food for human consumption, shall, for the purposes of this subsection, be defined as a strategic or critical material pursuant to the provisions of said section 5d of the Reconstruction Finance Corporation Act, as amended. In any case in which a commodity is domestically produced, the powers granted to the Administrator by this subsection shall be exercised with respect to importations of such commodity only to the extent that, in the judgment of the Administrator, the domestic production of the commodity is not sufficient to satisfy the demand therefor. Nothing in this section shall be construed to modify, suspend, amend, or supersede any provision of the Tariff Act of 1930, as amended, and nothing in this section, or in any existing law, shall be construed to authorize any sale or other disposition of any agricultural commodity contrary to the provisions of the Agricultural Adjustment Act of 1938, as amended, or to authorize the Administrator to prohibit trading in any agricultural commodity for future delivery if such trading is subject to the provisions of the Commodity Exchange Act, as amended.

"[After June 30, 1945, neither the Price Administrator nor the Reconstruction Finance Corporation nor any other Government corporation shall make any subsidy payments, or buy any commodity for the purpose of selling them at a loss and thereby subsidizing directly or indirectly the sale of commodities, unless the money required for such subsidies, or sale at a loss, has been appropriated by Congress for such purpose; and appropriations for such purpose are hereby authorized to be made.]

"*(2) Subsidy operations, as hereinafter defined, for the fiscal year ending June 30, 1947, shall be limited as follows: subject to the provisions of paragraph (3):*

"*(A) With respect to funds of the Commodity Credit Corporation—*

"*(i) for the dairy production payment program, $515,000,000: Provided, That in carrying out the dairy production payment program the rate of payment per pound of butterfat delivered shall not be less than 25 per centum of the national weighted average rate of payment per hundred pounds of whole milk delivered;*

"*(ii) for other noncrop programs, $50,000,000; and*

"*(iii) for the 1946 crop program operations, $160,000,000:*

"*Provided, That not to exceed 10 per centum of each amount specified in clauses (i), (ii), and (iii) of this subparagraph (A) shall be available interchangeably for the operations described in such clauses but in no case shall the total subsidy operations under any one of such clauses be increased by more than 10 per centum; and*

"*(B) With respect to funds of the Reconstruction Finance Corporation—*

"*(i) for rubber produced in Latin America and Africa for which commitments were made before January 1, 1946, $31,000,000;*

"*(ii) for materials or commodities produced in the United States as follows:*

"*Meat, $715,000,000;*

"*Flour, $260,000,000;*

"*Petroleum and petroleum products, $50,000,000;*

"*Copper, lead, and zinc in the form of premium price payments, $100,000,000;*

"*(iii) for other materials or commodities, produced in or outside the United States, $170,000,000:*

Provided, That in the event the entire amount of any of the allocations referred to in this subparagraph (B) is not required for its purpose, the unused portion of such allocation, but not to exceed 10 per centum of such allocation, may be used for such subsidy operations for any item or items enumerated in this subparagraph (B) as may be determined by the Economic Stabilization Director.

"(3) Notwithstanding the provisions of paragraph (2), subsidy operations for the fiscal year ending June 30, 1947, shall be progressively reduced, due regard being had to the welfare of the producers and processors of the commodities subsidized. Such reduction shall be commenced at the earliest practicable date consistent with the purposes of this Act, but in no event later than October 1, 1946. Such reductions shall be so carried out that the aggregate of subsidy operations for the fiscal year shall not exceed seventy-five per centum of the sum of the amounts set forth in paragraph (2): Provided, That upon the reduction or elimination of such subsidy operations the Administrator shall make corresponding increases in maximum prices to the extent that such increases are necessary to satisfy the requirements of law or to obtain the maximum necessary production.

"(4) For the purposes of paragraphs (2) and (3), the term 'subsidy operations' means subsidizing directly or indirectly the sale of commodities by the making of subsidy payments or the purchase of any commodities for resale at a loss, for the purposes stated in paragraph (1) of this subsection (e).

"(f) No power conferred by this section shall be construed to authorize any action contrary to the provisions and purposes of section 3, and no agricultural commodity shall be sold within the United States pursuant to the provisions of this section by any governmental agency at a price below the price limitations imposed by section 3 (a) of this Act with respect to such commodity.

"(g) Regulations, orders, and requirements under this Act may contain such provisions as the Administrator deems necessary to prevent the circumvention or evasion thereof.

"(h) The powers granted in this section shall not be used or made to operate to compel changes in the business practices, cost practices or methods, or means or aids to distribution, established in any industry, or changes in established rental practices, except where such action is affirmatively found by the Administrator to be necessary to prevent circumvention or evasion of any regulation, order, price schedule, or requirement under this act.

"(i) No maximum price shall be established for any fishery commodity below the average price of such commodity in the year 1942.

"(j) Nothing in this Act shall be construed (1) as authorizing the elimination or any restriction of the use of trade and brand names; (2) as authorizing the Administrator to require the grade labeling of any commodity; (3) as authorizing the Administrator to standardize any commodity, unless the Administrator shall determine, with respect to such standardization, that no practicable alternative exists for securing effective price control with respect to such commodity; or (4) as authorizing any order of the Administrator fixing maximum prices for different kinds, classes, or types of a commodity which are described in terms of specifications or standards, unless such specifications or standards were, prior to such order, in general use in the trade or industry affected, or have previously been promulgated and their use lawfully required by another Government agency.

"(k) No regulation, order, or price schedule issued under this Act shall, after the effective date of this subsection, require any seller of goods at retail to limit his sales with reference to any highest price line offered for sale by him at any prior time.

"(l) Before growers' maximum prices are established or lowered for any agricultural commodity which is the product of annual or seasonal planting, the Price Administrator shall give to such growers, not less than 15 days prior to the normal planting season in each major producing area affected, notice of the maximum prices he proposes to establish therefor: *Provided*, That in no case shall this subsection require such notice to be given more than 12 months prior to the beginning of the normal marketing season in such area. This requirement may be satisfied by publication in the Federal Register, but the Administrator shall utilize appropriate means to insure general publicity to such prices in the areas affected. The requirements of this subsection shall not apply to the 1944 crop of any agricultural commodity of any major producing area in which the normal planting season occurs prior to July 31, 1944.

"(m) No agency, department, officer, or employee of the Government, in the payment of sums authorized by this or other Acts of Congress relating to the production or sale of agricultural commodities, or in contracts for the purchase of any such commodities by the Government or any department or agency thereof, or in any allocation of materials or facilities, or in fixing quotas for the production or sale of any such commodities, shall impose any conditions or penalties not authorized by the provisions of the Act or Acts, or lawful regulations issued thereunder, under which such sums are authorized, such contracts are made, materials and facilities allocated, or quotas for the production or sale of any such commodities are imposed. Any person aggrieved by any action of any agency, department, officer, or employee of the Government contrary to the provisions hereof, or by the failure to act of any such agency, department, officer, or employee may petition the district court of the district in which he resides or has his place of business for an order or a declaratory judgment to determine whether any such action or failure to act is in conformity with the provisions hereof and otherwise lawful; and the court shall have jurisdiction to grant appropriate relief. The provisions of the Judicial Code as to monetary amount involved necessary to give jurisdiction to a district court shall not be applicable in any such case.

"(n) In establishing or maintaining maximum prices under this Act or otherwise in the case of collect-on-delivery sales of any commodity where under established practices the seller a uniform charge is added to the price to cover mailing costs, an increase in maximum prices shall be allowed equivalent to any increase in such costs heretofore or hereafter resulting from increased postal rates or charges.

"(o) After the date upon which this subsection takes effect, no maximum price shall be established or maintained, under this Act or under any other provision of law, with respect to any new commodity the use of which, in the production, manufacturing, or processing of any commodity or commodities, without increasing the cost to the ultimate user, either increases the life or reduces the cost of production, manufacture, or processing of the commodity or commodities produced, manufactured or processed. As used in this subsection the term 'new commodity' means a commodity which was not commercially or industrially available prior to January 30, 1942.

"(p) After July 1, 1946, no maximum price regulation or order shall be issued or continued in effect requiring any seller to limit his sales by any weighted average price limitation based on his previous sales.

"(q) In the case of any retail industry, the principal sales of which consisted during the calendar years 1939 to 1941, inclusive, of sales of a commodity or commodities the production or retail distribution of which has been reduced, for a period of three years beginning on or after March 2, 1942, by 75 per centum or more below such production or retail distribution for the calendar years 1939 to 1941, inclusive, as a result of the operation of any governmental regulation or restriction, the Administrator shall not, in establishing maximum prices under this section, reduce established retail trade discounts or dealer handling charges for any such commodity before the retail unit sales of such commodity for a period of six months shall have reached the average annual retail unit sales thereof for the calendar years 1939 to 1941, inclusive."

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"STABILIZATION ACT OF 1942, AS AMENDED JUNE 30, 1944

* * * * *

"SEC. 3. No maximum price shall be established or maintained for any agricultural commodity under authority of this Act or otherwise below a price which will reflect to producers of agricultural commodities the higher of the following prices, as determined and published by the Secretary of Agriculture—

"(1) The parity price for such commodity (adjusted by the Secretary of Agriculture for grade, location, and seasonal differentials) or, in case a comparable price has been determined for such commodity under and in accordance with the provisions of section 3 (b) of the Emergency Price Control Act of 1942, such comparable price (adjusted in the same manner), or

"(2) The highest price received by such producers for such commodity between January 1, 1942, and September 15, 1942 (adjusted by the Secretary of Agriculture for grade, location, and seasonal differentials), or, if the market for such commodity was inactive during the latter half of such period, a price for the commodity determined by the Secretary of Agriculture to be in line with the prices, during such period, of other agricultural commodities produced for the same general use;

"and no maximum price shall be established or maintained under authority of this Act or otherwise for any commodity processed or manufactured in whole or substantial part from any agricultural commodity below a price which will reflect to the producers of such agricultural commodity a price therefor equal to the higher of the prices specified in clauses (1) and (2) of this section: *Provided*, That the President shall, without regard to the limitation contained in clause (2), adjust any such maximum price to the extent that he finds necessary to correct gross inequities; but nothing in this section shall be construed to permit the establishment in any case of a maximum price below a price which will reflect to the producers of any agricultural commodity the price therefor specified in clause (1) of this section: *Provided further*, That modifications shall be made in maximum prices established for any agricultural commodity and for commodities processed or manufactured in whole or substantial part from any agricultural commodity, under regulations to be prescribed by the President, in any case where it appears that such modification is necessary to increase the production of such commodity for war purposes, or where by reason of increased labor or other costs to the producers of such agricultural commodity incurred since January 1, 1941, the maximum prices so established will not reflect such increased costs: *Provided further*, That in the fixing of maximum prices on products resulting from the processing of agricultural commodities, including livestock, a generally fair and equitable margin shall be allowed for such processing: *Provided further*, That in fixing price maximums for agricultural commodities and for

commodities processed or manufactured in whole or substantial part from any agricultural commodity, as provided for by this Act, adequate weighting shall be given to farm labor.

"On and after the date of the enactment of this paragraph, it shall be unlawful to establish, or maintain, any maximum price for any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity which will reflect to the producers of such agricultural commodity a price below the highest applicable price standard (applied separately to each major item in the case of products made in whole or major part from cotton or cotton yarn) of this act.

"The President, acting through any department, agency, or office of the Government, shall take all lawful action to assure that the farm producer of any of the basic agricultural commodities (cotton, corn, wheat, rice, tobacco, and peanuts) and of any agricultural commodity with respect to which a public announcement has been made under section 4 (a) of the act entitled "An act to extend the life and increase the credit resources of the Commodity Credit Corporation and for other purposes," approved July 1, 1941, as amended (relating to supporting the prices of nonbasic agricultural commodities), receives not less than the higher of the two prices specified in clauses (1) and (2) of this section (the latter price as adjusted for gross inequity).

"The method that is now used for the purposes of loans under section 8 of this Act for determining the parity price or its equivalent for seven-eighths inch Middling cotton at the average location used in fixing the base loan rate for cotton shall also be used for determining the parity price for seven-eighths inch Middling cotton at such average location for the purposes of this section; and any adjustments made by the Secretary of Agriculture or the War Food Administrator for grade, location, or seasonal differentials for the purposes of this section shall be made on the basis of the parity price so determined: *Provided further*, That on and after the date of the enactment of this proviso, no maximum prices shall be established or maintained on products resulting from the processing of cattle and calves, lambs and sheep, and hogs, the processing of each species being separately considered, which, taken together, do not allow for a reasonable margin of profit to the processing industry as a group on each such species.

"On and after the date of the enactment of this paragraph, it shall be unlawful to establish, or maintain, any maximum price, applicable to manufacturers or processors, for any major item in the case of products made in whole or major part from cotton or cotton yarn or wool or wool yarn, unless the maximum price for such major item is fixed and maintained at not less than the sum of the following:

"(1) The cotton or wool cost (which must be computed at not less than the parity price or the current cost, whichever is greater, of the grade and staple of cotton or wool used in such item, delivered at the mill);

"(2) A weighted average of mill conversion costs; and

"(3) A reasonable profit.

* * * * *

"SEC. 6. The provisions of this Act, (except sections 8 and 9), and all regulations thereunder, shall terminate on [June 30, 1946] *June 30, 1947*, or on such earlier date as the Congress by concurrent resolution, or the President by proclamation, may prescribe."

MINORITY VIEWS

The minority believes that Emergency Price Control bill, H. R. 6042, contributes to an ominous delusion, existing in this administration, that we can escape a catastrophic inflation without terminating reckless spending and balancing the budget.

Every ruinous inflation in history has had the same primary cause, a sudden and enormous increase of money or currency among a people without a corresponding increase of things to buy.

This bill deals with the effects of inflation and does not even remotely concern itself with the cause. Yet it is represented to the Nation as a preventative of inflation. Both this delusion and price control itself are operating to prevent normal economic healing processes from functioning to save America from mere inflation.

To genuinely cope with inflation, Congress must both stop the outpouring of public funds and simultaneously encourage the output of goods. The effect of OPA to date has been just the reverse—actual encouragement of congressional and public complacency about the outpouring of money and bonds and persistent discouragement of the production of goods.

For 5 weeks the committee received evidence from producers and enterprisers who, perhaps with only a single exception, testified that OPA was crippling and restricting production. Despite our war-expanded production facilities, the OPA policy of "too little too late" has been lowering the American standard of living by creating widespread shortages.

Nowhere are the deadly effects of OPA more clearly apparent than the home-building industry. There OPA bottlenecks and delays have brought about a reduced production of building materials that has already prevented thousands of veterans from having finished homes.

Besides creating artifical shortages, OPA pricing policies have resulted in black marketing and bootlegging on a scale that threatens the moral foundations of the Nation. For example, competent witnesses, plus careful surveys, indicate that upward of 80 percent of the trade in fresh meat is black market by OPA definition.

The subsidies provided in the bill are highly inflationary, and continue the attempt to conceal from the American housewife the rising prices resulting from inflationary spending. How the administration can ask the American people to cut down their food consumption, yet continue to sell them food at less than cost, is impossible to understand.

This bill multiplies another evil automatic in governmental price control—the favoritism of one group over another. Equal justice under law is a basic truth on which our Government was founded; yet not only in the law, but also in the daily activities of OPA, this fundamental precept is flagrantly violated again and again.

Under price control, wage control, materials allocation, and profit control, the American system of free enterprise is not operating. That system saved America in time of war; it should be given a genuine opportunity to save us in time of peace. Unless that opportunity is restored to it, the American standard of living, and our western civilization as well, are direly threatened.

Despite the propaganda pressures inspired by OPA officials, the House should deal with this economic narcotic on the basis of the economic facts involved. Regardless of what the House does, the natural economic laws of the universe will continue to function, unchanged by legislative fiat or Executive order.

Finally, the minority urges the House to consider this: That in every ruinous inflation the crushing weight of the loss always falls on the working classes and the poor. While OPA has been posing as a peacetime guardian of the people's savings, actually it has been prolonging and accelerating the ravages of inflationary spending. By concealing inflation and acting as an economic narcotic it has become most dangerous to the future happiness and welfare of the people. This fact is attested to by the record of every price-control scheme in the history books.

FREDERICK C. SMITH.
HOWARD H. BUFFETT.

Mr. GAMBLE. Mr. Chairman, I yield such time as he may desire to the gentleman from Kansas [Mr. REES].

THE OPA AND THE MEAT SITUATION

Mr. REES of Kansas. Mr. Chairman, it has always been my contention that the Office of Price Administration should release its controls over any and all commodities or services where the supply of such commodities or services are sufficient to meet the normal demand. The OPA should not at any time promulgate rules or regulations that would interfere with the full production of needed materials, commodities, or services. The Office of Price Administration should have uppermost in mind at all times the public interest in the issuance and enforcement of regulations. In far too many cases I find that where merchants and others are required to deal with it, OPA seemed to think its job was to act as complainant, prosecutor, and judge at the same time. I do not charge it has followed such policy in all matters, but it has done it in too many cases, especially in dealing with the small independent business.

Mr. Chairman, I want to direct my remarks especially to the meat situation, especially beef, and its management under the Office of Price Administration.

Mr. Chairman, Government agencies dealing with the meat problem have failed to provide sufficient supplies of meat, especially beef, to the consumers of this country, and, at the same time, regulate prices, even though the supply of livestock is plentiful.

During the war period our Government invoked price controls, as well as a certain amount of rationing, in order to make sure the armed forces might have an adequate supply of meat and so civilians could have a chance to share in the supply of meat in the market. The war has been over for several months, but the same rules, regulations, and orders continue in effect. Even though wages have increased, and although there is sufficient supply of livestock to meet the demand, if properly distributed, our Government continues to pay subsidies on meat to the extent of more than $700,000,000 per year. Neither the livestock producers nor the processors really want subsidies. There could be an adequate supply of livestock and meat if properly handled. They want an open market as nearly as can be provided.

Mr. Chairman, the problem demands attention because black-market conditions that exist in this country affect the production, processing, and distribution of meat. This condition has grown worse during the past several months. During the month of March two nationally known independent market-survey agencies made surveys in 11 large cities from coast to coast, covering 1,800 stores, for the purpose of determining relations of retail prices on meat to OPA ceiling prices. The survey covered a period of

several weeks. Meats were graded by qualified experts who had served in the Quartermaster Corps of the Army. Purchases were made by housewife shoppers.

The survey disclosed that 80 percent of the stores in the large cities, including Washington, were selling meat above ceiling prices. The survey further showed the average above OPA price of meat was about 20 percent. In other words, the housewife spent $1.20 for meat she should have bought for $1. It is estimated people in larger centers are paying at the rate of a billion dollars annually above OPA prices. This is not the fault of the retail dealer. He had to pay the price or he would not get the meat. It is fair to state the situation existing in large cities does not prevail so much in smaller places.

Administrative agencies in reply to the charge of American industries, say that conditions are not as serious as indicated in this survey. If we assume the survey is 50 percent right, there is indication something is wrong with the entire system. In other words, if we are spending $700,000,000 for meat subsidies from the Federal Treasury to hold prices in line, and people are spending a billion dollars more, or even half of it, in order to make sure they have a supply of meat, although there is a normal supply of cattle, there is something definitely out of order in handling the meat situation.

I want to direct your attention to another phase of this operation. Most cattle for slaughtering are marketed in the big livestock centers of this country and to a great extent, are purchased by big meat packing and processing firms. Representatives of these firms, as well as those of smaller packing concerns throughout the country, have advised that during the last 3 months they were able to buy less than half of their ordinary purchases of the normal supply of cattle—in fact it was less than one-third during the last 4 weeks—the remainder of the cattle were sold through order buyers and disposed of in black-market operations at higher than OPA prices. These packers and processors tell me they are unable to compete with the order buyers because of ceiling prices and are out-bid by black-market operators. Those who pay more than ceiling prices, do not get subsidies, but they sell their products in the market above ceiling prices. The consumer, of course, pays the bill, and the black-market dealer gets the business. The legitimate retailer does not get his fair share of good meat. Much of the difference in the ceiling prices comes about by reason of the difference in grading through the wholesaler especially on the choice cuts of meat. The retail dealer ought to have a chance to carry on without unfair competition.

Mr. Chairman, to indicate the seriousness of this situation, I quote from a recent telegram to President Truman from the president and the secretary of the Amalgamated Meat Cutters and Butcher Workmen of North America, American Federation of Labor. Here is what they say in part:

> We are firmly convinced that present Government regulations in the meat-packing industry are unenforceable. These inoperable prohibitions have already resulted in thousands of men and women in the packing plants being unemployed. They have resulted in scores of meat-packing plants closing their doors. Unless something is done quickly, hundreds more will do likewise. It is impossible to prohibit the flow of necessary edibles to the consumers where there is always available a ready source of supply. There is no acute shortage of livestock. The public wants it. Legitimate packers are willing to slaughter it, but governmental restrictions apparently make this extremely difficult.

They say further, and I quote:

> We feel sincerely that if these restrictions were eliminated, the prices of meat to the consumer would within a very short time level off which would result in cheaper purchases of the product.

And again, they say:

> The whole plan of meat prices control as presently constructed is a crazy quilt of impossibilities. The purchaser of livestock is criminally liable, but the seller is not. The slaughtering industry, while to some extent at least, is influenced greatly by the large packers; nevertheless it has always been highly competitive. We feel it will continue to remain a highly competitive industry. There is an abundant supply and there is an overabundant demand. Why not give these men who have been in the meat business all of their lives an opportunity to prove what they can do and release the controls. If they do not succeed in eliminating the present existing evils, there is no reason why the Government then cannot restore restrictions that would be workable even to the extent of actually operating the entire industry including the sale of livestock. At least the men who know the industry ought to have a chance to operate it so the consumer may have lower prices and so that the thousands of men and women who earn their livelihood in the industry might have the opportunity to do so.

This is a statement from the men and the women who actually perform the service. They also represent a great segment of the consuming public. Certainly, their opinion is entitled to the serious consideration of officials dealing with this subject matter. In this same telegram they call attention to the fact that the regulations of the Government and the Office of Price Administration are responsible for a big increase in the the cost of meat to the consumer and are also responsible for the loss of thousands of jobs of members in their organization.

Mr. Chairman, there are 80,000,000 cattle in the country. Seventy million is the normal average over a period of years and ordinarily supplies our domestic demands. The domestic market is well supplied.

Mr. Chairman, it is my contention that we have enough livestock on hand and sufficient numbers of cattle can be put in the market to take care of the demand, if producers and feeders are given a chance to do it without being hampered with regulations and uncertainties, due to the ever-changing policies of our Government agencies. It is unreasonable that we should pay subsidies to the extent of $700,000,000 a year on a commodity that can be supplied to meet the demand.

Subsidies ought to be removed and price controls relaxed. If we are going to quit taking subsidies from the Federal Treasury, now is the time and here is the place to do it. It is estimated that if subsidies were canceled, the retail price of meat should not be increased more than 3 cents per pound. This is even lower than the black-market prices paid by people in the large centers. It would save the unnecessary expenditure of three quarters of a billion dollars of estimated black-market profits and would save the taxpayers $700,000,000 in subsidies.

Mr. Chairman, why not give the producers, the legitimate packers and processors, and the laborers who actually do the work, together with the retailers who sell the meat a fair chance, and why not be fair to the consuming public? We are not doing it now.

Mr. Chairman, one of the outstanding difficulties with respect to the OPA program, especially as it applies to meat, is that it has been administered by men who are not familiar with the practical operations of the program. Most of those who prepare the directives and make the regulations have had little or no actual experience with the livestock industry or processing of meat. They have had a certain amount of training in economics but lack in practical experience in dealing with the meat problem. This has been brought out quite definitely by the special committee, headed by the gentleman from Virginia, Hon. HOWARD SMITH, which held hearings on this question. It was disclosed there that the men who prepare the directives know little about their practical application.

Regardless of how the OPA may have operated or succeeded in dealing with other commodities, it has failed completely with respect to the beef situation. The black markets are taking over the business day by day. The situation has become so widespread, it is practically impossible to compel compliance with the rules and regulations of the OPA. The livestock business has become jittery because of uncertainties. The packing and processing business is demoralized. Thousands of men and women, engaged in the processing of meat, are being thrown out of work. The consuming public is paying the bill. Let it be known, too, that no one in the entire transaction is asking for additional profits or additional pay for his services. All they ask is a fair deal.

The thing to do is to remove subsidy payments now and give the law of supply and demand a chance to operate. Black markets will disappear. A decent supply of meat will flow through regular channels without additional costs to the consuming public.

Mr. Chairman, the situation with respect to the livestock and the meat industry, as it relates to the consuming public, is becoming more serious every day. It must be remedied now.

Mr. GAMBLE. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, we are engaged in the consideration of perhaps the most important bill that this Congress has ever had to consider. We are facing it with no appreciation on the part of the agency which has been supposed to be administering the act of the situation which confronts the country.

We are facing it with the certainty that if the Office of Price Administration is continued with its present powers, we will have complete and uncontrolled inflation. They have done nothing but throttle production and interfered with every sensible operation that has been proposed. I hate to see this situation. I think it is up to the Congress to meet it. I think it is up to the Congress to have courage enough and character enough to meet the problem head-on. I have been unable to see more than one way out of the situation. I do not like that way, but any other way will result either in a gradual price rise such as we have been witnessing or it will result in so throttling production that there will be nothing but black market. Time after time a factory has been closed down because this outfit would not give a rise in price of their product sufficient to compensate for labor and other price increases. Time after time we have had a messing up of the agricultural situation, the dairy situation, and the feed situation, just because these people whose responsibility it is will not act and will not meet their responsibilities. Talk about stripping them of their powers. They have failed hopelessly to exercise the powers that have been entrusted to them and which were necessary for the preservation and stability of our country.

I have been over this situation very carefully. I am going to give you an illustration of something like the situation. There is no price control on oats. Oats have about four-sevenths the feeding value of corn. Oats are 83 and 84 cents a bushel in Chicago. Corn is $1.21½. On the basis of feeding values, corn should be $1.45 or $1.46.

Now, what is the result? The farmer with the present prices of pork can feed his corn to hogs and he can get 30 cents a bushel more out of that corn.

There is no feed for the poultry and dairy cattle. The farmers are down, the feed dealers and distributors are down to unprecedented low levels. Pursuant to the consent granted me I submit the following study I have made about the feed situation:

Inequalities in present OPA ceiling prices on grains, based on their feeding values

Kinds of grain	Ceiling prices (Chicago)	Per ton
No. 2 yellow corn	$1.21½ per bushel	$43.39
No. 2 wheat	$1.83½ per bushel	61.16
Feed barley	$1.26½ per bushel	52.70
No. 2 white oats	83 cents per bushel	51.87
Grain sorghum	$2.91 per 100 pounds	58.20

It is a recognized feeding practice to value oats at four-sevenths the value of corn for feeding livestock. If this established formula of values is accepted, it follows that, with a corn ceiling of $1.21½ Chicago, oats should be 69½ cents per bushel, and not 83 cents per bushel—the present ceiling.

The price of any commodity is determined by what the buyer is willing to pay; cash oats are selling at the ceiling of 83 cents per bushel, which establishes their value of at least that price.

If this price of 83 cents per bushel on oats reflects true feeding value, and, using the established formula of value between oats and corn, it is obvious that the ceiling price of corn of $1.21½, Chicago, is too low, and economically unsound. With oats at 83 cents per bushel, the value of corn is $1.45½ per bushel, and not $1.21½ per bushel. This is the fundamental reason why corn is not being sold at ceiling prices, and that which moves off producing farms does so at vicious black-market prices.

To establish the proper price relationship between these two basic grain commodities, the price ceiling on corn should be increased from $1.21½ per bushel to $1.45½ per bushel—an increase of at least 24 cents per bushel in ceiling price.

Another comparison can be made between corn and feed barley, which grains are recognized to have about equal feeding value, although barley is not as high in fat content as corn. On such comparison with the ceiling price of $1.26½ per bushel on barley, the ceiling price on corn should be $1.47½ per bushel.

Barley at $1.26½ per bushel equals $52.70 per ton.

Corn at $1.47½ per bushel equals $52.70 per ton.

With these price inequities it is obvious that the northeast has been able to obtain only a small fraction of the corn produced on the 1945 crop.

The bulk of the corn obtained in the northeast was not in the form of whole corn, but rather in the form of grain-base mixtures, which cost anywhere from $52.50 per ton to $60 per ton bulk basis, Chicago, depending on how they were made up. It is interesting to note that, through the means of grain-base mixtures, corn was sold at its relative value with other grains, and not at its abnormally low ceiling price. War Food Order 145, issued a few days ago, prohibits the sale and shipment of grain-base mixtures, thus further complicating the feed-supply situation for the northeast.

Relative protein and prices on feed ingredients

Feed ingredients	Protein	Price per ton
	Percent	
Soybean oil meal	41	$53.32, bulk.
Linseed oil meal	32	$43.50, bulk.
Distillers' dried grains	27	$66.50, bulk.
Gluten feed	23	$44.30, bulk.
Wheat mill feeds	15	$46.14, sacked.
Ground and flaked wheat	13	$76.80, sacked.
Sun-cured alfalfa meal	13	$53.00, sacked.
Ground oats	12	$70, sacked.
Hominy feed	12	$52.30, bulk.

NORTHEASTERN INVENTORY SITUATION

On a recent survey of feed manufacturers in New York State, 75 percent thereof reported inventories of feed supplies only sufficient to meet the requirements of their farm customers for 30 days. These same manufacturers report that since March 1 feed has been consumed on a ratio of 4 cars to each car of incoming materials, thus rapidly depleting inventories. Also, that it has been practically impossible during such period to purchase replacements other than oats and, that within the last 2 weeks, offerings of oats have materially dried up.

The recent War Food Order 145, restricting the use of grains and byproduct feeds to 80 percent of the usage of the corresponding calendar months in 1945, has in no way relieved the feed-supply situation for the northeast, but on the contrary has further complicated the problems of feed manufacturers in supplying the needs of their farm customers. It is impossible, under the present situation, for feed manufacturers to supply 80 percent of the feed manufactured in the corresponding months of 1945. Generally speaking, 70-percent production is the maximum possible, which necessarily will be reduced to 50 percent or less within 30 days.

Now, what is the remedy? Frankly, I can see but one, and that is take the June 30 OPA price that is in effect, add to it the subsidy that is then being paid so that we get rid of that subsidy racket, which has been promoting inflation, as it has for the last 3 or 4 years, and then permit the seller, without any control by OPA, to charge up as high as 15-percent increase above that. You would then get production and be able to keep prices down.

If you do not have any control, many of your prices will immediately skyrocket, but with this moderate control, continuing sugar rationing and continuing OPA enforcement, I believe we could prevent uncontrolled inflation. If we permit the OPA to fiddle around, dodge its responsibilities, and promote inflation as it has for a long time now, doing nothing whatever of what it is supposed to do, considering nothing of what it is supposed to do, I believe we are in for trouble.

I hope that the Congress will not be like the OPA, afraid to meet its responsibilities, but will stand up and try to do something to solve this problem and prevent uncontrolled, wild inflation. It is time that this tremendous propaganda organization was wound up and that it was put where it belongs.

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

Mr. TABER. I yield.

Mr. CRAWFORD. I would like to ask the distinguished gentleman from New York, who holds such an important position on the Committee on Appropriations, if he has seen any evidence in the administration of these control laws with respect to inflation, the price controls we have had, where price control reduces the supply of money which is the potential inflationary course?

Mr. TABER. No.

Mr. CRAWFORD. Has the gentleman seen any evidence in the administration of the act where the OPA increases the supply of goods?

Mr. TABER. On the contrary, they have destroyed the supply of goods by throttling every ordinary influence which would promote production.

Mr. CRAWFORD. I think we have many pages of hearings now printed, available to the Members, that prove that statement.

Now, has the gentleman, in watching the administration of this act, found any evidence whatsoever where the administrators do anything to increase the willingness of our people to spend their accumulated funds?

Mr. TABER. Not in the slightest. There has been only one move which has

been made which has been helpful, and that has been the reduction of the debt out of the Treasury balance, and the resulting reduction in the Treasury balances in the banks and the resulting decrease in the price of Government bonds, which has been helpful. It has to a certain extent taken away the tremendous bank deposit pressure for inflation.

Mr. CRAWFORD. Let us develop that for just a moment. Is it not a fact that the Treasury in taking up a portion of the Federal public debt just recently used, we will say, funds acquired through the oversale of bonds in the last bond drive?

Mr. TABER. Yes; in other words there has been a general reduction in bank deposits resulting from that contracting operation of from 7 to 10 percent.

Mr. CRAWFORD. But to get the matter in the record, which I think is very necessary and essential at this time, in the last bond drive the Treasury, we will say, oversold bonds and acquired a much larger general fund in the Treasury than was necessary to meet the current obligations of the Treasury.

Mr. TABER. That is correct.

Mr. CRAWFORD. And having thus built the general fund of the Treasury to a point greater by several billions of dollars than was necessary the Treasury now proceeds to use some of those excess funds with which to reduce the debt; and that is what the gentleman has referred to.

Mr. TABER. That is right.

Mr. CRAWFORD. I agree with the gentleman that it is much better to pay off some of that debt and get rid of the idle money.

Mr. TABER. And get away from these increased security prices.

Mr. CRAWFORD. Has the gentleman noticed where the administration has at any time through the price-control machinery diminished the inflationary influence of low-interest rates?

Mr. TABER. It has not.

Mr. CRAWFORD. Has the administration or the OPA at any time—and I go back to a previous question which the gentleman did not answer—has the administration or the OPA at any time reduced the willingness of the people to spend? And with that has it not through scores of speeches made by Messrs. Bowles, Porter, and others, stimulated spending by pointing out to the people that the borrowing power of their money was decreasing daily through inflationary pressure?

Mr. TABER. I think that is correct.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GAMBLE. Mr. Chairman, I yield 8 minutes to the gentleman from Oregon [Mr. ELLSWORTH].

Mr. ELLSWORTH. Mr. Chairman, I think it should be noted for the record in the course of this debate on the bill now before us, which has as its purpose the extension of the Price Control Act, that the law as passed originally and as subsequently extended was and is a good law. It was passed by Congress and signed by the President to meet an emergency caused by unusual war demands upon our raw material and productive resources. Such demands caused shortages in normal supply. Therefore, the control of prices on our available supply was necessary to prevent price rises, profiteering, and inflation.

Now that the end of the war is more than half a year past, we still find shortages in many items which obviously should be in plentiful supply. I refer to such things as men's shirts, soil pipe for building, cotton underwear, mattresses, and so forth. This list includes hundreds of items. Production of these items has been delayed and, in some instances, prevented by the Office of Price Administration, a bad administrative body charged with the administration of a good law.

Now, the Congress is called upon to make a choice as between two evils. If we discontinue the price-control law, inflation is not only possible, but extremely likely because shortages still exist in many items—shortages which have been maintained and fostered by incompetence in the Office of Price Administration.

If we continue the price-control law, we quite obviously continue the poor administration of it, with the result that, for whatever length of time it is extended, we will undoubtedly find the same identical situation existing at the end of that time as we find today. It is a very difficult choice we are facing, and I hope the people of the country can be made to understand our problem.

I have just made some assertions regarding the incompetent and bad administration of the OPA law. I shall prove those assertions by quotations from the Office of Price Administration itself.

Chester Bowles, former Price Administrator and now Director of Stabilization, said to the committee during the hearings on this bill—page 11:

> There are some who say, "Yes, but under price control, production is impossible." The record clearly proves that this is nonsense * * * today, production is surely at the highest point ever achieved in peacetime.

Later, he said:

> As production recovers from recent shutdowns, let us forget this propaganda talk about price controls making production impossible.

Mr. Potter, another executive of OPA, told the committee—hearings, page 89:

> In summary, December 1945, industrial production was at an all-time peacetime peak * * * a far larger percentage of our producers are able to operate profitably than were so able to operate before the war.

Paul Porter, present OPA Administrator, told the committee—hearings, page 1665:

> Price control is not holding down over-all production. Little, if any, increase in total output could be expected as a result of a general rise in prices.

Now, I turn to the wording of recent orders issued by the OPA itself. On March 18 an order covering certain textile items announced a price adjustment to encourage manufacturers to resume production. The order said:

> A few manufacturers, some of them volume producers, have discontinued or reduced their production on certain textile items priced abnormally low.

On March 9, in an order affecting many types of hardware, the OPA said the order was "to encourage production of relatively inexpensive consumer hard goods not now reaching the market in sufficient volume."

In an OPA press release regarding an order issued for the purpose of adjusting prices on millwork appears the following sentence: "But even these prices will be much lower than prices would be for doors and window frames made from costlier substitutes," and it was pointed out that present production of the items referred to is only 10 percent of the minimum required under the emergency-housing program.

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

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

Mr. CRAWFORD. If I understand the gentleman correctly, the OPA amended order points out that the goods produced under that amended order, which allows an increase in price, will not give to the consumer as high a cost price as goods made out of, we will say, unnatural material?

Mr. ELLSWORTH. The statement is not mine. The statement is made by OPA itself.

Mr. CRAWFORD. I certainly appreciate the gentleman developing that fact, because I did not know it had been published. We have that situation, and at the same time we have Administrator Wyatt asking us to give him $600,000,000 to subsidize producers of building material so that they can go and put on the market for the consumer a higher-cost commodity?

Mr. ELLSWORTH. I think the answer to the gentleman's question is obvious.

Plumbing drainage supplies are needed for home construction. OPA denies that it has prevented production of any necessary commodity, but on March 28, in announcing an adjustment of prices on about 40 cast-iron plumbing drainage articles, OPA said that its prices have been, and I quote:

> An impediment to direly needed production.

In announcing these price increases, the OPA further said:

> Current production, according to recent surveys, is only about 20 percent of normal peacetime volume, since many producers have discontinued entirely the production of these items while others have diverted their facilities to more profitable castings.

The same type of statement was made in connection with a price adjustment made on March 29 on cotton underwear. A press release regarding this order said:

> Some of the most basic types of good quality knitted underwear have, in large measure, disappeared from the consumer market since 1942 because, as costs of production have increased, manufacturers have turned to more profitable and less essential items. Today's action is designed to encourage manufacturers to resume production of garments of the same style and quality as those they delivered and sold in 1942 and have since discontinued.

On March 22, OPA readjusted the price of mattresses, and stated:

There are practically no branded mattresses being sold.

OPA denies that its regulations are an impediment to the housing program, and yet, on April 1, it adjusted prices on building brick with this explanation:

In connection with these amendments, the Administrator found that an increase in the maximum price for this commodity was required to remove price as an impediment to the supply of a product essential to the effective transition to a peacetime economy.

Prices of these bricks had been frozen at the March 1942 level. I call your attention to the fact that this situation was only discovered and remedied as of the first day of this month, some 8 months after the end of the war.

On March 22, the OPA issued an amendment increasing the manufacturers' price of hardwood flooring. OPA propagandists deny that the agency is restricting production, yet, in this order, OPA admits—

It is estimated that this action will increase hard maple flooring production by about 5,000,000 feet board measure per annum, and birch flooring by a similar amount.

The statements I have just quoted from recent OPA orders are being repeated over and over again. I could give similar quotations from recent orders covering the prices of paint, drain tile, lumber, dress material, plumbing valves and fittings, machinery, brass mill products, and even on nail kegs. With respect to this last named item, the OPA said:

A trend toward declining production of these essential containers has been in process during the past few months.

In this discussion, I have mentioned only a few items, and referred to only a few of the orders issued by OPA during the last 3 or 4 weeks—orders issued since the beginning of hearings on the OPA bill.

The OPA has apparently sought to perpetuate itself by maintaining price policies which have retarded production as I have shown by quotations from its own press releases, but, at the same time, its own top executives and its propaganda machine tell the people of the country that production is at an all-time peak.

We shall probably have to continue OPA for a few months, because OPA policies have created shortages, but, in doing so, I hope the people of the country can be made to understand how OPA policies have betrayed them by slowing up the production of needed items. I hope then that the people will demand that OPA recede from its policy of scarcity and self-perpetuation and proceed to stimulate production. Only full production can end shortages and thus end OPA.

Mr. SPENCE. Mr. Chairman, I yield 25 minutes to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, the Price Control and Stabilization Acts of 1942 will expire on June 30 this year.

Sections 1 and 2 of the House bill 6042 extends these acts to July 1, 1947.

We all know what inflation means and that deflation follows inflation as sure as night follows day.

We experienced inflation after World War I, and many were happy for a short period, but when deflation came all business was almost paralyzed throughout the country; millions lost their business, their homes, their farms; factories were closed and there was nowhere for labor to be employed; the streets and highways were filled with people looking for jobs; in the large towns and cities bread lines were formed; people begged for something to eat, not so much to satisfy themselves as for bread to take home to their helpless children.

I hope we will never experience such tragedy again in this great country of ours. Could there be any man who desires such wild inflation with its deadly trail which we experienced a quarter of a century ago? You can bring about conditions that will cause inflation overnight, but it takes years and years to recover from deflation.

We have inflation now and will have some inflation as long as we spend so much money and have such a large debt. I am told that the purchasing power of the dollar at this time is 75 cents; after World War I the purchasing power of the dollar went down as low as 40 cents.

In considering this bill, ask yourself this question: Would the purchasing power of the dollar be as much without price control? I think we will be lucky if the purchasing power of the dollar is held to 60 cents before this emergency is over.

I am not here asking you to extend the law as it is and operate it as it has been administered in the past 12 months. I am telling you the responsibility to slow down inflation is on Congress. Will you brave men give up in despair and say by your action there is nothing you can do to halt or prevent further inflation? The committee bill is an improvement of existing law. If the bill is not workable, then help us improve it by further amendments. Do not give up and say there is no need to try to control inflation because you are irritated and disgusted by foolish regulations or by the acts of an incompetent enforcement officer.

I think we have a fairly good bill and if it is administered properly it will give good results in slowing down inflation and will be much less irritating to the public. If this is not what you want, amend it, but do not offer crippling amendments that will destroy control of scarce articles or commodities.

The viewpoint on control of inflation is divided among three distinct groups. The viewpoint of one group is that the present price-control law should not be amended in any respect and that entire control should be left to the officials of OPA. The viewpoint of the second group is that it is much better for the country to take off all control. The viewpoint of the third group is that as long as we have scarce materials and commodities we must have control of these commodities to prevent people bidding against each other and running prices sky high. I am an advocate of the last viewpoint.

The main weapon against inflation is full production. When production is in balance with demand, you do not have people bidding against each other for commodities, and the prices of such commodities become stable. Therefore, I am a firm believer in the principle that when we have any commodity sufficient to meet the demands of the people there should not be any control on same, or if there is control now it should be lifted. The very definition of inflation is scarcity and lack of production to satisfy demand.

I have drawn an amendment to meet this situation. The amendment may not be perfect, but my idea and hope was that when domestic demand for any commodity or class of commodity has been satisfied by production, price control shall be removed and no control shall be placed on such commodity when there is sufficient supply to satisfy demand. My original amendment was amended in one or two instances, but the purpose of same was to carry out the idea I have just stated.

You are not going to be able to get any bill through Congress, and the people are not going to stand up to any kind of control that does not recognize the principle that when supply is in balance with demand control must be removed.

The most irritating thing about the operation of the present price-control law is that the administration officials are trying to control indirectly profits on certain commodities that satisfy demand. Some OPA officials believe and have given out the false impression that the Control Act was to regulate profits, while it really was intended to control prices and stabilize production. Unless production is stimulated, inflation will increase. It is true that under their philosophy the public might buy some things cheaper, but the control law is intended for one thing, and one thing only, and that is to curb inflation, and there can't be any inflation when the supply is to a degree where people are not forced to bid against each other to get a sufficient quantity of the commodity or commodities. Everyone should be in favor of lifting the lid off of commodities as supply comes up to demand, but to pull control off across the board on scarce articles would be utter madness in this age of scramble for scarce articles. This bill, as amended, is to continue controls on scarce articles for a year or less until production of such commodities is sufficient to supply the demand.

We were told in the hearings that since VJ-day production has increased very rapidly. Practically all the witnesses in favor of price control stated that we would have full production of all commodities within a year or less. We were told by all of the witnesses that when production equals demand there is no need of control and especially control of those commodities that are in abundance or equal to demand.

It has been charged that production has been held down by many of the regulations issued by the OPA and that if the orders had been more elastic we would have full production earlier. I do not think that any order should be issued by the OPA that will retard in the least full

production of commodities, but when necessary prices must be raised to insure production. I realize that many of the orders of OPA have brought injustices and inequalities to many individuals, and as a matter of fact, OPA has acknowledged this. These injustices must be corrected. While there have been many injustices, we must realize that it is a very difficult task to have ceilings on 8,000,000 items without doing injustice to some. In our criticism of the activities of the administration of the OPA we must be more tolerant and place more safeguards in this bill for the last year of the operation of OPA.

I introduced an amendment, which is in the bill, for a gradual liquidation of price and wage control and of subsidies, the life of price control to be terminated without further extension not later than June 30, 1947, and on that date the OPA shall be abolished. We want to return to a free market and to free collective bargaining as soon as possible without disturbance of the national economy. At the rate production is increasing now, it is believed by practically all businessmen that production of all commodities will be in sufficient quantity to satisfy demand for same. A lot of businessmen are under the impression that price control will go on year after year, and this amendment in the bill will assure them that Congress intends to return to free enterprise within about a year, and under this bill we will have an orderly decontrol of commodities.

I take the position that every man in business is entitled to a fair and reasonable profit and that in placing a ceiling on any commodity processed from any raw material the cost to the processor of raw material should be one of the elements taken into consideration when the ceiling is placed on such commodity. The processor of raw material who does not produce raw material has no way to control the price of the raw material and it is just nonsense to say that cost to him of such material shall not be considered as one of the elements in arriving at the proper ceiling on his product. I take the further position that this should be the yardstick or formula in placing ceilings on all products. To disregard such a principle is unfair, wrong, and contrary to the American principles of doing business. To disregard such a method in placing ceilings on the commodities, even if it does create a little higher price to the consumer, is irritating not only to the producer but even to the paying public who believes in fair play, equality, and justice.

Under existing law, no ceiling can be placed on any basic agricultural commodity that does not reflect parity. The OPA undertook to place ceilings on textile items which did not reflect parity on cotton, and the original Bankhead-Brown amendment was to force the OPA to carry out existing law and take into consideration the cost of raw cotton at the mill. At that time cotton was 92 percent of parity. Most all other basic agricultural commodities were considerably above parity. Cotton today is 14 percent above parity and wheat is 20 percent above parity. These figures were furnished me by the Department of Agriculture this morning. At the time the Bankhead-Brown amendment was enacted the ceiling on a number of textile items at the mill was above parity and on quite a number of items it was below parity. Those items below parity controlled the entire price of cotton. This was the reason that cotton was very much below parity and other basic agricultural commodities above parity at the time the Bankhead-Brown amendment was adopted. The intention of the Bankhead-Brown amendment, in order to help cotton, was to force a ceiling to include the cost of raw cotton at the mill and the cost to be one of the elements in placing a correct ceiling on all major textile items. Therefore, section 8 of this bill is simply to clarify existing law to require OPA to follow the spirit and intent of the law and take into consideration the current price of cotton, manufacturers' cost, and a reasonable profit, in the calculation of its ceiling price on cotton textiles.

I am informed that many mills are storing a lot of the textile items instead of placing them in the channels of trade, hoping to realize a profit some day. Production is not worth anything to us unless we can have the goods produced sent to the buying public. None of the mills are running over two shifts. As a matter of fact there ought to be three shifts in order to get full production. The mills claim it is impossible to get the desired results without the cost of the raw material being considered as one of the elements in placing a ceiling on the textile items.

At the present time OPA is not allowing the replacement cost of cotton in the cotton textile ceilings now in effect. In fact, the mills today have to pay from 2 to 2½ cents per pound more for their cotton on the current market than OPA allows for cotton in the textile ceiling prices recently announced.

The result of this squeeze has been a decrease in the production of cotton goods in general and of low-cost cotton goods in particular. In the period from August 1, 1945, to March 1, 1946, which is the approximate period between the two latest price adjustments made by the OPA, the cotton price increased about 3 cents per pound above that allowed by OPA. Consequently the small margin of profit on many of the basic textile items was wiped out. Many items were in a loss position and consequently manufacturers decreased production on those items to decrease their losses.

The OPA officials have recently recognized that the principle of placing ceilings at parity at the mill is wrong and have placed ceilings above parity but not to the extent of cost of raw cotton at the mill.

The decrease in textile-mill production of cotton goods over this same 7-month period amounted to over 500,000,000 yards of cloth less than that period a year before partly because of a shortage of labor but mostly because of the fact that mills could not afford to produce the yarns and the fabrics at prices allowed by the OPA.

This loss in production meant a loss of approximately half a million bales in consumption of cotton in this country. Although the OPA has made several adjustments in the textile ceilings during the last 3 or 4 years, these adjustments have usually been too little and have come too late, and as a result, the rate of production of the mills has continued to decline, from a peak in 1942, when the mills used eleven and one-half million bales of cotton, to a current rate of about eight and one-half to nine million bales. This is a drop of two and one-half to three million bales in the rate. This decrease in production is the reason you and I have been unable to buy on the market today ordinary articles of cotton clothing like shirts and underwear, and the reason our wives have been unable to find sheets, pillowcases, towels, piece goods, and all the other usual cotton household goods, which every home in America now needs badly. Testimony which has been presented before various committees of this Congress in recent months gives evidence of the shortage of cotton goods all over the country. Many garment manufacturers have been forced to close down recently and turn off their workers because they have not been able to get the goods from the mills. Naturally, the garment manufacturers have been unable to supply the wholesalers and retailers, who, in turn, have been unable to supply their customers.

Today, when the textile requirements of the world are so large, we have the greatest opportunity we have ever had to get rid of the cotton surplus in this country once and for all. There is estimated to be about 10,000,000 bales of cotton in the United States at the present time. On August 1, 1946, the beginning of the new cotton crop year, it is estimated there will be a surplus of seven and one-half to eight million bales in this country, or about one-third larger than that we considered to be normal carryover in predepression days.

Representatives of the textile industry tell me that the mills in this country could consume 12,000,000 bales of cotton a year if price ceiling would enable them to produce all their goods at a profit which would allow them to pay for third-shift operations and overtime. At the rate workers are returning to the mills, they believe this rate of production might be achieved in a relatively short period if price ceilings were sufficient.

There has been a slight increase in the rate of production in the textile mills very recently, due to the increased number of workers now employed in the industry and the special price incentive OPA offered on a limited number of textile items a few weeks ago in order to induce production of lower-cost goods. At the present rate, however, we will only consume about 9,000,000 bales a year, which is still 2,500,000 bales less than the peak production. Certainly, the need for cotton goods has never been greater in this country than it is today, to say nothing of the needs for cotton textiles all over the world, which we are daily being called upon to supply.

The present difficulty in requiring OPA to allow the current cost of cotton in textile ceilings is not new. We have had trouble in this regard since the beginning

of the price-stabilization program. In 1944, just about 2 years ago, OPA's attention was called to the fact that cotton prices had advanced around 2 cents a pound since the ceiling prices were fixed in April 1942 and that an adjustment in prices was necessary. At that time cotton was still considerably below parity, when most major farm commodities were at or above parity, and though cotton had increased slightly the textile ceilings were prohibiting cotton reaching parity. The OPA, however, flatly refused to make adjustments of any consequence in cotton textile ceilings. Production had already fallen off about 1,500,000,000 yards.

To stop any further decrease in production, Congress passed what came to be known as the Bankhead-Brown amendment to the Stabilization Act of 1944, which was intended to provide a practical formula for determining ceilings on major cotton textile items to encourage production. Object of the amendment was to require that ceilings on any major item should not be less than the sum of the following three factors: First, the cost of the cotton used in making the item, computed at not less than the parity price for that grade and staple of cotton delivered to the mill; second, a weighted average of the cost of manufacturing that item; and, third, a reasonable profit on that item. Certainly no sensible person could believe that any manufacturer would produce a piece of goods if the ceiling price on that goods was any less than the actual cost, plus a reasonable profit.

But the intent of the Bankhead-Brown amendment was not carried out. The OPA maintained a constant attitude of defiance and resentment toward carrying out the intent of the law. They had fought it bitterly when it was before Congress and then used all tactics at their command including the most effective measure of delay. When Mr. Bowles appeared before the Senate Banking and Currency Committee on March 1, 1945, to ask for another extension of the price stabilization law, he had to admit there were still ceilings on cotton-textile items that had not been adjusted. All this time costs were continually increasing.

To require the OPA to follow the spirit and intent of the original Bankhead-Brown amendment, an interpretation of the amendment was included in the June 27, 1945, conference report on Senate Joint Resolution 30 extending the Emergency Price Control Act to 1946. The report, signed by the managers on the part of the House on the cotton textile amendment, reads as follows:

The conferees have given consideration to the operation of the Bankhead-Brown amendment to the Stabilization Act of 1942, relating to the pricing of cotton textiles. The conferees are in agreement with the conclusion of the Senate and House committees, that the purpose of that amendment will not be carried out unless the maximum price for each major cotton textile item is fixed and maintained at not less than the sum of the following:

1. The cotton cost (which must be computed at not less than the landed mill parity equivalent for the grade and staple of cotton used; except that, after the initial adjustments required under the amendment have been made, the amendment does not require the continued use of a cotton cost figure which is, and for a representative period has been, above or below the actual cotton cost);

2. A weighted average of mill conversion costs; and

3. A reasonable profit.

The conferees are advised that the Price Administrator has informed the chairman of the Senate Banking and Currency Committee that the policy which he intends to follow in administering the amendment will be in full accord with this opinion as to its requirements.

The significant language in this report is that contained in the last phrase of the paragraph numbered 1, "above or below the actual cotton cost." To the conferees this meant that the OPA would allow the current cost of cotton. However, Mr. Chester Bowles still refuses to follow the intent of the act by arguing that the law does not require him to allow the current cost of cotton above parity.

The amendment in the price control bill being debated now simply proposes to write into law the spirit and intent of the conference report of June 27, 1945, which I have just read. The language of this amendment is very simple and short. It reads as follows:

On and after the date of the enactment of this paragraph, it shall be unlawful to establish, or maintain, any maximum price, applicable to manufacturers or processors, for any major item in the case of products made in whole or major part from cotton or cotton yarn or wool or wool yarn, unless the maximum prices for such major item is fixed and maintained at not less than the sum of the following:

(1) The cotton or wool cost (which must be computed at not less than the parity price or the current cost, whichever is greater, of the grade and staple of cotton or wool used in such item, delivered at the mill);

(2) A weighted average of mill conversion costs; and

(3) A reasonable profit.

Wool was included in the amendment because representatives of the wool growers and the wool manufacturers felt their problem was the same as that of the cotton people and asked to be included.

This is not, therefore, to be considered as new legislation, but is simply a clarification of the existing laws to assure that OPA will reflect the current cost of cotton, and thus allow the mills to produce without loss the cotton textiles that are so badly needed in the country today. If this amendment is adopted, we are sure it will mean more shirts for the people in this House, more overalls and work shirts for the working people of this Nation, more bed clothing and household goods for the housewives of this country, and more textiles and clothing that we can send to help clothe the naked of the world.

The cost of raw cotton is only one of the three elements that go into fixing the proper ceiling prices of textile items. The other two elements, weighted average of mill-conversion costs and a reasonable profit, are merely declaratory of the existing administrative practice. Why should not the cost of the raw material be just as essential in a correct ceiling as the weighted average of mill-conversion costs and reasonable profit, in view of the fact that the mills are helpless as to the amount they have to pay for raw cotton which is a standard price all over the United States?

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

Mr. BROWN of Georgia. I yield.

Mr. TALLE. I believe the amendment proposed by the gentleman from Georgia is to section 8 of the bill.

Mr. BROWN of Georgia. That is right.

Mr. TALLE. Subparagraph (2) reads as follows:

A weighted average of mill-conversion costs.

Will the gentleman explain what is meant by these words?

Mr. BROWN of Georgia. It simply means that weighted average is the cost of all the mills divided by the total yardage of all the mills, and nothing else, as distinguished from simple average which is the total cost of all the mills divided by the number of mills.

Mr. TALLE. I thank the gentleman.

Mr. SPENCE. Mr. Chairman, I move that the Committee do now rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 6042) to amend the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, and for other purposes, had come to no resolution thereon.

HOUR OF MEETING TOMORROW

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow morning.

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

There was no objection.

EXTENSION OF REMARKS

Mr. TABER (at the request of Mr. CRAWFORD) was given permission to revise and extend the remarks he made this afternoon and include certain tables and statistics relating to the subject matter thereof.

Mr. CANFIELD (at the request of Mr. GAMBLE) was given permission to extend his remarks in the RECORD.

DOMESTIC RAISING OF FUR-BEARING ANIMALS

Mr. GRANGER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2115) relating to the domestic raising of fur-bearing animals, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 2, line 6, strike out "effect" and insert "affect."

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

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I understand this only corrects a typographical error?

Mr. GRANGER. That is all.

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

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mrs. MANKIN asked and was given permission to extend her remarks in the RECORD and include an editorial appearing in the Washington Post of even date, said editorial referring to a bill that passed the House today, and being headed "Let Down by the House."

COTTON-MARKETING QUOTAS UNDER THE AGRICULTURAL ADJUSTMENT ACT OF 1938

Mr. PACE. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 336, relating to cotton-marketing quotas under the Agricultural Adjustment Act of 1938, as amended.

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

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I was given to understand that the only matter of business that might be taken up was the bill which the gentleman from Utah just presented. I am put in the rather embarrassing position of not knowing anything about the gentleman's bill. I hesitate to object, although I have reserved the right to object because the leader on this side instructed me not to let any other legislation pass.

Mr. PACE. Mr. Speaker, if the gentleman will withhold his objection, I think I can satisfy him.

This is a bill which was on the Consent Calendar today. The distinguished gentleman from New York [Mr. COLE] asked that it be passed over. He wanted the matter explained.

I have conferred with the gentleman from New York [Mr. COLE] and it is entirely agreeable to him that the bill be called up at this time. It has the unanimous report of the House Committee on Agriculture. The gentleman from Kansas [Mr. HOPE] is thoroughly familiar with the situation and I am sure he has no objections.

The urgency of the matter is this: Under the present quota law, the Triple A Act, it is necessary if they are going to have control of acreage on cotton next year for the Secretary of Agriculture to ask immediately for an appropriation of between $4,000,000 and $5,000,000 to begin right away the assembling of the necessary field data to get ready for quotas in 1947.

In 1945 there were anly 18,000,000 acres of cotton harvested. The indications are that there will be a slight increase this year. But under the law the least that the Secretary of Agriculture can allot is 27,000,000 acres and it is agreed it would not be in the best interest to allot that much acreage; therefore it is urgent that this resolution have consideraion and approval of the House and the Senate immediately. It was on the Consent Calendar. It is agreeable to the objectors, and it is the unanimous report of the committee.

Mr. WOLCOTT. Did anybody else besides the gentleman from New York object to the bill?

Mr. PACE. None whatever. I conferred with the objectors on this side, and they have no objections.

Mr. WOLCOTT. Did the gentleman get the approval of the objectors on this side?

Mr. PACE. Only the gentleman from New York [Mr. COLE], who asked that the matter temporarily go over.

Mr. WOLCOTT. And it was his understanding that the gentleman was going to bring the bill up tonight?

Mr. PACE. Yes.

Mr. WOLCOTT. The gentleman conferred with the gentleman from New York and he has withdrawn his objection, too?

Mr. PACE. He has. It is entirely agreeable, I assure the gentleman, all the way around.

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

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That notwithstanding the provisions of sections 341-350, inclusive, of the Agricultural Adjustment Act of 1938, as amended (U. S. C., 1940 ed., title 7, secs. 1341 to 1350, inclusive), and in view of the critical shortage of fats and oils and protein feeds, cotton marketing quotas shall not be proclaimed with respect to the marketing year beginning August 1, 1947, and no National, State, county, or farm acreage allotments for cotton for the 1947 crop shall be established.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. HENRY (at the request of Mr. MARTIN of Massachusetts) indefinitely, on account of death of father.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 287. An act for the relief of Murphy and Wischmeyer; to the Committee on Claims.

S. 470. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim or claims of W. P. Richardson, as successor and assignee of W. P. Richardson & Co., of Tampa, Fla; to the Committee on Claims.

S. 593. An act for the relief of Warrant Officer Wayne C. Proper; to the Committee on Claims.

S. 875. An act for the relief of Mercy Duke Boehl; to the Committee on Immigration and Naturalization.

S. 943. An act granting the consent of Congress to the State of Washington to construct, maintain, and operate a free highway bridge across the Columbia River at Northport, Wash.; to the Committee on Interstate and Foreign Commerce.

S. 997. An act for the relief of Aldona Kojas; to the Committee on Claims.

S. 1201. An act for the relief of Arthur F. Downs; to the Committee on Claims.

S. 1286. An act for the relief of Sam Bechtold; to the Committee on Claims.

S. 1325. An act to amend the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended; to the Committee on the Judiciary.

S. 1442. An act for the relief of George O. Weems; to the Committee on Claims.

S. 1507. An act to better adapt the loan programs authorized by the Bankhead-Jones Farm Tenant Act, as amended, to the needs of veterans and low-income farmers, and for other purposes; to the Committee on Agriculture.

S. 1516. An act to amend section 12 of the Bonneville Project Act, as amended; to the Committee on Rivers and Harbors.

S. 1563. An act for the relief of Ferris Ruggles; to the Committee on Claims.

S. 1604. An act for the relief of Leo Stuhr; to the Committee on Claims.

S. 1636. To amend the Surplus Property Act of 1944 to designate the Department of State as the disposal agency for surplus property outside the continental United States, its Territories and possessions, and for other purposes; to the Committee on Expenditures in the Executive Departments.

S. 1714. An act to amend the act entitled "An act to prevent purchase and sale of public office," approved December 11, 1926; to the Committee on the Judiciary.

S. 1742. An act for the relief of Socony-Vacuum Oil Co.; to the Committee on Claims.

S. 1747. An act for the relief of John C. Spargo; to the Committee on Claims.

S. 1757. An act to amend the Surplus Property Act of 1944, as amended, so as to broaden the scope and raise the rank of the veterans' priority; to the Committee on Expenditures in the Executive Departments.

S. 1801. An act authorizing the appointment of an additional judge for the district of Delaware; to the Committee on the Judiciary.

S. 1802. An act to provide for the delivery of custody of certain articles of historic interest from the U. S. S. *Nevada* and the U. S. S. *Wyoming* to the State of Nevada and the State of Wyoming, respectively; to the Committee on Naval Affairs.

S. 1805. An act to authorize the promotion of personnel of the Navy, Marine Corps, and Coast Guard who were prisoners of war; to the Committee on Naval Affairs.

S. 1812. An act to provide reimbursement for personal property lost, damaged, or destroyed as the result of explosions at the naval ammunition depot, Hastings, Nebr., on April 6, 1944, and September 15, 1944; to the Committee on Claims.

S. 1834. A act granting the consent of Congress to the State of Iowa or the Iowa State Highway Commission to construct, maintain, and operate a free highway bridge across the Des Moines River at or near Farmington, Iowa; to the Committee on Interstate and Foreign Commerce.

S. 1854. An act to establish the civilian position of academic dean of the postgraduate School of the Naval Academy and compensation therefore; to the Committee on Naval Affairs.

S. 1857. An act to authorize the availability of certain necessary administrative expenses of appropriations for the Department of the Interior; to the Committee on Public Lands.

S. 1862. An act to repeal section 1548 Revised Statutes (34 U. S. C. 592); to the Committee on Naval Affairs.

S. 1871. An act to authorize the conveyance of a parcel of land at the naval supply depot, Bayonne, N. J., to the American Radiator and Standard Sanitary Corp.; to the Committee on Naval Affairs.

S. 1872. An act to provide for the rank of original appointments in the Corps of Civil

Engineers of the United States Navy, and for other purposes; to the Committee on Naval Affairs.

S. 1916. An act to authorize the Secretary of State to transfer certain silver candelabra to May Morgan Beal; to the Committee on Foreign Affairs.

S. 1932. An act conferring jurisdiction upon the United States District Court for the Eastern District of South Carolina to hear, determine, and render judgment upon the claim of the board of trustees of the Saunders Memorial Hospital; to the Committee on Claims.

S. 1959. An act to authorize the payment of additional uniform gratuity to reserve officers commissioned from the status of aviation cadets; to the Committee on Naval Affairs.

S. 1961. An act to exempt from taxation certain property of the Disabled American Veterans in the District of Columbia; to the Committee on the District of Columbia.

S. 1963. An act to authorize additional permanent professors of the United States Military Academy; to the Committee on Military Affairs.

S. 1978. An act to authorize the restoration of Philip Nickum, Jr., to the active list of the United States Navy with appropriate rank and restoration of pay and allowances; to the Committee on Naval Affairs.

S. 1980. An act 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.

S. 1986. An act 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.

S. 2029. An act to authorize the Director of the United States Geological Survey to produce and sell copies of aerial or other photographs and mosaics, and photographic or photostatic reproductions of records, on a reimbursement of appropriations basis; to the Committee on Mines and Mining.

ENROLLED BILLS SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 804. An act for the relief of Mrs. Trixie Minnie Twigg;

H. R. 841. An act for the relief of Lander H. Willis;

H. R. 988. An act for the relief of Bernice B. Cooper, junior clerk-typist, Weatherford, Tex., rural rehabilitation office, Farm Security Administration, Department of Agriculture;

H. R. 1073. An act for the relief of Mrs. Gertrude Verbarg;

H. R. 1217. An act for the relief of Hutchinson's Boat Works, Inc., and others;

H. R. 1235. An act for the relief of John Bell;

H. R. 1262. An act for the relief of W. E. Noah;

H. R. 1264. An act for the relief of Lt. Col. John P. Maher, Field Artillery Reserve, Army of the United States;

H. R. 1269. An act for the relief of Virge McClure;

H.R. 1350. An act to record the lawful admission to the United States for permanent residence of Nora R. Neville;

H. R. 1352. An act for the relief of Herman Feinberg;

H. R. 1356. An act for the relief of Elias Baumgarten;

H. R. 1399. An act for the relief of Mrs. Lucy Palmisano and the legal guardian of Anthony Palmisano, Jr.;

H. R. 1562. An act for the relief of the Borough of Park Ridge, Park Ridge, N. J.;

H. R. 1616. An act to grant an honorable discharge from the military service of the United States to William Rosenberg;

H. R. 1721. An act for the relief of Eli L. Scott;

H. R. 1732. An act for the relief of Mrs. Marie A. Shedd, Mrs. Maude C. Denney, and Mrs. Mabel Glenn Gray;

H. R. 1759. An act for the relief of Mildred Neiffer;

H. R. 1838. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of A. G. Bailey against the United States;

H. R. 1950. An act for the relief of Harry Cohen;

H. R. 1980. An act for the relief of Maj. Edward A. Zaj;

H. R. 2062. An act for the relief of Dave Topper;

H. R. 2156. An act for the relief of Lee Harrison;

H. R. 2217. An act for the relief of Rae Glauber;

H. R. 2244. An act for the relief of Edward W. Thurber;

H. R. 2249. An act for the relief of the Cape & Vineyard Electric Co.;

H. R. 2251. An act for the relief of Catherine V. Sweeney;

H. R. 2265. An act for the relief of owners of land and personal property of the Fort Knox area of Hardin County, Ky.;

H. R. 2266. An act for the relief of land and property owners of the Fort Knox area of Meade County, Ky.;

H. R. 2288. An act for the relief of Columbus Thomas;

H. R. 2318. An act for the relief of Mrs. Mertie Pike and the estate of Mrs. Burnice Smotherman, deceased;

H. R. 2331. An act for the relief of Mrs. Grant Logan;

H. R. 2415. An act for the relief of Joseph Tarantola and Ida Tarantola;

H. R. 2418. An act to authorize the United States commissioner for the Sequoia National Park to exercise similar functions for the Kings-Canyon National Park;

H. R. 2509. An act for the relief of the legal guardian of James Irving Martin, a minor;

H. R. 2682. An act for the relief of John Doshim;

H. R. 2826. An act for the relief of Esther L. Berg;

H. R. 2837. An act for the relief of George Stiles;

H. R. 2842. An act for the relief of Montgomery County, Miss., districts 2 and 3;

H. R 2848. An act for the relief of the legal guardian of Wilma Sue Woods, Patsy Woods, Raymond E. Hilliard, and Thomas E. Hilliard, minors;

H. R. 2884. An act for the relief of B. H. Spann;

H. R. 2885. An act for the relief of Mrs. Frank Mitchell and J. L. Price;

H. R. 2901. An act for the relief of Mrs. Janet McKillip;

H. R. 2904. An act for the relief of Clyde Rownd, Della Rownd, and Benjamin C. Day;

H. R. 2927. An act for the relief of Mrs. Evelyn Merritt;

H. R. 2931. An act for the relief of Edward Oatneal, John N. Oatneal, Jr., and James R. Oatneal;

H. R. 3003. An act for the relief of Mary G. Paul;

H. R. 3050. An act for the relief of David Siskind;

H. R. 3121. An act for the relief of Elizabeth M. Simmons and Robert H. Simmons;

H. R. 2126. An act for the relief of Mrs. Jean Taube Weller;

H. R. 3127. An act for the relief of Harry F. Vinton, Jr.;

H. R. 3161. An act for the relief of Mrs. Ruby Miller;

H. R. 3195. An act for the relief of Grenada County, Miss.;

H. R. 3217. An act for the relief of Mattie Lee Wright;

H. R. 3301. An act for the relief of the legal guardian of James Hebert Keith, a minor;

H. R. 3430. An act for the relief of George F. Powell;

H. R. 3431. An act for the relief of F. W. Burton;

H. R. 3483. An act for the relief of Mr. and Mrs. Cipriano Vasquez;

H. R. 3513. An act for the relief of Braxton B. Folmar and Mary Inez Folmar, William Ernest Evans and Dora Ethel Evans, Joseph Thomas Avery and Maggie M. Avery, Robert H. Phillips and Hattie P. Phillips, and the legal guardian of James T. Avery, a minor;

H. R. 3554. An act for the relief of Fred C. Liter;

H. R. 3590. An act for the relief of Charles Brown, legal guardian of Lula Mae Brown; Charity Hospital, of New Orleans, La.; and Dr. Edward H. Maurer;

H. R. 3591. An act for the relief of Addie Pruitt;

H. R. 3670. An act for the relief of the estate of Venancio Llacuna and others;

H. R. 3677. An act for the relief of J. Tom Stephenson;

H. R. 3698. An act for the relief of Mrs. Lucille Scarlett and Charles Scarlett;

H. R. 3846. An act for the relief of the estate of Eleanor Wilson Lynde, deceased;

H. R. 3948. An act for the relief of Mrs. Clifford W. Prevatt;

H. R. 4054. An act for the relief of H. A. Edd;

H. R. 4056. An act for the relief of Mrs. Jud Hendry and her daughter, Gladys Hendry;

H. R. 4208. An act for the relief of the Calvert Distilling Co.;

H. R. 4239. An act granting to Guy A. Thompson, trustee, Missouri Pacific Railroad Co., debtor, and to his successors and assigns, authority to relocate, maintain, and operate a single-track railway across United States Government reservation to lock numbered 3, White River, Independence County, Ark., and for other purposes;

H. R. 4240. An act for the relief of Frank E. Wilmot;

H. R. 4297. An act for the relief of Joseph Schell;

H. R. 4335. An act for the relief of the Morgan Creamery Co.;

H. R. 4560. An act for the relief of Nicholas T. Stepp;

H. R. 4797. An act to confer jurisdiction upon the United States District Court for the Eastern District of Virginia to determine the claim of Lewis E. Magwood;

H. R. 4914. An act to revive and reenact the act entitled "An act creating the city of Clinton Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Ill.", approved December 21, 1944;

H. R. 4940. An act granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate a toll bridge across the Connecticut River at or near Old Saybrook, Conn.;

H. R. 4957. An act for the relief of Herman Gelb;

H. R. 5010. An act for the relief of Mrs. May Holland;

H. R. 5121. An act authorizing the Secretary of the Navy in his discretion to deliver to the custody of the State of Arkansas the silver service presented to the United States for the battleship *Arkansas*;

H.R. 5275. An act to revive and reenact the act granting the consent of Congress to the State Highway Department of South Carolina to construct, maintain, and operate a free highway bridge across the Pee Dee River,

at or near Cashua Ferry, S. C., approved April 30, 1940;

H. R. 5544. An act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River at or near Baudette, Minn.;

H. R. 5574. An act to amend paragraph 8 of part VII, Veterans Regulation No. 1 (a), as amended, to authorize an appropriation of $1,500,000 as a revolving fund in lieu of $500,000 now authorized;

H. R. 5664. An act for the relief of Oscar R. Steinert; and

H. R. 5765. An act authorizing the Secretary of the Navy in his discretion to deliver to the custody of the city of New Orleans the silver service and silver bell presented to the United States for the cruiser *New Orleans*.

ADJOURNMENT

Mr. PACE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 'clock and 36 minutes p. m.) the House, under its previous order, adjourned until tomorrow. Tuesday, April 16, 1946, at 10 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Petroleum Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m., April 16, 1946. Business to be considered: Public hearing to receive the final report of the Petroleum Administration for War.

COMMITTEE ON THE POST OFFICE AND POST ROADS

The Post Office and Post Roads Committee will meet on Tuesday, April 16, 1946, at 10: 30 a. m., at which time a hearing will be had on H. R. 5427, 5560, and 5942, bills relating to the rate of postage on air mail of the first class.

COMMITTEE ON FLOOD CONTROL

7. Tuesday, April 16. California streams, including additional authorization for the approved comprehensive plans for the Los Angeles River and the Sacramento-San Joaquin streams:

Salinas River, Calif.; Santa Clara River, Calif.

8. Wednesday, April 17. Lower Mississippi River Basin, including the Red River, and including additional authorization for the approved comprehensive plan for the White and Arkansas River Basin;

Red River below Denison Dam, Tex., Okla., Ark., and La.; Bayou Pierre, La.; La Fourche Bayou, La.; Pontchartrain Lake, La.; Mermentau River, La.; North Canadian River, Okla.; Polecat Creek, Okla.; Grand (Neosho) River, Kans., Mo., and Okla.; Arkansas River, Ponca City, Okla.; Mississippi River, west Tennessee tributaries; Boeuf and Tensas Rivers and Bayou Macon, Ark. and La.; Big Sunflower, Little Sunflower, Hushpuckena, and Quiver Rivers and their tributaries, and on Hull Brake, Mill Creek Canal, Bogue Phalia, Ditchlow Bayou, Deer Creek, and Steele Bayou, Miss.

9. Thursday, April 18. Lt. Gen. R. A. Wheeler, Chief of Engineers, and other representatives of the Corps of Engineers, and proponents and opponents of projects in other regions.

10. Friday, April 19. Senators and Representatives in Congress and Department of Agriculture, Weather Bureau, and other Government agencies.

COMMITTEE ON RIVERS AND HARBORS

Revised schedule of hearings on the omnibus river and harbor authorization bill to start Tuesday, April 9, 1946, at 10:30 a. m., is as follows:

(Tuesday, April 16)

Cumberland River, Tenn. and Ky.

Big Sioux River, S. Dak.

Mississippi River seepage, Iowa, Minnesota, and Wisconsin.

Mississippi River at Lansing, Iowa.

Mississippi River at Wabasha, Minn.

Mississippi River at Pepin, Minn.

Mississippi River at Hastings, Minn.

(Wednesday, April 17)

Fairport Harbor, Ohio.

Calument-Sag Channel, Ind. and Ill.

Chicago River, North Branch of Illinois.

Napa River, Calif.

Coos Bay, Oreg.

Columbia River at Astoria, Oreg.

Columbia River at The Dalles, Oreg.

Columbia River, Foster Creek Dam, Wash.

(Wednesday and Thursday, May 1 and 2)

Tombigbee-Tennessee Rivers.

(Friday, May 3)

Held open for description of projects favorably recommended by the Board of Engineers for Rivers and Harbors during its April meeting.

(Monday and Tuesday, May 6 and 7)

Big Sandy River, Tug and Levisa Forks, Va., W. Va., and Ky.

(Wednesday and Thursday, May 8 and 9)

Arkansas River, Ark. and Okla.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1213. A letter from the Secretary of War, transmitting a draft of a proposed bill to provide for sundry matters affecting the armed forces, and for other purposes; to the Committee on Military Affairs.

1214. A letter from the Secretary of the Interior, Chairman of the Migratory Bird Conservation Commission, transmitting the report of the Migratory Bird Conservation Commission for the fiscal year ended June 30, 1945; to the Committee on Agriculture.

1215. A letter from the Administrator, Veterans' Administration, transmitting a draft of a proposed bill to remove the existing limitation on the number of associate members of the Board of Veterans' Appeals in the Veterans' Administration; to the Committee on World War Veterans' Legislation.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. BALDWIN of New York:

H. R. 6137. A bill to protect buildings used for the occupation of tenants for living accommodation against being demolished; to the Committee on Banking and Currency.

By Mr. CASE of South Dakota:

H. R. 6138. A bill to create a United States foreign legion; to the Committee on Military Affairs.

By Mr. MANSFIELD of Montana:

H. R. 6139. A bill to amend the Internal Revenue Code so as to provide for the exclusion from gross income for income-tax purposes amounts paid by a veteran in the purchase of a home; to the Committee on Ways and Means.

By Mr. BYRNE of New York:

H. R. 6140. A bill granting exemption from income tax in the case of retirement pensions and annuities received by State, county, and municipal employees; to the Committee on Ways and Means.

By Mr. O'KONSKI:

H. R. 6141. A bill to provide funds for cooperation with the school board of Hunter School district for the construction and equipment of a new school building in the town of Hunter, Sawyer County, Wis., to be available to both Indian and non-Indian children; to the Committee on Indian Affairs.

By Mr. LESINSKI:

H. R. 6142. A bill to authorize the United States armed services to accept enlistments of individuals who, after September 1, 1939, served in the armed forces of any of the United Nations; to the Committee on Military Affairs.

By Mr. PRICE of Illinois:

H. R. 6143. A bill to incorporate the Amvets, American Veterans of World War II; to the Committee on the Judiciary.

By Mr. ANDREWS of New York:

H. J. Res. 340. Joint resolution to amend the joint resolution creating the Niagara Falls Bridge Commission; to the Committee on Foreign Affairs.

By Mr. SPENCE:

H. J. Res. 341. Joint resolution to extend the succession, lending powers, and functions of the Reconstruction Finance Corporation; to the Committee on Banking and Currency.

By Mrs. LUCE:

H. Con. Res. 143. Concurrent resolution to provide for United Nations passports; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BONNER:

H. R. 6144. A bill for the relief of Mrs. Nonie McLawhorn; to the Committee on Claims.

By Mr. FALLON:

H. R. 6145. A bill for the relief of Esther Geartner; to the Committee on Claims.

By Mr. STEWART:

H. R. 6146. A bill for the relief of Mrs. Thelma Crosslin; to the Committee on Claims.

PETITIONS, ETC.

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

1802. By Mr. GAVIN: Petition of Clifford L. Kiehl, and other residents of Clarion County, Pa., opposing passage of Wagner-Murray-Dingle bill, House bill 4730 and Senate bill 1606; to the Committee on Interstate and Foreign Commerce.

1803. Also, petition of Mrs. Orval Blauser and other residents of Knox, Clarion County, Pa., protesting passage of House bill 4730 and Senate bill 1606, the Wagner-Murray-Dingle bill; to the Committee on Interstate and Foreign Commerce.

1804. By Mr. HALE: Petition of New Century Pomona Grange, Peru, Maine, for the

resignation of Chester Bowles from the office of Director of Stabilization; to the Committee on the Judiciary.

1805. By Mr. SMITH of Wisconsin: Petition of Carl A. Brugger, secretary, Brotherhood of Painters, Decorators, and Paperhangers of America, Lake Geneva, Wis., re: Extension of OPA; to the Committee on Banking and Currency.

1806. Petition of Hugh Reichard, director, UAW-CIO Education Council, 516 College Avenue, Racine, Wis., re: Statement on veterans' preference for new homes; to the Committee on World War Veterans' Legislation.

1807. Mr. VOORHIS of California: Petition of Henry I. Burr and 1,475 others, all students at Yale University, urging that adequate relief for the war devastated areas of the world is essential for world peace and security; endorsing the plan of UNRRA; expressing concern that Congress immediately make available any needed funds for relief purposes, and urging a great national effort, including rationing if necessary to enable needed allocations of food to actually go forward to needy areas; to the Committee on Foreign Affairs.

1808. By the SPEAKER: Petition of West Area Business and Professional Women's Club, petitioning consideration of their resolution with reference to endorsement of the Neely cancer bill, House bill 4502; to the Committee on Foreign Affairs.

1809. Also, petition of F. Anderson and others petitioning consideration of their resolution with reference to endorsement of legislation renewing the powers of OPA; to the Committee on Banking and Currency.

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 16, 1946

The House met at 10 o'clock a. m.

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

Almighty God, before whose face earth's generations rise and fall, we pause in recognition of the kingship of our Lord and Saviour. His throne is forever and ever and the scepter of His kingdom is a scepter of righteousness. We rejoice that the lips of little children, with their jubilant singing, bore testimony of the sovereignty of our Lord. By the eternal counsels of our Father we are reminded of our stewardship and responsibility, that at the last it may be known that we fed the hungry, refreshed the thirsty, housed the stranger, clothed the naked, and visited the sick. We pray that these tender ministries may be counted our portion by the Judge of all the earth. Let us heed Thy great command: "Whatsoever thy hand findeth to do, do it with thy might." Have mercy upon us, O God, have mercy, that Thy throne may be supreme in all hearts; to this end help us to live, to learn, and to love. In our Redeemer's name. Amen.

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

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Gatling, its enrolling clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1592. An act to establish a national housing policy and provide for its execution.

RESIGNATION FROM COMMITTEE

The SPEAKER laid before the House the following resignation from committees:

APRIL 15, 1946.

The Honorable SAM RAYBURN,
Speaker of the House,
Washington, D. C.

DEAR MR. SPEAKER: Please accept this as my resignation from the following committees of the House of Representatives, of which I am now a member: Committee on Patents, Committee on Indian Affairs, Committee on Mines and Mining.

Respectfully yours,

GEO. B. SCHWABE.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

ELECTION TO COMMITTEE

Mr. MARTIN of Massachusetts. Mr. Speaker, I offer a resolution (H. Res. 600) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That GEORGE B. SCHWABE, of Oklahoma, be, and he is hereby, elected to the Committee on Appropriations of the House of Representatives.

The resolution was agreed to.

ERNEST PEDRO FERREIRA

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3159) for the relief of Ernest Pedro Ferreira, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "$1,500" and insert "$2,000."

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

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

MRS. BEATRICE BRISBIN ET AL.

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4253) for the relief of Mrs. Beatrice Brisbin and the legal guardians of Wynona Gene Brisbin, Nelda Elaine Brisbin, Gwendoline Louise Brisbin, and Jacqueline Nadine Brisbin, minors, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, strike out all after line 4 over to and including "date" in line 7, page 2, and insert "appropriated, to the estate of Chancie Lee Brisbin, deceased, of Route No. 1, Holland, Tex., the sum of $6,313, in full settlement of all claims against the United States for the personal injury and death of the said Chancie Lee Brisbin as the result of being struck by a block of ice thrown by a soldier from a moving railroad train on the Missouri, Kansas & Texas Railroad Co.'s right-of-way near Holland, Tex., on January 24, 1945.

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

There was no objection.

The Senate amendments were concurred in.

The title was amended so as to read: "An act for the relief of the estate of Chancie Lee Brisbin, deceased."

A motion to reconsider was laid on the table.

JAMES SHERRY

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2528) for the relief of James Sherry, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "$12,500" and insert "$9,167.47."

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

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

MRS. OLLIE PATTON

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1674) for the relief of Mrs. Ollie Patton, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 5, strike out "$5,000" and insert "$3,000."

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

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

ORVIS WELCH

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2167) for the relief of Orvis Welch, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "$4,523.45" and insert "$3,523.45."

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

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

MRS. C. A. LEE

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the